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Standing Committee on Fisheries and Oceans

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• (1105)

[English]

The Chair (Patrick Weiler (West Vancouver—Sunshine Coast—Sea to Sky Country, Lib.)): Good morning, everybody. I call this meeting to order.

[Translation]

Welcome to meeting number 21 of the House of Commons Standing Committee on Fisheries and Oceans.

[English]

I want to start by acknowledging that we are gathered on the ancestral and unceded territory of the Algonquin Anishinabe people, and I express gratitude that we're able to do the important work of this committee on lands they've stewarded since time immemorial.

Pursuant to Standing Order 108(2) and the invitation of the Standing Committee on Finance, the committee is meeting to commence its study of the subject matter of clauses 553 to 570 of Bill C-15, an act to implement certain provisions of the budget tabled in Parliament on November 4, 2025.

[Translation]

Today's meeting is taking place in a hybrid format, pursuant to the Standing Orders. Members are attending in person in the room and remotely using the Zoom application.

[English]

Before we continue, I would ask all in-person participants to consult the guidelines written on the cards on the table. These measures are in place to help prevent audio and feedback incidents and to protect the health and safety of all participants, but in particular the interpreters. You will also notice a QR code on the card, which links to a short awareness video.

I would remind all participants that all comments should be addressed through the chair.

[Translation]

For members in the room, if you wish to speak, please raise your hand. For members on Zoom, please use the "raise hand" function.

[English]

With that, I would like to welcome back the Honourable Joanne Thompson, Canada's Minister of Fisheries and Oceans, and Kaili Levesque, interim deputy minister.

We'll go right into opening remarks from Minister Thompson.

You have five minutes.

Hon. Joanne Thompson (Minister of Fisheries): Thank you, Mr. Chair.

It is a pleasure to be here at the Standing Committee on Fisheries and Oceans.

Budget 2025 is a transformational budget. We are spending less on operations so we can invest more in Canadians' future, creating high-paying careers, building our country and growing our economy. We are ensuring that Canadian industries will be supported.

Around the globe, people want Canadian seafood because it is the best in the world. It's ethical, sustainable and the highest quality. That's why Canada exports fish and seafood to more than 100 countries.

To build Canada strong, our new government is squarely focused on expanding markets to grow our fish and seafood sector to support a strong Canadian economy. Later this year, I'll be supporting Canadian harvesters, processors and exports at seafood shows in Boston and Barcelona to make sure that Canadian seafood is on the menu for global markets. This is how we build a resilient coastal economy and generate long-term prosperity for the sector. Expanding our markets protects the tens of thousands of jobs our fisheries support in rural and coastal communities.

We are taking a whole-of-government approach to find solutions and fight for Canadians. Just recently, our Prime Minister was in China, where we worked with China to remove tariffs on lobster and crab. These are extraordinarily valuable fisheries for this sector and an important step for market access for Canadian seafood. Canada is adjusting its relationship with China—the second-largest fish and seafood export market for Canada—and opening up new opportunities in trade diversification.

While the recent agreement with China should enable us to continue diversifying our seafood market into the Chinese market, we must continue working to remove remaining tariffs on Canada's fish and seafood sector. We are opening markets for Canadian seafood; meanwhile, the Leader of the Opposition is encouraging Canadians to skip our seafood.

I will always stand up for our harvesters and workers. I have heard the calls for market access from harvesters on the wharves and from workers in our plants. It is why consultation is such a priority for me. It is how good decisions are made.

In Newfoundland and Labrador, I launched the food fishery survey to hear directly from fishers on how we can make the food fishery in Newfoundland and Labrador work for them. More than 9,500 people responded and participated in the survey to have their voices heard. I have directed my department to compile the information so that it can form a decision that works for the people at home. That is real consultation. The Conservatives would rather try to jam through legislation without consultation that doesn't listen to the fishers in our province and that instead threatens all our commercial fisheries in Atlantic Canada by trying to make the management of fisheries one-size-fits-all.

Let me turn to enforcement for a moment. Our government is committed to safe and orderly fisheries. Conservation and protection officers are doing excellent work to protect the resource and enforce the Fisheries Act.

This past season, conservation and protection officers seized thousands of traps. They returned tens of thousands of lobsters to the water. They inspected dozens of facilities. C and P will continue to have a strong enforcement posture to manage a safe and orderly fishery. I fully support the work of enforcement officers.

My job as Minister of Fisheries is to make sure we are both protecting the resource and protecting the livelihoods that depend on it so that this work is still here for our kids and grandkids. It is very important to me that we identify every opportunity to get more young people into this industry, because young people need to see a future in this sector.

I want our communities to continue to see the benefits of the fishery. We are moving forward with consultations to modernize our fisheries on the west coast so that licensing works better and harvesters see more benefits from their hard work.

On the east coast, I am focused on strengthening the administration and enforcement of the inshore regulations to make sure our fisheries benefit those doing the work and their communities. We want the benefits of inshore fishing to stay with the independent licence-holders in the communities they support.

We are continuing to review the rules with industry to see where we can make them better. Consultation and collaboration are how we can deliver good fisheries management that benefits Canadians.

Thank you. I welcome your questions.

The Chair: Thank you very much, Minister.

We're now going to begin our first round of questioning, starting with Mr. Arnold for six minutes.

Mel Arnold (Kamloops—Shuswap—Central Rockies, CPC): Thank you, Minister, for being here. You were able to make this meeting on fairly short notice.

I'm disappointed that you've taken the time today not to discuss the issue that was the sole item on the agenda, which is the matter of clauses 553 to 570 of Bill C-15, and instead have taken a parti-

san, attack approach here today. Typically, this committee, for the 10 years that I've been on it, has worked toward the betterment of fisheries and fishers. I'm disappointed that you've used this time for a partisan attack. Not one word in your opening remarks refers to the question at hand today, which is clauses 553 to 570.

Minister, have you been briefed on the Freshwater Fish Marketing Corporation, or FFMC?

• (1110)

Hon. Joanne Thompson: I have.

Mel Arnold: Have you been briefed on the government's divestment of the Freshwater Fish Marketing Corporation?

Hon. Joanne Thompson: I have.

Mel Arnold: Madam Minister, DFO has a web page detailing the FFMC transition or transformation process. This web page contains a commitment stating that the Government of Canada is "committed to ensuring its long-term success."

Considering the problems and dysfunctions that the FFMC has experienced as a Crown corporation, how can the Government of Canada commit to ensuring the long-term success of the FFMC after it is divested?

Hon. Joanne Thompson: As you know, the government has made the decision to divest FFMC so that it can modernize and become more competitive. We have entered into an exclusive negotiation with a bidder. Since the Government of Canada respects the confidentiality of our negotiations, I cannot share any more on this negotiation at this time.

Deputy, is there anything you can add?

Kaili Levesque (Interim Deputy Minister, Department of Fisheries and Oceans): Thank you very much, Minister.

This specific case, as the minister noted, is bound by commercial confidentiality. It is meant to have the outcome of revitalizing the Freshwater Fish Marketing Corporation to meet the needs of the marketplace itself and respond to inland fishers.

Mel Arnold: The FFMC lost \$7.2 million in 2024 and \$7.6 million in 2025. Once divested, will the FFMC continue to receive federal funds to sustain these kinds of losses in its operations and to cover the fiscal shortfall?

Hon. Joanne Thompson: I'm going to have to say the same thing to you. Out of a need for confidentiality, I cannot speak to the negotiation process at this time.

Deputy, if there's anything else you want—

Mel Arnold: Obviously, you're skirting the question.

As of December 4, 2025, the statement on the FFMC divestiture says, “The divestiture process was designed to reduce financial risk”. Whose financial risk was the divestiture process designed to reduce?

Hon. Joanne Thompson: I'm going to go back to an earlier comment, which is that the purpose of the divestiture is to modernize the company and make it more competitive.

Mel Arnold: Who's financial risk is to be reduced?

Hon. Joanne Thompson: Again, that goes to the confidentiality of the process. I think we need to ensure that continues.

Mel Arnold: Is the government going to continue with the financial risk?

Hon. Joanne Thompson: I will say the same thing. This process is confidential, to protect all involved.

Mel Arnold: Why do we have you here if you can't even tell us anything about how this divestiture is going to work? How can we make any recommendations when you continuously skirt the questions that will help us make any recommendations on this?

Minister, how many organizations did the federal government provide with access to capacity funding for the divestiture process? Organizations were provided the opportunity to access capacity funding to facilitate participation in the competitive bidding process. How many organizations did the federal government provide with access to capacity funding?

Hon. Joanne Thompson: I'm going to turn to the deputy for this. I have to protect the confidentiality of all who were involved in that process.

Kaili Levesque: The number of bidders is subject to the confidentiality parameters, but all were offered the opportunity for that. As the process brings itself through to fruition, we'll be happy to share the outcomes.

Mel Arnold: Okay.

What criteria did an organization require to access capacity funding from the government in order to participate in the bidding process? What were the criteria?

Hon. Joanne Thompson: Again, that's part of the confidentiality.

Deputy, I don't know if there's anything more you can add.

Kaili Levesque: A detailed bidding criteria was undertaken in terms of participating in the process itself...and to avail themselves of any willing bidders in the process of that capacity-building funding to ensure the ability to engage through analysis, market development, etc.—all of the work that would be required for due diligence, sir.

• (1115)

Mel Arnold: Minister, did the government consult with harvesters who had chosen not to market through FFMC in the past?

Hon. Joanne Thompson: In terms of the process, I will turn to the deputy, but I can tell you that I met with many of those harvesters myself. I also visited the FFMC in Winnipeg, so I certainly had direct consultations.

Deputy, is there anything you want to add in terms of the more formal process?

Kaili Levesque: Yes is the short answer. I know we're at time, but that indeed was part of the consultation: to help inform what those criteria were and what the transformation of the FFMC needs to look like for inland fishers and harvesters to participate in that market sale.

The Chair: Thank you very much, Mr. Arnold.

We're going to Mr. Connors for six minutes.

Paul Connors (Avalon, Lib.): Thank you very much.

Welcome, Minister.

The government has been taking steps to make departments more efficient and more streamlined. How is divesting the FFMC helping the government with this process?

Hon. Joanne Thompson: Again, I have to be very careful around confidentiality in this process, but I will say that the intent is to modernize the FFMC and to make the processes more competitive.

I will add that I visited many of the communities this summer that are still part of the process and that were part of the original engagement, and certainly seafood is incredibly important to all of these sectors. We always need to be able to adapt processes to ensure we achieve what we need to achieve, which is ultimately about getting the product to market.

Deputy, I don't know if there's anything more you want to add.

Kaili Levesque: Indeed, in seeking the mandate to pursue this undertaking, open engagements were held with harvesters—those who engage with the FFMC and those who choose to no longer engage with the FFMC.

The corporation once held a monopsony in the freshwater fish inland fisheries, and the idea is that in an open market, being increasingly competitive was challenging. Looking at the business model fundamentally and those who chose to no longer sell into it, what was the rationale for that, and how could we structure a process to enable that market-based engagement?

Paul Connors: Many harvesters who work in the freshwater fishery in Canada are indigenous. While working through this divestiture, what are you doing to ensure that indigenous harvesters will have access to markets?

Hon. Joanne Thompson: I have to fall back into the need for confidentiality in the divestiture process. I will add, before I turn to the deputy on this, that consultation, as we've said many times, is incredibly important, and that's with all involved—with indigenous as well as non-indigenous harvesters.

I don't know, Deputy, if there's anything more you're able to add.

Kaili Levesque: The honourable member mentioned the capacity funding provided to indigenous organizations that participate in the bidding process. In addition, priority criteria were established around the bidding process in and of itself. They include indigenous fisheries and rural, remote and inland harvesters as well, to ensure due consideration for the unique realities of those harvesters, fishers and the markets they are attempting to grow and engage in.

Paul Connors: When the government started to look at the divestiture of the FFMC, what challenges and benefits were related to the divestiture of the corporation? What were some of the challenges you looked at?

Hon. Joanne Thompson: I'm going to turn to the deputy for that detail, but I want to stress once again that the process was about being able to modernize the FFMC and allow it to be more competitive.

I don't know, Deputy, if you're able to add anything more. The confidentiality makes it very difficult to give details, but is there anything else?

Kaili Levesque: The market parameters of losing market share on freshwater fish sales were one of the big motivators. The decreasing returns and the decreasing number of participants in the FFMC itself were absolutely a driver there.

We had several provinces and territories that opted to no longer participate in the structure of the FFMC, given the monopsony I mentioned it is structured on, favouring open market access to try to maximize the returns to individual harvesters and fishers. That was a big driver of looking at the idea that if the market is not bearing that, we need to transform it to make sure that opportunities are available for fishers and that the corporation is meeting market demands in export opportunities as well as domestically.

• (1120)

Paul Connors: Minister, I'm going to ask you a question about the food fishery and the survey that was just done.

When are we anticipating to have some data available to the food fishery harvesters?

Hon. Joanne Thompson: As I said earlier, I'm very proud to share that over 9,500 people participated. That was really quite extraordinary. We are now looking at that information.

I don't have a date—I don't know, Deputy, if you have one—but I can tell you that we are actively reviewing the survey. Certainly, we'll share the results when that's completed.

Paul Connors: I also want to ask a question, seeing as you're here, about the mackerel industry. I spoke to a lot of fishers in Newfoundland and Labrador who think that the fishery should be reopened. Can you give me some thoughts on that, please?

Hon. Joanne Thompson: Of course.

I have spoken with both industry and harvesters; I think I shared that when I appeared before committee the last time. We certainly take seriously what the harvesters are saying. They're our eyes on the water. We have received the data from industry, and we are now reviewing it. Once it's available, we will share it.

Paul Connors: Harvesters have expressed concern that the science doesn't match what they're seeing on the waters. They're hop-

ing that the eyes on the water, as you said, are taken into consideration when looking at this fishery again.

Hon. Joanne Thompson: I heard that loud and clear. I firmly believe in consultation, which is why we asked for industry to share their data with us. That is now being considered. They'll be part of the conversations as we look at both and move forward.

The Chair: Thank you very much, Mr. Connors.

[*Translation*]

Mr. Deschênes, you have the floor for six minutes.

Alexis Deschênes (Gaspésie—Les Îles-de-la-Madeleine—Lis-tuguj, BQ): Thank you, Mr. Chair.

Good morning, everyone.

Good afternoon, Minister. It's nice to have you here and to see you again.

A major election promise was made by your leader, namely creating an Arctic fisheries fund and replenishing the Atlantic fisheries fund and the Quebec fisheries fund.

I want to talk to you about the Quebec fisheries fund to try to understand what's going on. As we go around and talk to people, we see that they are unanimously calling for the return of the Quebec fisheries fund. Unfortunately, it will expire on March 31, and not a single dollar was announced for it in the last budget.

In January, I met with people from the Association québécoise de l'industrie de la pêche. A unanimous resolution called for the return of the fisheries fund, and we see that not only the fishers' associations were demanding this, but also scientific institutes such as Merinov and industry people.

A number of projects and groups are waiting. People on the Côte-Nord are waiting for boat launches. Lobster fishers are waiting for a project to better study the ocean floor. Fisheries are prepared to modernize, innovate and move forward, but they need the fisheries fund to do so.

Why, despite the promise that was made, is there still no money announced for the Quebec fisheries fund?

[*English*]

Hon. Joanne Thompson: I want to share that this budget is very important for Quebec. It has funds for an airport, a naval shipyard and the shark pavilion and has support for small craft harbours in your riding. I need to note that you voted against all of this. I know that the fisheries fund is incredibly important. I'm very well aware of that.

I will also share that, obviously, as you mentioned, the funding is available until the end of March. Certainly, we'll share any other information that becomes available, but I understand that it's very important for industry.

[*Translation*]

Alexis Deschênes: In your opening remarks, you said you wanted to support the fishing industry in terms of innovation. The fisheries fund is exactly the tool to do that.

Why has no money been announced yet to replenish the fisheries fund?

[*English*]

Hon. Joanne Thompson: I will go back to the broader items in the budget that were very important for your region—things that you lobbied for that were in the budget. I need to reference again that you voted against all of them.

I will reiterate that I understand the fisheries fund is incredibly important. We have funding in place until the end of March. I will let you know if anything changes in the coming weeks.

• (1125)

[*Translation*]

Alexis Deschênes: Minister, is the election promise still valid or has it been abandoned by your government?

[*English*]

Hon. Joanne Thompson: I understand that it is incredibly important. I hear that from all stakeholders. I hear it from my own colleagues and in meetings like this. I bring that forward.

We have funding in place until the end of March, and if anything changes, I will share that immediately.

[*Translation*]

Alexis Deschênes: Then you are also pushing for the fisheries fund to be replenished. That's my understanding.

[*English*]

Hon. Joanne Thompson: I actively advocate for all things that I hear from harvesters, the industry and all participants in the fishery. It is important that I do that.

When I speak about consultation, I take that process seriously. I review what I hear. If we need to incorporate something into science processes—we just mentioned the mackerel fishery in Newfoundland and Labrador—we will do that. If it means that I advocate within government, then I will do that as well. I reiterate that I know clearly that this is very important.

[*Translation*]

Alexis Deschênes: Minister, at a time when the global context is so uncertain, when we need to make sure that our fisheries build capacity and when there has been a promise not only to replenish the fisheries fund but also to increase its funding by 20%, would you agree that it would be unacceptable and practically unforgivable not to do so?

[*English*]

Hon. Joanne Thompson: I hear and appreciate what you're saying, but I will go back to my opening point. There were many items in the budget that were incredibly important to your region. I know you spoke to me about them prior to the budget being released. I have to note that you voted against all of them.

I work on all of these items. They're all important and I advocate for every region in this country.

[*Translation*]

Alexis Deschênes: Minister, replenishing the fisheries fund was not in the budget, which is still a significant oversight.

[*English*]

Hon. Joanne Thompson: Would you still have voted against the budget?

[*Translation*]

Alexis Deschênes: The budget was passed, and the investments we've had, particularly for Exploramer, are good public policy. I congratulate you and thank you for being sensitive to our concerns.

However, that doesn't change the fact that the fisheries fund is empty. Quebec is ready to commit. This is also time-sensitive, because if it is eventually unlocked, if you keep your promise and supply funds, you'll have to come to an agreement with Quebec. Don't you think we're wasting precious months?

[*English*]

Hon. Joanne Thompson: We still have funding until the end of March. If there's any change, I'll let you know.

[*Translation*]

Alexis Deschênes: Thank you.

The Chair: Thank you, Mr. Deschênes.

That completes the first round of questions.

[*English*]

We're going to start the second round with Mr. Small for five minutes.

Clifford Small (Central Newfoundland, CPC): I'd like to thank the minister for appearing today.

Minister, there's been 10 years of Liberal mismanagement of the Freshwater Fish Marketing Corporation. Quite a large number of harvesters depend on this corporation to purchase and process their fish, especially in Saskatchewan and Manitoba. Do you know what the percentage is, Minister?

Hon. Joanne Thompson: I'll turn to the deputy for the exact number.

Clifford Small: I think you should know that, Minister. This is a very important thing. You're depending on your budget to bring in a massive change to the fish harvesters of Saskatchewan and Manitoba especially.

Hon. Joanne Thompson: I will turn to the deputy for the exact numbers, but I certainly will—

Clifford Small: No, that's fine. We'll have the deputy in the second half.

How should the fish harvesters of the inland fisheries have any trust in what's going to happen to them? Do you remember what happened in Newfoundland and Labrador when FPI was similarly divested?

Hon. Joanne Thompson: As we've already stated, there were full consultations. We are in negotiations with bidders, so there is a need for confidentiality to protect all parties involved, but the intent is to modernize—

Clifford Small: How many bidders were there?

• (1130)

Hon. Joanne Thompson: I'm not sure how much I'm allowed to say, to be quite honest.

Clifford Small: Well, if I know there were 11, how come you don't?

Hon. Joanne Thompson: It's not a question, Mr. Small, of knowing. It's what, in light of the confidentiality—

Clifford Small: What's with the big secret here?

Hon. Joanne Thompson: There are processes in place to protect all bidders and to protect, under the Government of Canada, the divestiture process. I can share very high-level information with you at this point. You're certainly welcome to ask the deputy in the second half, but I'm not able to provide detailed information.

Clifford Small: Conservatives support the divesting of federal corporations and ending outdated federal monopolies, of course, but given the record of failure, the lack of transparency around buyers and transition plans, and the erosion of trust among fishers whose livelihoods are affected, why should anyone believe this divestiture will be handled competently?

Hon. Joanne Thompson: What I can share with you is that I was in many of the regions this summer. I met with harvesters, I visited the FFMC and met with the entire senior team. It was very helpful for me in understanding the need to modernize and the need to ensure that it's competitive. It is very important for so many of the harvesters in the area that they have an opportunity to bring their product to market.

Clifford Small: We've had quite a few of these harvesters come to us and express their mistrust, and it seems that the same lack of trust exists with this divestiture, or very close to it. It also exists in the setting up of marine protected areas, where your government is committed to shutting down 30% of our oceans to our fish harvesters by 2030.

Witnesses before this committee have warned that these decisions risk removing large portions of viable fishing grounds that directly impact their fishing livelihoods and the well-being of their families.

You were able to respond to an invitation by this committee on this particular topic here today, of which you mentioned zero in your opening remarks. Would you be able to commit to us today that you'll be able to give us a fast decision to appear at our ongoing study on marine protected areas in the next couple of weeks?

Hon. Joanne Thompson: I believe we need to protect our ecosystems. At the same time, we need to protect our fisheries. I believe in consultation. I'm pleased that there's a study before this committee to look at marine protected areas.

Clifford Small: Minister, we have representatives duly elected to represent coastal regions that are going to be impacted by the decision that your government made to choose the United Nations over the livelihoods of fishing families.

Will you commit today and let us know that you care as much about the livelihoods of the coastal communities that are going to be impacted by your decisions in setting up these marine protected areas to suit the United Nations? Do you care as much about that as you do about the decision made to come here so quickly?

Hon. Joanne Thompson: MP Small, I assure you that I believe in consultation, and I make myself available to this committee when asked. I will continue to protect the need to consult—

Clifford Small: Will you come to the MPA study?

Hon. Joanne Thompson: That's for my team to see what fits.

Clifford Small: Come on. You're the boss.

Hon. Joanne Thompson: I am not going to play games with something that's very important to harvesters and to regions. We can do more than one thing. We can protect fisheries. We can protect our habitat. This is about—

Clifford Small: Well—

The Chair: I'm going to jump in here. We're well over time, Mr. Small, so we're moving on.

Clifford Small: Thanks, Minister.

The Chair: Next we're going to Mr. Morrissey for five minutes.

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

I have a question for the minister.

It should be clear to anybody in the room, or anyone who may be watching, that the reason we're narrowly studying this part of the budget is that the Conservatives on the finance committee, by motion, referred only this part to this committee to review.

Minister, give me a general comment. Obviously, senior officials in your department briefed you on taking the steps that you are considering doing with this particular corporation. What was the basis for recommending to go in that direction?

• (1135)

Hon. Joanne Thompson: I need to stay in a very narrow space, because I have to protect the confidentiality of the divestiture process, but I can tell you that it is about a need to modernize. Also, it is about the need for this organization to be competitive. Harvesters depend on the ability to get product to market—

Robert Morrissey: When would it have last been looked at by the department, specifically in attempting to preserve it for the benefit of fishers in the future?

Hon. Joanne Thompson: I don't have that data.

Deputy, do you?

Robert Morrissey: Could you provide it?

Hon. Joanne Thompson: We're happy to provide it.

Robert Morrissey: Thank you, Madam Minister.

In your opening statement, Minister, you referenced enforcement and C and P. Certainly, the opposition has given us latitude to move beyond the narrow scope of the reference, but could you for the benefit of the committee give us a general overview?

Clifford Small: I have a point of order, Mr. Chair.

The Chair: I'm sorry. There's a point of order.

Clifford Small: Mr. Chair, I'm wondering if the matters that Mr. Morrissey just referenced were noted in camera or in public?

Robert Morrissey: That wasn't on the Order Paper—

Clifford Small: Is he disclosing discussions that were meant to remain private?

The Chair: I'm not sure what point of order the member is raising.

Clifford Small: Are things that are discussed in camera allowed to be brought forward to this committee?

Robert Morrissey: What was discussed in camera?

Mr. Chair, I fail to see where the member is coming from. I'm talking generally. You referenced conservation and protection. My question was to give the committee a general overview of where the department was and where it's at today as it relates to protection and conservation and the ability of the department to effectively protect the fisheries on all coasts and in the inland waters.

Hon. Joanne Thompson: I can share that since I became minister, I've been working with the department on key issues around the staffing and recruitment of C and P officers. I take this very seriously. I've been very clear that unauthorized fishing is not acceptable.

To that end, I want to thank the conservation and protection officers for the work they've done. It was really quite extraordinary. They have seized thousands of traps. They've returned tens of thousands of lobsters to the water, and they've also inspected dozens of facilities. I think that's a very important step forward and really

does set us up well for the upcoming season. I want to thank the officers for what they've done.

Robert Morrissey: Could you give to the committee a sense of where you see the department's focus on conservation and protection going in the immediate year coming and in the future?

Hon. Joanne Thompson: To align with the need to have an authorized fishery and to have a safe and successful fishery for all involved, it's important that we continue to support the work of enforcement. That continues. It is important that officers have the tools they need to continue to do the work.

I also want to say—again going back to consultation—that it is important that we continue to sit together. I do that regularly. I meet with harvesters, whether it's on a wharf or in a meeting room. All of us have to work together, and that's how we'll have a productive and safe fishery for all.

Robert Morrissey: How much time do I have, Mr. Chair?

The Chair: You have a minute.

Robert Morrissey: Going back, you touched briefly on your support for the fisheries fund and how important it is for supporting a lot of initiatives within the fishery. Could you expand on that a bit? If and when the budget is approved, does that move us closer to having funding for that important fund?

• (1140)

Hon. Joanne Thompson: I hear loud and clear, and have certainly seen for myself, that the funding has been incredibly important not just to the Atlantic region—and in different names—but across the country. The funding is in place until March, but I know that it's incredibly important. If at any time there's additional information to share, I will be happy to do that, and I will.

Robert Morrissey: Thank you, Minister.

The Chair: Thank you very much, Mr. Morrissey.

[*Translation*]

We'll now go to Mr. Deschênes for two and a half minutes.

Alexis Deschênes: Thank you, Mr. Chair.

Minister, I would like you to work with us on Atlantic salmon.

In Quebec, the Atlantic salmon industry is worth \$26 million, a significant amount. The 2023 and 2024 seasons were very worrisome, because very few grilse were running. The Fédération québécoise pour le saumon atlantique asked me to meet with them and explained that the most likely explanation was that there had been a major sudden die-off in the Strait of Belle Isle. It therefore made a request to your department last year for fisheries officers to have the authority to take smolt bycatch, often from capelin fishers, and conduct scientific tests to try to understand what caused the major die-off. The request was made last year, but there was no follow-up.

Can we count on your support to get this done before the upcoming season?

[English]

Hon. Joanne Thompson: Thank you for bringing that to my attention. I will go back to my team and look into this.

We'll get back to you with an answer, but, again, I want to stress that I believe in consultation. To not consult isn't a decision that I would take, so let me just find out the nuances on this and get back to you.

[Translation]

Alexis Deschênes: I'll move on to another topic, which is exploratory lobster fishing licences.

Phase 2 is on hold, and you will decide whether phase 2 begins this summer or later.

There's a lot of demand from people in area 19. At the very least, they want to know as quickly as possible whether phase 2 will be launched or whether they have to wait.

I need to know where things stand on that and, in particular, what your scientists are saying about the possibility of starting phase 2 of exploratory licences.

[English]

Hon. Joanne Thompson: I'm going to turn to the deputy.

Do you have a timeline for when that information will be available—certainly for my eyes and if we have more consulting we need to do?

[Translation]

Kaili Levesque: Right now, we're analyzing last year's data for areas 17, 18 and 19, which are the exploratory areas you mentioned. The data was provided to the Department of Fisheries and Oceans. We had a meeting with the industry before the holidays. We're still in the process of preparing recommendations for this year.

The Chair: Thank you, Mr. Deschênes.

[English]

Next we're going to Mr. Gunn for five minutes.

Aaron Gunn (North Island—Powell River, CPC): Thank you, Mr. Chair.

Minister, I just want to give you an opportunity. With my colleague Mr. Small, your exchange got cut off.

Can you confirm that you will basically be following the unanimous wishes of this committee and appearing on our study to discuss marine protected areas, which are obviously creating a lot of uncertainty and strain among fishermen, their families and coastal communities in my riding and right across Canada?

Hon. Joanne Thompson: What I will say once again is that I believe that consultation is critically important. I think I've said this before at committee. We need to protect ecosystems. That is the future of the fisheries for all—

Aaron Gunn: I—

Hon. Joanne Thompson: Let me finish. At the same time, we can protect fisheries.

I understand this study is happening. I think it's incredibly important that you meet with a wide range of individuals—

Aaron Gunn: Will you be appearing, Minister? That's the question.

Hon. Joanne Thompson: If I'm asked to appear, we certainly will look at that.

Aaron Gunn: Well, you have been asked to appear. That's on the record. It was unanimous from all members of this committee, but as of right now, there's no commitment on your part. Is that correct? I'm just trying to get this on the record for—

Hon. Joanne Thompson: Let me answer clearly. I have always been open. This is my third appearance at this committee in a number of months. I am always open to appearing at committee.

Aaron Gunn: I won't take that as a commitment, but I do appreciate your appearing before this committee, including here today.

I have a question about the FFMC. You mentioned that there is a preferred bidder for this process. Was it the highest bidder in this process? How can Canadians have confidence that this is the best deal for taxpayers?

• (1145)

Hon. Joanne Thompson: I am not able to give you details, simply because there is a need for confidentiality around the process.

I have had updates, and I will continue to have updates on the process, but there's very limited information that I can provide because I have to honour the confidentiality process.

Aaron Gunn: It is possible that the preferred bidder the government is pursuing this with—it seems unilaterally—is not necessarily the highest bidder. Why should Canadians have confidence that it is in the best interests of taxpayers, then?

Hon. Joanne Thompson: To be very clear, I am not providing any detailed information on the process. I believe in the integrity of the process. I also believe that it is essential that I honour the confidentiality of that process so we can continue.

Aaron Gunn: That seems like a very convenient excuse to avoid accountability and transparency. For Canadians watching, why should they have confidence in this process?

Hon. Joanne Thompson: Deputy, did you want to speak to the process itself at a higher level in terms of how we, at a very high level, move through this?

Aaron Gunn: Minister, can you not articulate why Canadians should have confidence? I mean, it's a pretty open-ended question about the process.

I understand there are certain details you might not be able to reveal, but why should Canadians and taxpayers have confidence that this process is delivering value to them?

Hon. Joanne Thompson: I'm happy to reply in writing on the overarching process, without being able to divulge any particular information.

For Canadians, I believe in transparency. I think it's incredibly important. We can provide that information, but I am not able to give you any specific details.

Aaron Gunn: I have one final question for you.

In your opening remarks, you mentioned enforcement and the renewed commitment you articulated toward enforcement of the department. I have a real, genuine question for you here.

In Kitasu Bay, on the west coast of B.C., a local first nation group has unilaterally declared that an area is closed to fishing geoduck and other forms of fishing, but DFO has maintained, to fishermen and their families, that it is open. This has obviously caused a lot of consternation and confusion among fishermen in those communities.

Can you reaffirm that DFO and you through DFO are the final authority for opening and closing decisions for every fishery and reject any unilateral declarations of closing, be it from first nations or other groups? Can you guarantee the rights of fishermen to access these areas that DFO says are open?

Hon. Joanne Thompson: I don't directly set the work for the officers, but I'll turn to the deputy.

Aaron Gunn: You declare what's open and closed. The department does and then the officers enforce that. Is that correct?

Hon. Joanne Thompson: I'll now turn to the deputy, if she has a comment on this.

Kaili Levesque: That's correct. Without speaking to the specific case and the example you've given, we open fisheries based on science, engagement and the advisory committee process. The decision is taken either at the regional director general level or by the minister, depending on the decision in question. Then we work with harvesters, as you note, and local communities, including first nations, to maintain peaceful, orderly access to the fisheries themselves under the conditions of licences issued.

The Chair: Thank you very much, Mr. Gunn.

Next we're going to Mr. Morrissey for five minutes, please.

Robert Morrissey: Thank you, Chair.

Minister, my question will be directed to you, but it's fine to have the deputy respond.

I just want you to walk us back to when the process began. What was the thinking within DFO that led it to recommend the path that the department is on now as it relates to the FFMC?

Hon. Joanne Thompson: I'm going to turn to the director because I entered the process while it was—

Robert Morrissey: I just realized that.

Kaili Levesque: As you may be aware, the FFMC was created in 1969 with a clear mandate as the buyer and seller for all inter-provincial and export markets for inland fisheries. Over the years, particularly in the 2010 period, we saw a withdrawal of key jurisdictions from the Freshwater Fish Marketing Corporation.

• (1150)

Robert Morrissey: What are those key jurisdictions?

Kaili Levesque: They were Ontario, Saskatchewan and Manitoba, in succession.

Robert Morrissey: All the provinces bailed on it.

Kaili Levesque: The majority did. Alberta remains a signatory, but it's not an active participant in the sale into the FFMC. We do have an ongoing arrangement with the Northwest Territories, which represents about 5% of the total sales of the Freshwater Fish Marketing Corporation over the years.

Robert Morrissey: Who provided the funding?

Kaili Levesque: The capacity funding for indigenous bidders was provided—

Robert Morrissey: No, who has provided the funding to support the FFMC over the years?

Kaili Levesque: It is a commercial Crown corporation, so it is capitalized. It is bound by the Financial Administration Act and has to undergo annual audited statements.

Robert Morrissey: There were no direct public funds transferred to the FFMC.

Kaili Levesque: It was capitalized in its origin, and it operates as a commercial Crown corporation. I'd have to do—

Robert Morrissey: It operated from its original capitalization.

Kaili Levesque: It is a self-sustaining financial Crown corporation.

Robert Morrissey: That's fine. Thanks. That is clear.

Could the department brief this committee on when the decision was made to look into divesting and what was driving that? Was it a lack of interest from stakeholders? What was it?

Kaili Levesque: As members mentioned previously, we were hearing directly from harvesters that the corporation was no longer meeting their needs, and as provinces withdrew from this market structure—

Robert Morrissey: Was it the fish harvesters who were requesting the divestiture?

Kaili Levesque: It was the fishers and the provinces, looking at the changing marketplace in and of itself to have a sole responsible authority for that corporation.

Robert Morrissey: How was the changing marketplace impacting it?

Kaili Levesque: It went from the idea of creating.... You had an open market where the feeling was that fishers could achieve higher returns by selling on the open market versus going through the monopsonic structure of the FFMC.

Robert Morrissey: Were they bound to go through the FFMC?

Kaili Levesque: Originally, as signatories were there, that was the prime vehicle for sales. There were other—

Robert Morrissey: Then fishers were constrained by that organization. Maybe they could have received better returns for their product outside of it, but legally they could not. Is that what you're telling this committee?

Kaili Levesque: As the market conditions changed, fishers started looking at other opportunities that could be available and did not want to put their money into—

Robert Morrissey: Is it fair to tell this committee that this corporation is no longer serving the best interests of fishers and that, in fact, it could be a negative for them? Am I assuming correctly?

Kaili Levesque: At this point, given that the provinces I mentioned have withdrawn, which represent the bulk of the inland fisheries in this country, and the economic—

Robert Morrissey: What were the provinces' reasons for withdrawing?

Kaili Levesque: The fishers preferred open market access and that—

Robert Morrissey: Did the provinces respond to the fishers' request?

Kaili Levesque: Removing their participation and leaving the FFMC enabled participation in the open market instead.

Robert Morrissey: Okay. As a member of Parliament from the east coast, which is very different, this is news to me. We're debating a structure that the provinces no longer support and that fishers—from what I'm picking up from you—do not support as well, so they want it divested.

Kaili Levesque: Indeed. This is the result. We started the transformation exercise in 2017 after the withdrawal of Manitoba that year. In looking at the outcomes, recommendations were brought forward, and there were engagements directly with harvesters and with the provinces and territories.

Robert Morrissey: What assets would be available for disposal, in general terms?

Kaili Levesque: There is some processing capacity. I can't speak to the specifics because it is part of the divestiture piece. You can see in their corporate plans that there are a small number of assets, but it is more about marketing.

Robert Morrissey: Is the department actually listening to the fishers involved and responding to their request?

Kaili Levesque: Yes, indeed—indigenous, rural, remote and inland.

The Chair: Thank you very much, Mr. Morrissey.

We have enough time for a short third round. We're going to do three minutes, three minutes and two minutes, starting with Mr. Arnold for three minutes.

Mel Arnold: Thank you, Mr. Chair.

Minister, in your opening remarks, you basically opened this meeting up to any questions. One of the questions that have come up is regarding New Brunswick, or the Bay of Fundy area recently. Are you familiar with what a living gene bank is?

Hon. Joanne Thompson: Yes.

Mel Arnold: Are you aware that your government's funding cuts will result in the closure of gene banks that have been identified as key components of the recovery of wild Atlantic salmon?

Hon. Joanne Thompson: Yes. I can say that we remain committed to protecting species, and at the same time, we need to look at new opportunities and investments that align with sustainability.

• (1155)

Mel Arnold: New opportunities don't come often with a gene bank like that. There are barely 100 wild Atlantic salmon returning in the Bay of Fundy streams. These living gene banks are absolutely crucial to retaining living genes so that the stocks can be restored, yet your government's actions are going to result in closures. Can you explain that and square that circle?

Hon. Joanne Thompson: I won't speak to that specifically, but I will say that we—

Mel Arnold: Speak to that specifically, because you should know. You're the minister who has the ultimate decision over the closing of this gene bank.

Hon. Joanne Thompson: I am committed to working with all partners to protect Atlantic salmon stocks. I know that's incredibly important; it is a priority. We will continue to look at ways we can focus on that to ensure we have strong returns.

I realize that this is incredibly important work. It's work that we need to do and I'm committed to it.

Mel Arnold: On the west coast, we have recreational, commercial and indigenous harvesters who are basically saying that your government has failed for the last 10 years at restoring fisheries and fishing opportunities. The infrastructure systems that provide for those fisheries are on their last breaths because of consistent closures by your government and further restrictions. More of those restrictions may be on the way and have been indicated by your department through the proposals for coastal protection.

The harvesters, the industry and the entire sector that relies on access to those recreational, commercial and indigenous fisheries are at risk. How are you going to address that in your budget?

Hon. Joanne Thompson: What I can tell you specific to the west coast is that we just finished a round of consultations on January 23. We are now looking at that. Certainly, no decision has been made. Once a decision is made, I will share it.

The Chair: Thank you very much, Mr. Arnold.

Next we're going to Mr. Connors for three minutes.

Paul Connors: Thank you.

Minister and Deputy Minister, you mentioned modernization a number of times when you were talking about the divestiture of the FFMC. Can you elaborate on the definition of that and how it will be of benefit to the freshwater fishers to modernize the corporation?

Hon. Joanne Thompson: At a very high level, the reality that so many harvesters are no longer working with the FFMC is an indication that a need in the regions is not being met, so they needed to look at the entire process. Those were the consultation processes that led to the divestiture, which were incredibly important.

Deputy, I don't know if there's anything else you want to add.

Kaili Levesque: As noted, it was created in 1969. Imagine you've created a single desk, basically, where the buying, the selling and the market opportunities are being created, the idea being that inland fisheries individually are not as scaled, perhaps, as the honourable member mentioned, as on the east coast, where you have larger access in some areas versus many small lakes for which you need to think about how to bring in a scaling of the economy and access to a number of fish.

There was a moving away from that single seller model as provinces moved away from the model of the FFMC because of favouring the open market, the idea being that a preferred bidder here will look at the structures and opportunities available through the ongoing negotiation process and put forward a corporation or an entity that will include inland fishers and create opportunities for them to engage so they want to sell into those channels to maximize the value of their efforts on the water.

Paul Connors: I think you said Alberta was still part of the corporation, and I'm guessing not 100% of the fishermen have withdrawn. How will the divestiture affect, say, Alberta and the fishers who are remaining there? How will it affect them?

Kaili Levesque: While Alberta has not formally withdrawn from the agreement, it has not been an active participant in the FFMC since 2014, so at this point, the impacts would be minimal in terms of existing structures, as harvesters and fishers have gone elsewhere. Looking forward, it would perhaps create ongoing increased market opportunities through the right engagement if the preferred bidder is successful in the process.

• (1200)

The Chair: Thank you very much, Mr. Connors.

[*Translation*]

We will finish up with Mr. Deschênes for two minutes.

Alexis Deschênes: Thank you, Mr. Chair.

Minister, I have a couple of questions about enforcement.

We held a number of meetings on the subject in December. A fisheries officer from the maritimes, Trevor Lushington, had attended a previous meeting. During his testimony, I asked him if he felt free to testify. He seemed very ill at ease and revealed that a parliamentary affairs employee from your department allegedly told him over the phone that before he came to testify, he should remember that it's hard to pay the bills without a paycheque.

Do you find that acceptable?

[*English*]

Hon. Joanne Thompson: I support the work the enforcement officers do. Whenever I'm in a region, if enforcement works in that area, I meet with them directly. I have an open dialogue with them. They need to have their work supported by all parties and all involved. It is an important job. It enables the fisheries to move forward in a safe manner.

While I can't speak to that specific instance, I can tell you that the changes made since I became minister were intended to create spaces for communication within the department and within the members' roles.

[*Translation*]

Alexis Deschênes: I say this with all due respect, Minister, but you're not answering my question.

You say you respect fisheries officers. One of them came to testify here and was petrified at the idea of testifying next to his boss. He said that one of your employees had asked him.... In any case, he felt intimidated. That's what he said in his testimony.

What do you say about that? Do you find that acceptable? Have you taken steps to ensure that this doesn't happen again?

[*English*]

Hon. Joanne Thompson: While I don't directly interfere in day-to-day work, I obviously sit at the level of being able to help set policies and ensure processes are in place so that all workers feel they have the space to speak their truth within their departments and express concerns. That is very important to me.

If the deputy would like to add anything, she can, but as much as I continue to say that I believe in consultation processes, I also believe that the work the officers do needs to be respected, and they need to be able to express concerns without feeling harm.

Deputy, if there's anything—

The Chair: I'm afraid we're out of time. I hate to interrupt.

Ms. Levesque, if you'd like to add anything more in writing, please do that.

That ends the first panel. I want to thank the minister for taking the time to meet with us today.

We're now going to suspend for a few minutes to allow the minister to depart, and we'll continue with questions for the officials in the second hour.

• (1200) _____ (Pause) _____

• (1205)

The Chair: Colleagues, I call the meeting back to order.

Welcome back, Ms. Levesque.

I'll welcome our new witnesses to the table. We have Niall O'Dea, senior assistant deputy minister of strategic policy; Jennifer Saxe, assistant deputy minister, aquatic ecosystems; Patrick Amyot, chief financial officer; Todd Williams, senior director, resource management operations; and Doug Wentzell, regional director general, Maritimes region.

With that, we are going to jump directly into the first round of questioning, starting with Mr. Arnold for six minutes.

Mel Arnold: Thank you, Mr. Chair.

I'll go back to some of the pieces that the minister refused or failed to answer when she was here.

I want to know how many organizations the federal government provided access to for capacity in the application process.

Kaili Levesque: My apologies; I just want to make sure I heard you correctly. Is it on the specific organizations to which capacity funding was provided?

Mel Arnold: No. How many organizations did the federal government provide access to for capacity funding for the application?

Kaili Levesque: At this point, that is part of commercial confidentiality. I know there have been media reports to the effect of the number of folks, but we did engage in NDAs with everybody we provided capacity funding—

Mel Arnold: For the two hours that this meeting is going to take place, there is one item on the agenda: the divestiture of the Freshwater Fish Marketing Corporation. We have a dozen MPs in the room. We have all of this staff from the department. We had the minister here for an hour, and you can't tell us anything. Is that correct?

Kaili Levesque: Indeed, sir, I cannot speak to the specifics of the bidders who receive capacity funding. In—

Mel Arnold: We as a committee are asked to make recommendations on this piece of the budget implementation act, and you're providing us with zero information to make recommendations on.

What information can you provide us to make a recommendation on?

Kaili Levesque: The specifics of the amendments that are being requested are around the enabling of the divestiture. At this point, the process has not been concluded. This is to allow, in the event of a successful outcome...while that negotiation continues under commercial confidentiality.

Mel Arnold: We have been asked as a committee to make recommendations on the budget implementation act's clauses, and

you're telling us you can't give us any information to base a recommendation on. Is that correct, yes or no?

• (1210)

Kaili Levesque: I can provide information about the process itself, the rationale and the policy implications.

Mel Arnold: That's what I was asking. What can you provide this committee for us to base a recommendation on?

Kaili Levesque: I'm absolutely happy to go back. As I was talking about regarding the origin of the Freshwater Fish Marketing Corporation, the progressive series of withdrawals that were—

Mel Arnold: We've seen all that in the talking notes. What can you specifically talk to us about?

Kaili Levesque: I can say that we have taken the utmost care here. This is a financial Crown corporation in a negotiation directly with commercial confidentiality. We cannot speak to the bidder's financial implications and who may be involved, out of respect for the process and to ensure that we act in the best interests of Canadians, to whom—

Mel Arnold: How can you expect this committee to make a recommendation on the commitment from the government on its website, where it says, "We are committed to ensuring its long-term success"? What kind of a commitment can be made? Is that about funding, or is that about some other process? How can the government commit to something?

We are expected as a committee to make a recommendation on that, yet we have no idea what that commitment is.

Kaili Levesque: Indeed, the amendments that are requested, as I noted, would enable...based on the recommendations that we would bring forward for the divestiture following the conclusion of a successful outcome, if there is a successful outcome, with the preferred bidder, at this point in time.

Mel Arnold: You're asking us to make recommendations by just saying, "We'll tell you the details later, but just trust us", without telling us any information. Is that correct?

Kaili Levesque: The process that was put in place was done in an open and transparent manner. Invitations were sent to all harvesters to participate in those processes and the engagements with provinces and territories as well. What was brought forward to the process, which is now subject to commercial confidentiality, was done in an open, transparent and engaged manner.

Mel Arnold: This reminds me of what your government just did around the vaccine mandate information. They've locked up the internal information on that for 15 years. They're saying to trust them until it's all gone away. You're saying to trust you on this decision until it's all gone away.

We are elected representatives who are here to speak to the voices of the people who elect us, and you're refusing us any information to base a recommendation on.

Kaili Levesque: We are bound by confidentiality, but the Financial Administration Act does require that we seek these amendments at this point in the process, recognizing that it is, as you say...we are in confidence and seeking those amendments in parallel to make sure we don't further delay market access.

Mel Arnold: In other words, we've all been brought here today for smoke and mirrors, for nothing, because we can't even discuss what might be in the agreement, where it might go, who might be protected in the future, who might not be protected and who the potential beneficiaries are of some backdoor government deal that says, "We're going to maintain your success in the future regardless."

In 10 years on this committee, I've never seen the kind of hypocrisy and disrespect for the committee's time that I see in the sham that's going on here today.

Can you provide anything that would help us as a committee make a recommendation on those clauses, other than the basic background information we've seen on the website? We have the analysts doing the best they can to drag out information. Can you provide us anything further on whether we should say yes or no to this divestiture?

Kaili Levesque: We're very happy to go through each of the clauses and explain what they would enable, if that is of use to members of the committee, recognizing the policy rationale and what's driving it and the engagement that led to this process.

Mel Arnold: I don't think we have time for that, but we'd certainly be happy to see it in writing.

Kaili Levesque: Absolutely, sir. Thank you.

The Chair: Thank you very much, Mr. Arnold.

[*Translation*]

We'll now go to Mr. Cormier, who is attending the meeting by video conference.

You have the floor for six minutes.

Serge Cormier (Acadie—Bathurst, Lib.): Thank you, Mr. Chair.

We seem to be having a bit of trouble getting some answers, so I'm going to take the opportunity, as my other colleagues in the room have done before, to ask a few more questions of the ministerial staff.

Deputy Minister, you came to our committee before the holidays, I believe. I asked you a few questions on various topics. The first topic concerned the Coast Guard. Perhaps some of your colleagues can answer my question. Even though the Coast Guard has not been under your department for a little while now, if I understand correctly, there are still aspects of it that are connected to the fisheries in my region.

As you know, the snow crab season is coming up very soon. Since 2018, we have been given all the tools necessary for ice-breaking operations from the Department of Fisheries and Oceans. I just want to make sure that all the contracts signed by your department have actually been transferred to the Department of National Defence. I also want to know that the tools we are going to need,

such as Coast Guard vessels, including small icebreakers such as the CCGS *Judy Lamarsh*, as well as the contracts we have with businesses in the region, particularly for the seaplane we call "the frog" back home, are actually in place for the next season.

I would like someone to answer that question.

• (1215)

Kaili Levesque: Yes, in fact, you are correct. The Coast Guard was transferred entirely to the Department of National Defence on September 2, 2025, under an order in council. However, the service agreements already signed between the Department of Fisheries and Oceans and the Coast Guard remain in place.

We've set up a memorandum of understanding between the two organizations at the deputy minister level to ensure consistency and continuity in these activities. Knowing the importance of icebreakers in your region to the snow crab and other industries, I can assure you that this is something we are watching closely. We monitor water conditions, ice conditions and so on. We work closely with the Coast Guard through a weekly report.

Serge Cormier: Great, thank you.

Another question I asked you last time had to do with the snow crab licences that my region is losing, especially in area 12. The licences, as you know, are very important for our communities. They are extremely valuable. Unfortunately, the sons or daughters of the licence-holders, the deckhands and other people are sometimes unable to get a licence. Sometimes it's also because of the rules, such as residency criteria, that vary from one province to another.

I asked you if it was possible to do something with the associations, such as set up a kind of round table. Has there been any movement on this issue? Once again, we're about to lose licences to people in other regions due to sales that are sometimes suspicious. Again, that's not in the spirit of the Fisheries Act. We have to keep these licences adjacent to our communities.

I'd like to get an update on that, Deputy Minister.

Kaili Levesque: Yes, in fact, regarding the licence issue you raised, the director general of the region is informally taking a close look at it before applications are received. We also continue to work with associations on issues related to the implementation of regulations that protect not only the next generation, but also the owner-operator model. I understand the particular angle of the economic benefits in your region—

Serge Cormier: I don't want to interrupt you, Madam Deputy Minister, but is your department prepared to set up a kind of small working group in partnership with the Province of New Brunswick? The provinces are also responsible for licences and the economic aspects. Is your department prepared to at least put something in place to study what's happening right now with the fishing licences that our regions are losing to outsiders, sometimes a bit too easily, which has a disproportionate impact on the economy of our regions? Is your department at least prepared to address the issue as quickly as possible?

Kaili Levesque: Yes, we're prepared to address it. As I said, we are already looking into it on a daily basis.

Serge Cormier: Great.

Kaili Levesque: In terms of a working group or something similar, I will provide you with an answer in writing later, because we are not the only ones involved.

Serge Cormier: Great, thank you.

I have one last question for you. I think I have a few seconds or a minute left to do so.

Another issue I raised with you and that the committee has examined in previous studies is the shrimp fishery. As you know, it's very challenging. Shrimp stocks have been declining for a few years now. Some fishers have been forced to sell their licences or give up fishing altogether.

However, a 10% share of the redfish resource was allocated to shrimpers. The 60% that was allocated to the larger fleets has not been fished at all in the past two years.

Is your department prepared to consider, once again, the possibility of perhaps sharing more equitably by allocating quotas to other fleets so that they can survive? There are fleets that don't fish that resource right now. The resource is available. Is that something you could address?

• (1220)

Kaili Levesque: We will address that through the advisory committee. I also understand that there are market access issues. This is a new product in development for processors and other entities. However, yes, absolutely, we are committed to looking into that through the redfish committee. We will address the full range of possible recommendations.

Serge Cormier: Thank you, Deputy Minister.

The Chair: Thank you, Mr. Cormier.

Mr. Deschênes, you have the floor for six minutes.

Alexis Deschênes: Thank you, Mr. Chair.

Good afternoon, everyone.

I want to discuss the decision-making process for phase 2 of the exploratory lobster fishing licences.

Deputy Minister, you said that you were conducting analyses, but I'd like more details. Where exactly are you? I imagine the scientific opinion must have come out. Has the scientific opinion already been sent out?

Kaili Levesque: We are still looking at the possibilities in terms of licences. You're right that the data has been evaluated, but the scientific opinion and what it would mean for subsequent licences is still being studied.

Alexis Deschênes: The data comes from harvesting and stock assessment.

Kaili Levesque: Yes.

Alexis Deschênes: Here we are, several months later. I understand that the minister will have a political decision to make. However, as far as the management of fisheries resources is concerned,

has the scientific opinion been sent out? Perhaps Mr. Williams could answer.

[*English*]

Todd Williams (Senior Director, Resource Management - Operations, Department of Fisheries and Oceans): No, the science has not been provided. The analysis of the data has been collected. The data is being evaluated by science. With further consultation and through our normal advisory committee processes, we'll be providing recommendations to the minister for next season.

[*Translation*]

Alexis Deschênes: Basically, you need to hold consultations on scientific data.

[*English*]

Todd Williams: The data on the number of traps and landings used has been shared, but as to the scientific data and the evaluation of what that means going forward, we'll be looking forward to receiving that advice.

Notably, these catches did not negatively affect commercial harvests active in that area. On the contrary, in fact, we saw commercial landings continue to increase in those areas.

[*Translation*]

Alexis Deschênes: What other observations were made?

You say that catches have been good, generally speaking. Other than that, what observations have you received from scientists?

[*English*]

Todd Williams: We look at landings, of course, as well as catch per unit effort and other indicators that can provide us with further data on the abundance of the stock. We look at each zone as well, of course. There are 17, 18 and 19, and landings varied by those zones. Science will look at that data and provide us with further information.

[*Translation*]

Alexis Deschênes: The data has already been collected, Mr. Williams. Are you collecting other data?

[*English*]

Todd Williams: Yes, of course. We get the landings data as the fishery progresses. That was tallied up toward the end of that season. We have information on each area and how much lobster was landed in each of the areas using those licences. It varies between those areas and even within an area. There's further scientific analysis that has to be examined, which we'll await, and then we'll provide a recommendation to the minister.

[*Translation*]

Alexis Deschênes: What's missing? We have already been waiting for a number of weeks, and the lobster season is in three months. There are people waiting to find out whether they're going to go. At the very least, it would be good to give them a bit of predictability, because if phase 2 were to be triggered, those people would need to prepare.

I understand that there may be consultations. However, scientifically speaking, what's missing?

• (1225)

Kaili Levesque: As Mr. Williams said, it's the issue of analyzing data to show what it means in terms of management. It's a matter of taking the data on the landings themselves, the stocks and the catch per unit of effort, and looking at what that means in terms of recommendations to the minister. Those recommendations cover not only the total allowable catch for the following year, but also management measures in the given areas to prevent exploratory fisheries from harming existing fisheries and to ensure that the effects are essentially juxtaposed.

Alexis Deschênes: In terms of fisheries management, I understand that a decision has to be made. What's the story from a scientific standpoint? Are there enough lobster resources to open up phase 2?

Kaili Levesque: There have been positive impacts so far. As Mr. Williams said, we're optimistic, based on what we have seen.

Now, what does that mean or how does that translate into recommendations for management measures? That's what the conclusion of the scientific analysis is about. It applies to interactions throughout the whole area, not just the exploratory fisheries that were targeted.

Alexis Deschênes: What's the nature of the interactions?

Kaili Levesque: We want to make sure that landings made in the exploratory areas don't interfere with commercial catches in the regions, as Mr. Williams said.

Alexis Deschênes: That's what I want to understand, Ms. Levesque. If I understand correctly, your scientists are telling you that things are going well and that phase 2 could be opened.

Kaili Levesque: They have spoken.

Alexis Deschênes: You're at the stage where you're wondering whether this is a problem for other fishers and whether you have the processing capacity, right?

Kaili Levesque: The scientists haven't weighed in on that yet. They're still finalizing the analysis, as Mr. Williams said.

Alexis Deschênes: When will a decision be made?

[*English*]

Todd Williams: I think the decision will be made very soon, with all of the inputs from science and based on some consultations with harvesters.

[*Translation*]

Kaili Levesque: A scientific committee will be meeting soon, on February 24 and 27. It's called the Canadian Science Advisory Secretariat, or CSAS. That's what will review the recommendations.

The Chair: Thank you very much for that.

Thank you, Mr. Deschênes.

[*English*]

Next we're going to Mr. Small for five minutes.

Clifford Small: Thank you, Mr. Chair.

I'm going to ask about mackerel.

On Mr. Connors' question for the minister earlier about the possibility of a mackerel reopening in 2026, she spoke of science from the fishing industry that's currently being analyzed to make the decision.

Mr. Williams, could you give me an example of one type of data you're analyzing right now?

Todd Williams: Do you mean in terms of egg sampling, for example, from science?

Clifford Small: I mean a type of science data that's been provided by harvesters to your department. Can you give me an example of one type of data that you're analyzing right now?

Todd Williams: Certainly, harvesters have reached out to us, and we are having an advisory committee meeting in three weeks. They have contacted us and have said that based on observations and based on what they have seen in and around—

Clifford Small: No, you were waiting for the industry to provide you science data, which the minister confirmed earlier this morning that her department is now analyzing. Which type of scientific data did the fishing industry collect with respect to mackerel, and how is that being analyzed right now?

Todd Williams: I know the industry is very much actively involved in egg sampling—

Clifford Small: What kind of science was the minister referencing?

Todd Williams: I believe it was in reference to the collaborative work we have with stakeholders in terms of egg—

Clifford Small: No, which metric would the fishing industry have provided to you?

Todd Williams: Part of the work they do is with respect to egg sampling. We collect egg samples—

Clifford Small: With all due respect, I think that's your scientific research—

Todd Williams: —in collaboration with industry.

Clifford Small: —that collects the egg data and the larvae data.

Which type of data did the fishing industry provide to you that you're now analyzing?

Todd Williams: I don't know, to be honest with you. I have not seen it submitted. I'm looking forward to the conversation.

• (1230)

Clifford Small: Have they submitted any, in fact? The minister confirmed to us today that her department is analyzing data that was supplied by the fishing industry. I'm just wondering what kind of data that was.

Todd Williams: Again, that could have been in reference to the data they supply—

Clifford Small: Could it be possible that the fishing industry didn't supply any data and that the minister may have spoken out of turn on that?

Todd Williams: Again, I'm looking forward to hearing the views of stakeholders in three weeks. I also know that the minister is partly to any number of conversations that she has with stakeholders, and they do provide her and her office with information that we don't have.

Clifford Small: Based on my conversations with fishing industry stakeholders, they haven't supplied any real scientific data because they haven't collected any data, and they weren't asked to collect data other than samples that they were commissioned to collect on your behalf, which is your data, not theirs.

Do you think it's fair to come before this committee and tell elected representatives of coastal communities that data supplied by harvesters—science that was commissioned by their fishing industry representatives—was being analyzed when there was no such work done?

Todd Williams: I'm here to provide my best advice from the information we receive. We're looking forward to hearing more from industry and stakeholders. They are very much part of the science we do, and it is a collaborative effort. The science and samples they provide are an important—

Clifford Small: But those samples are your science.

Todd Williams: That's in collaboration with industry.

Clifford Small: Okay. Thank you.

We've come here today to spend two hours of this precious committee's time to analyze the decision to privatize this Freshwater Fish Marketing Corporation. It's very disconcerting to come here and see the minister so unprepared. How could that happen? How could she come here so unprepared and not even mention the purpose of this meeting? Not one syllable of her opening remarks was committed to the sole purpose of this meeting. How could that be?

Anyone? Deputy?

Kaili Levesque: We engage regularly with the minister to provide status updates on the divestiture process of the FFMC. I'm happy to get into further details with the committee about both the policy objectives and the engagements that led to where we are in the process.

The Chair: Thank you very much, Mr. Small.

Next we're going to Mr. Morrissey for five minutes.

Robert Morrissey: Thank you, Mr. Chair.

Before I begin my questions, I just want to give notice that I will be moving a motion covering the matter on mackerel from the fishers. I'll provide it to you today. It speaks to a lot of the questions the member was referring to when it comes to fisher input versus the science of the department. I will provide it to you in writing before the meeting is over.

I want to go back to the freshwater corporation.

To the financial officials, with the divestiture process you're following here, how long has the department been divesting of various assets? Has it been forever?

Kaili Levesque: As it is a self-sustaining Crown corporation, the FFMC has been managing and purchasing its assets since 1969, when it was created, but the department has played a role in the oversight there. We are responsible. Obviously, the minister has a responsibility, and the ministry does an annual corporate plan.

Robert Morrissey: This is a public process. There was notice given, and this came as a result of consultation from the fishers involved and the provinces, who were all, in your earlier answers, endorsing the steps taken by the department to divest of this corporation. With the divestiture of assets, some would lead us to believe that there's some hidden agenda here. How often does the department divest of assets?

Kaili Levesque: We have a process we follow for, let's say, the average garden variety of asset we would divest. For a vehicle that is no longer in use or something, we have a very clear—

• (1235)

Robert Morrissey: Has that been consistent over the last 10, 20 or 30 years?

Kaili Levesque: Indeed.

Robert Morrissey: Then you're following the same process that's been endorsed by successive governments.

Kaili Levesque: This process, in fact, has been set up with more rigour because of the independence here, and to protect not only the Crown corporation but also the bidder.

Robert Morrissey: Let's be clear. This process for divesting has been long established within the ministry. It's to ensure that the taxpayer is protected and that there's a fair process and due diligence. Let's clearly establish that particular part.

Madam Deputy Minister, I want to come back to a question—because there are enforcement and protection personnel with you today—that goes back to when this committee was doing an earlier study. We were hearing from the director of public prosecutions. I was questioning her specifically and candidly. She did not answer me. She avoided the question I was putting to her, and it disturbed me.

It was related to—and I was very specific—egg-bearing female lobster, which is the basis of the east coast lobster fishery: Would it be illegal if somebody harvested that lobster, whether in commercial, ceremonial or moderate livelihood fisheries?

Could you give this committee the department's perspective? I would hope it would be that the possession of a lobster as I described would be viewed as illegal and that the department would prosecute or insist on prosecuting accordingly.

Doug Wentzell (Regional Director General, Maritimes Region, Department of Fisheries and Oceans): I think this was referenced in the discussion earlier today at committee. Fishery officers uphold the conditions of licence and the regulation. If anything is prohibited or not authorized by the conditions of licence, fishery officers will absolutely proceed.

Robert Morrissey: [*Inaudible—Editor*] female lobsters in the condition of any licence?

Doug Wentzell: Absolutely.

Robert Morrissey: Then in no shape or form—

Doug Wentzell: Fishery officers uphold the regulations—

Robert Morrissey: —would a lobster as I described be legal for anybody to harvest under any agreement with DFO.

Doug Wentzell: That's correct.

Robert Morrissey: What is the go-between between DFO and public prosecutions? The director clearly avoided my very specific question.

Doug Wentzell: I can't speak for the Public Prosecution Service, but I can speak for conservation protection.

Our fishery officers are very consistent in putting cases forward and building evidence. If there's an offence that contradicts what's in the Fisheries Act, they will put it forward.

Robert Morrissey: Thank you.

There was—

The Chair: I'm afraid I'm going to have to jump in, Mr. Morrissey. We're at time.

[*Translation*]

Mr. Deschênes, you have the floor for two and a half minutes.

Alexis Deschênes: Thank you, Mr. Chair.

I want to go back to the Atlantic salmon issue.

The Fédération québécoise pour le saumon atlantique has asked that a directive be given to fisheries officers in the Strait of Belle Isle zone so they can recover bycatch of salmon smolts or grilse and conduct scientific tests.

Is it possible for the department to issue a directive of that kind?

Kaili Levesque: I don't know the specific proposal you're referring to, but we'll be pleased to follow up on that. We're always open to collaborating on scientific projects, among other things. We've already invested in the Atlantic salmon population in the regions, and we're always ready to consider anything that can be done.

Alexis Deschênes: I understand that you weren't here, but some people here may have heard about it, since the request was made last year.

Kaili Levesque: We'll get back to you in writing, because the people here don't have that information. The conversations may have taken place in the regions. I really don't want to speak for my colleagues.

Alexis Deschênes: Okay.

In theory, is it possible for the department to issue a directive to fisheries officers to recover bycatch and give it to the federation so that it can conduct scientific tests?

• (1240)

Kaili Levesque: Yes, it's possible. Our fisheries officers have several responsibilities, as you know. So it's also a matter of operational burden. We would have to check whether it's something they can do in their day-to-day work. That's why I'm not going to comment on it. However, it's entirely possible to start a conversation.

Alexis Deschênes: Okay.

I'd like to address one last point regarding enforcement. This is a bit of a follow-up to my colleague Mr. Morrissey's questions.

At the Standing Committee on Fisheries and Oceans, we heard the director responsible for enforcement say that, before laying a charge, if the person is first nations, there's no need to ask the band council for authorization. However, when he said that, a fisheries officer who was present said that, on the contrary, they did need authorization.

Have the instructions been cleaned up? Have clearer instructions been sent since he appeared before the committee?

Kaili Levesque: As was said the last time I was here, there's a continuum of tools. Restorative justice measures can be used, among other things. In that case, there's interaction with the band council of the first nation concerned, yes. I don't question Mr. Wentzell's comments at all. However, that doesn't mean the case isn't sent to the Public Prosecution Service of Canada. Every case is sent there, without exception.

So there are no other directives; it's just that there are a number of tools available in the tool box, including a restorative justice process, but again, I really don't want to speak for the officer who was here.

The Chair: Thank you very much, Mr. Deschênes.

[*English*]

Next we're going to Mr. Gunn for five minutes, please.

Aaron Gunn: Thank you, Chair.

I have a question about the bidding process for the FFMC. Were the bid proposals based solely on the best deal for taxpayers or the highest bid, or were there other non-monetary considerations at play?

Kaili Levesque: A variety of criteria were put together in the bid, including questions around rural, remote and indigenous access to markets.

Aaron Gunn: Were the bids restricted to Canadian-owned companies? No?

On the capacity funding that was mentioned, I think the minister mentioned that some organizations were provided the opportunity to access capacity funding to facilitate their participation in the bidding process. Was that capacity funding—just to clarify—to participate in the bidding process or to actually fund the bids themselves?

Kaili Levesque: That's an excellent question.

It is for capacity building to participate in the process...to amounts to participate, say, in data due diligence. Looking at the types, we were actively engaged with industry, and one of the biggest things we heard was that independent harvesters did not have the capital resources to even do a data room, for example, to understand what was there and what capacity would be required to participate in a commercial process of this nature.

Aaron Gunn: It wasn't to fund the actual bids.

Kaili Levesque: No.

Aaron Gunn: Was the capacity funding in the form of grants or loans?

Kaili Levesque: It was grants.

Aaron Gunn: Do you know how much in total the government spent in providing capacity funding to various bidders?

Kaili Levesque: Not at this point, but we can provide it once the process has come to a conclusion.

Aaron Gunn: I have a couple of other questions.

You mentioned there is a preferred bidder. What were the components of their bid that resulted in them being the preferred bidder over what has obviously been revealed informally to this committee, which is that there were multiple bids? Why do we have a preferred bidder?

Kaili Levesque: As you rightly note, there has been public speculation about the nature of that, and some participants have shared where they were in the process.

The preferred bidder was chosen on a variety of criteria through this independent process. By working with a third party, that was determined against the criteria that all bidders were equally evaluated against. All were provided capacity funding to make sure they were putting forward the bid that responded to all of those elements.

Aaron Gunn: Is there a rank order if the deal for this preferred bidder falls through? Is there someone in second and someone in third you're going to go down the list to?

Kaili Levesque: If this bidder is not successful in this process, we will have to go back to where we are in the process and make recommendations about the next steps in that regard to ensure we are bringing forward the best possible outcome.

Aaron Gunn: When the government decided to divest the FFMC, did they consider as the best deal to taxpayers splitting up, dismembering, the FFMC into various components and just selling it off, as opposed to divesting it as a whole? Was that option considered or evaluated?

• (1245)

Niall O'Dea (Senior Assistant Deputy Minister, Strategic Policy, Department of Fisheries and Oceans): The full spectrum of divestiture possibilities had been contemplated in the process of in-

forming the minister and the government on an approach to proceeding with this bid process.

Aaron Gunn: That was a consideration.

Niall O'Dea: Indeed, as was the full range of possibilities in respect of how we might move forward with the corporation.

Aaron Gunn: It seems that through providing capacity funding—not just breaking up an entity that is at this point losing money and actually trying to divest it—it is likely that taxpayers are footing a bill so this entity can continue operating in some capacity.

What was the reason for that? Was it just because this seemed to be an important part of the supply chain for some fishermen?

Kaili Levesque: Looking at the recommended approach and where we landed, the idea is that there is still value in a concerted, coordinated approach to maximizing market access to inland fish for inland fisheries, so it's about looking at how to retain that market space, but also recognizing that the model is no longer fit for purpose and doesn't meet market needs.

The Chair: Thank you very much, Mr. Gunn.

Next, for five minutes, we're going to Mr. Connors.

Paul Connors: Chair, I will be sharing my time with Robert Morrissey.

Robert Morrissey: Thank you to my colleague.

I'm going back to my question. Fisheries and Oceans Canada sets the conditions of licensing in all species on all licensing. Does the department, in its conditions of licence, whether it's commercial, first nation food and ceremonial or moderate livelihood, outline that an egg-bearing female lobster is illegal to sell or bring ashore to use, as well as an undersized lobster? This protects the overall fishery for all—first nations and commercial.

Doug Wentzell: Without having all of the licence conditions here in front of me for the different communities, I can confirm that, by and large, all of the general conservation measures pertaining—

Robert Morrissey: Not by and large. I mean the two specific ones that I identified.

Doug Wentzell: Again, I would have to confirm any individual licence conditions, but—

Robert Morrissey: Would you confirm that information and bring it back to the committee?

Doug Wentzell: I can certainly do that.

Robert Morrissey: If the department is not enforcing those conditions, then it is letting down the overall fishery on the east coast, primarily as it relates to lobster. I'd want to know clearly what direction is given.

Mr. Chair, I'll give the rest of the time to my colleague.

Paul Connors: I'm going to ask a question of Mr. Williams concerning mackerel again. I'm glad that my colleague MP Morrissey is going to be bringing forward a motion on the mackerel fishery.

I understand that there is an advisory committee on mackerel, that it has been analyzed and that you're analyzing data that's submitted by fishers. There's been some question of whether any data has actually been submitted.

I want to be a bit more specific on the data on spawning grounds or the movement of spawning grounds because of climate change or water warming. How is that data considered when you're looking at the fishery and the reopening of the fishery?

Todd Williams: Our science officials within the department work closely with stakeholders and harvesters in the collection of samples for Atlantic mackerel throughout Atlantic Canada. We have seen in recent years that within Atlantic Canada, populations can be quite high in localized areas. It's a schooling fish. It's a migratory species, and it mixes with a southern contingent. The science looks at this. We have seen, certainly in areas of Newfoundland, that the species—this isn't unique to mackerel; it's other species as well—is appearing in different areas that we didn't see it in before.

That's why it's so important for the department to ensure that when we're doing the science, we're doing it in a way that can be properly peer reviewed, there's consistency from year to year in terms of sampling sites and we're listening to harvesters to make sure that if there is a change, we're able to pick up on that and can respond it. All of that will be taken into account as we move forward, consult and prepare for the next season.

● (1250)

Paul Connors: When I talk to fishers, they say there's a two-year gap between what they see and what the science shows. Is there a way of narrowing that gap in the science to make sure that what the fishers see on the water is actually what science is showing?

Todd Williams: We hear from harvesters and other stakeholders that there can be a difference between what we're seeing from our science and the peer-reviewed studies and what they're seeing on the water.

In terms of that time gap and how it can be reduced, I think that points to the importance of our advisory committee process. More than that, it speaks to the importance of having an ongoing relationship and collaboration between the department and harvesters. Certainly we're engaging harvesters throughout the year—not just annually, but throughout—to see if we are missing something and if further science work is required.

The Chair: Thank you very much, Mr. Connors.

We have time for a shortened third round. We'll do four, four and two, starting with Mr. Small for four minutes.

Clifford Small: My question for the deputy minister is regarding estimates that are put into logbooks. In the past season, we saw in the northern cod fishery that harvesters were charged for being over on their estimates. They were actually given fines for having estimates that weren't close enough to reality. This happened when they in fact had lots of quota remaining for the week. If they had

gone over, there was time to rectify it as the weekly fishing activity continued.

Is your department going to fix this for the upcoming season, or is this injustice toward our harvesters going to continue?

Kaili Levesque: Accurate reporting in ELOGs is fundamental as we look at export market opportunities, MSC certification, etc. We work hand in glove on the wharves with harvesters to make sure they have access to the right tools to report, and if they need to issue a correction, we work to find the right opportunity to do that.

Clifford Small: These weren't ELOGs. This was the northern cod fishery, where ELOGs are not a requirement.

Kaili Levesque: I'm sorry.

Clifford Small: They were paper logbooks. In some cases, the paper logbook was confiscated, and the harvester didn't have a logbook to report their catch and log it in. It was taken, so they had to stop fishing.

Are you going to rectify that situation in the northern cod fishery in the upcoming season and let an estimate be an estimate?

Kaili Levesque: We will work with the region on the ground, with the harvesters and with conservation and protection to make sure we have the right tools available for the harvesters, as they get out on the water, to maximize time on the water and maximize their catching of the TAC.

Clifford Small: We have another situation where there are tight parameters on bycatch. We hear anecdotally that bycatch levels can be higher than acceptable and that harvesters are forced to release bycatch.

Are you familiar with a landing obligation that's in place in the EU and the U.K.?

● (1255)

Kaili Levesque: I'm not familiar with the specifics of the landing obligation, sir.

Clifford Small: Basically, if the fish comes aboard a vessel, it has to come in, instead of it being forcing to be released while critically injured or whatnot. Science is not even seeing the true picture. It's quite detrimental to projecting what's actually in the ocean and what mortality is happening. I'm shocked that your department hasn't studied what the European nations have done with respect to the obligation to land what has been caught.

Kaili Levesque: We work closely with the European Union on a variety of measures, including the most recent catch certification requirements. When I say that I am not intimately aware of those pieces, I am confident that there are colleagues in the department who work closely with the EU to understand them. However, there are scientific elements related to bycatch as well, when you think about population commingling and reference stocks that we—

Clifford Small: There's a conservation element here. Let's look at capelin fishing as an example.

The Chair: Mr. Small, I'm afraid I have to interrupt. We are over time.

I'm going to Mr. Cormier for four minutes.

[*Translation*]

Serge Cormier: Thank you very much, Mr. Chair.

Deputy Minister, my question is for you or anyone else who can answer it.

Earlier, I talked about various fishing sectors, saying that some were having trouble and others not so much. We have a problem with right whales in my region, particularly in zone 12, but we also have a problem with the snow crab fishery and the lobster fishery. An event two years ago almost led to the complete closure of the lobster fishery. We managed to make your department understand that that's not an option.

With regard to the right whale measures, I know that your department is working on a whale-safe fishing gear strategy to avoid right whale entanglements.

Is that strategy about to be released? Do you have a date for us? Have you let the various associations know when the strategy will be released?

Kaili Levesque: The strategy is indeed in the process of being finalized. It not only reflects the various consultations with associations, but is also based directly on comments and real-life experience. In your region in particular, there are associations that have been truly innovative in terms of deploying safe fishing gear. They have been directly informed of the strategy.

I would say that we are in the process of finalizing this strategy. We are eager to move forward on this issue, given its importance to the sector.

Serge Cormier: I hope there will be good communication between your department and the various associations, because some of these associations are a little afraid of having additional measures imposed on them. As you said, since 2018, our fishers have been incredibly strong and resilient thanks to new equipment they have developed using new technologies. However, imposing certain measures that would force them, for example, to fish only with equipment such as rope-free traps would add additional stress to the industry, even before the whales arrive. I therefore hope that the people in your department have good communication with the industry and that they will listen to its concerns.

My second question is more about the monitoring of shrimp fishing and quotas that have not been caught by the offshore fleet, i.e., the large vessels.

Earlier, you mentioned marketing, but we have already done that over the past two years as part of a fisheries fund project for the shrimp fleet. However, even though the offshore fleet has been allocated 60% of the quota, it is not currently fishing it. Other fleets are conducting these marketing tests for it.

Now that we know this, would it not be possible, using existing allocations, to transfer an additional quota to the shrimp fleet, given

their extremely difficult situation? This is probably the only way your department can currently help shrimp fishermen.

Are you prepared to look at the issue of these allocations so that they benefit other groups in other sectors of this industry?

• (1300)

The Chair: There is only time for a short answer.

Kaili Levesque: We base our decisions on science, conservation and socio-economic considerations. We are committed to considering the issue, but I cannot confirm anything further.

The Chair: Thank you very much, Mr. Cormier.

To conclude, Mr. Deschênes, you have the floor for two minutes.

Alexis Deschênes: Thank you, Mr. Chair.

Ms. Levesque, I have a question about the fisheries fund.

Let's dream a little and imagine that the government announces that it is bailing out the Quebec fisheries fund. If the announcement were made, how long would it take between the day of the announcement and the day when the funds could actually be allocated to the various associations that are waiting for them?

Kaili Levesque: Allow me to dream in colour with you.

Once the announcement is made, we will have to work immediately with the provinces involved, namely Quebec, the maritime provinces and British Columbia, to move forward with the development of the program, see if the terms of the program remain exactly the same and see if we agree on anything else, for example.

There is a process that must go through Treasury Board, not only for the federal government, but also for each partner. When it comes to spending public funds, Treasury Board's approval is required to ensure that everything is in order for a program that makes direct contributions and shares funds.

We are ready. We are working to understand where we can get started, if applicable. We are currently waiting, but we remain optimistic.

Alexis Deschênes: Optimism is good.

If all goes well, how many months should the negotiation process with Quebec, approval by Treasury Board and the establishment of new criteria take?

Kaili Levesque: The new fiscal year begins on April 1, 2026. If all goes well, we are not talking about several quarters, but a fairly short term. We are also looking at the inventory of applications we have already received for projects to see if these are projects that need to be revisited. We could therefore do this quickly.

Alexis Deschênes: According to your schedule, in a best-case scenario, how many months are we talking about? Are we talking about approximately three months?

Kaili Levesque: That's about right, but it all depends on the negotiations. I can't speak for what the provinces will do, but given the importance to the sector and the degree of priority that has been unanimously determined, I think everyone will be looking hard at this issue.

The Chair: Thank you very much, Mr. Deschênes.

[*English*]

That will complete our second panel.

I want to thank all our witnesses for being here today, particularly Ms. Levesque for being here for the full two hours.

Our next meeting is going to be on Wednesday, when we will continue our study of marine and coastal protections. I just want to put on the members' radar that we'll need to discuss relatively soon what we're going to study after the marine protected areas study.

With that, is it the will of the committee to adjourn?

Some hon. members: Agreed.

The Chair: The meeting is adjourned.

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