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Report

*Department of Fisheries and Oceans
Senior Managers Conference*

October 21-22, 1991

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DFO SENIOR MANAGERS CONFERENCE

DEPUTY MINISTER'S REPORT

The Department of Fisheries and Oceans first Senior Managers Conference was held in Ottawa on October 21 - 22, 1991. Approximately, 150 participants from all regions and headquarters gathered to hear, and discuss, the priorities the Minister and I have set for the department.

I would like to thank participants for contributing to the Senior Managers Conference. I welcomed the opportunity to meet with so many DFO managers to exchange ideas that will serve to influence this department for many years to come.

Communication and consultation are both essential in building sound management practices and policies. In a department as diverse as Fisheries and Oceans, it is imperative that we set aside time to discuss our priorities and search for solutions to the problems that the department must address.

In response to a questionnaire circulated to participants after the meeting, those who attended the conference found the two day session useful in gaining a better perspective of our overall direction and mission. I plan to hold similar meetings in the future.

OVERVIEW

The conference began with my describing the five most critical issues on the Minister's agenda. These are:

1. DFO Reform and new institutional mechanisms for fisheries licensing and allocation. This initiative is critical to our future as a department.
2. Native Rights that cover a range of issues including aboriginal fisheries and land claims. Broader than the DFO mandate, aboriginal issues are part of the Unity agenda and one of the Prime Minister's priorities. The government is determined to lead the courts in resolving outstanding questions.
3. Fisheries Economic Adjustment/Income Stability will require innovative thinking. The catch failure program was linked to the solution of income security issues and a Task Force focusing on this issue has been announced.

4. International Issues and domestic consequences must also be addressed by DFO. It is widely believed that foreign overfishing is at the root of problems in allocation.

5. Habitat/Environment are also a top priority of, not just DFO, but the Government as a whole. The problems and policies need to be thoroughly examined. We will be part of a movement towards new public policy in this area.

Minister Crosbie spoke to senior managers on the evening of Day 1 of the Conference. He focused his comments on DFO Reform. Participants heard that:

- licencing and allocation reform is a ministerial priority
- reform will result in an improved delivery system for clients
- DFO Reform is not a "cuts exercise"
- DFO employees will be given more opportunity to focus on issues critical to the industry's future
- DFO employees will be involved in program delivery to support the industry, providing improved service to fishermen and focusing on key economic and social priorities to promote and help build a strengthened fishing industry
- Reform will result in a system that is more efficient, open to public scrutiny and non-political.

SPEAKERS

To give DFO managers the opportunity to hear different private sector views, a number of speakers from outside of government were invited to address the conference.

Mike Hunter

Mike Hunter, President of the Fisheries Council of British Columbia, told participants that the future prosperity of the industry depends on cheaper fish and fishing methods. He also believes that the industry will become more market driven, as opposed to production driven.

Mr. Hunter encouraged a revolution in DFO thinking. He also cautioned that the new regional licensing and allocation agencies should not become an excuse for inaction.

In his address to participants, Mr. Hunter expressed the need for his and other organizations to cooperate with the government. He said that DFO, for its part, should review its consultative processes to ensure the advice provided is informed analysis and not self-serving opinions.

*PH - need both
1c balance
enforcement/control
& increased
markets*

Earle McCurdy

Providing an Atlantic perspective, Earle McCurdy, Secretary-Treasurer of the Fishermen, Food and Allied Workers Union, advised that DFO should become more development, rather than regulation and enforcement, oriented. He told participants that he views DFO Reform with some wariness and is concerned by some aspects of the proposal. Overall, he stated that the provisions of DFO Reform must contain the ability to be flexible.

meaning that exactly.

Mr. McCurdy advised senior managers that there is a big job that faces us all in restoring and developing a relationship between DFO and the industry. He went on to say that management has to be based on "area" sensitive decisions to reflect regional differences in history and culture.

Like Mr. Hunter, Mr. McCurdy also recommended streamlining the advisory process because, in his opinion, the system has gotten out of hand.

Patrick McGuinness

Patrick McGuinness, Vice President of the Fisheries Council of Canada, confirmed Mr. McCurdy's assessment of the Atlantic fishery being in a crisis condition. In his opinion, the fundamental problem is the high degree of economic dependence of the industry on key groundfish and shellfish stocks which are experiencing severe quota reductions. The problem is compounded by overcapacity in fishing vessels and fish processing. Mr. McGuinness then provided data to illustrate his arguments.

Cynthia Lamson

Observations on trends and problems in relation to Habitat and the Environment were made by Cynthia Lamson, an assistant professor of Dalhousie University. Her message for DFO was to engage stakeholders in the process of developing a sustainable fisheries policy.

Ms. Lamson told us that DFO should assume a leadership role in defining what constitutes sustainable fisheries practice. She advised DFO to sponsor studies to assess the characteristics of fishing gear and to put greater effort in helping the industry to meet new policy and regulatory requirements.

DFO was also told by Ms. Lamson that there is a need for some form of area-wide management planning to minimize resource conflicts and to protect special areas or habitats.

Miles Richardson

Issues of concern to our Aboriginal clients were addressed by Miles Richardson, President of the Council of the Haida Nation. He told participants that we must come to terms with fundamental issues that have been pushed aside for too long and that we must work together to find solutions.

During his speech Mr. Richardson talked about the alienation of the Haida Gwaii and their decision to restore a dialogue with DFO as a first step towards strengthening the resource. He also identified the negotiation of a fisheries component of treaties in British Columbia as an immediate opportunity.

Other speakers chose to focus on the importance of consultation and communication.

Bud Bird M.P.

Bud Bird, Member of Parliament for Fredericton - York-Sunbury, discussed the relationship between politicians and public servants. He noted that both have a common purpose, that both must be concerned with "service" to the public. He went on to say that politicians and public servants are allies, not enemies, and discussed the ways in which a partnership approach should be practised.

Shelly Ehrenworth

Shelly Ehrenworth, from the Public Policy Forum, discussed public consultation and policy development. Participants were informed of the need to improve consultation because, without this, we cannot have effective public policy. If you are out of touch with your clients, said Mr. Ehrenworth, you cannot design sound policies or deliver effective programs.

WORKSHOPS

In addition to speakers addressing the group in plenary sessions, eight working groups also met during one of the morning sessions. Five topics were discussed in eight different working groups. The topics included:

- DFO Reform
- Aboriginal Issues
- Habitat/Environment
- International
- Income Adjustment

W5 -
what, what, when,
where, why?

What consultation mechanisms currently exist? What seems to work well? What doesn't? Can we be better?

DFO Reform

Verbal reports were later made in a plenary session. During these reports we received one recipe for success for DFO Reform which was essentially to consult and talk with DFO staff. The second group looking at DFO Reform highlighted four points for consideration:

- 1) need for a clear vision of where we are going;
- 2) need to communicate to DFO employees;
- 3) need to recognize local and regional, federal and provincial issues of licensing and resource allocation;
- 4) need to ensure client satisfaction with the new vision.

Aboriginal Issues

For the groups looking at Aboriginal fisheries issues, two goals were identified. One is to develop cooperative management of the Indian food fishery, which the group noted is consistent with the federal government's stated objective. The other working group that looked at this issue concluded that DFO's goal for Aboriginal issues includes meeting aboriginal and treaty rights to fish, provide access to economic opportunities and co-management initiatives and involve the Native community wherever possible in the delivery of the DFO mandate.

Habitat/Environment

Participants were told that the number one Habitat Management issue is clarification of the jurisdictional and legal regime between federal and provincial governments as well as between DFO and DOE.

International Issues

On international issues, participants were told that the working group looked at three different categories:

- 1) harvest, resource competition issues;
- 2) trade and competitiveness issues; and
- 3) scientific and environmental issues.

Recommendations were made for each category and I suggest that you refer to the attached report for more detail.

Income Adjustment

Finally, the working group on Income Adjustment noted that recent statements made by Minister Crosbie indicate that DFO's objective should be meaningful and humane fishing employment with adequate and stable incomes. To achieve these objectives there must be fishery management changes and special programs. The group

discussed the formation of a new agency to deliver special programs and identified some of the issues that must be addressed, for example compulsory or voluntary participation, the degree of stabilization, etc.

CONCLUSION

The written reports from each of the working groups are attached and I would urge you to take the time to read the conclusions of the groups' discussions.

We have made a good start but our work has only begun. DFO's priorities have been identified and we have heard from influential individuals from outside the Department on directions and policies they recommend that this department follow. The next step is to discuss new means for policy and program delivery. I urge managers to discuss the five priorities with colleagues within the department and obtain their feedback.

I look forward to your continued participation in the process to make DFO more responsive to the needs of our clients and more effective in its program delivery.



Bruce Rawson

Major Speeches

Notes For An Address

by

Bruce Rawson

Deputy Minister

Department of Fisheries and Oceans

to

Senior Officials

Department of Fisheries and Oceans

October 21, 1991

Bonjour mesdames et messieurs.

J'aimerais vous souhaiter la bienvenue à cette première de nos conférences des cadres supérieurs.

Les réunions d'aujourd'hui et demain nous donneront la chance de délibérer les questions importantes auxquelles le ministère doit s'adresser.

Sous les rubriques de:

- la réforme du mpo,
- les pêches autochtones,
- les questions de pêches internationales,
- l'adaptation économique de l'industrie de la pêche, et
- les questions environnementales et de protection de l'habitat du poisson,

nous discuterons des nouvelles caractéristiques opérationnelles qui seront nécessaires pour nous acquitter de notre mandat.

Le ministère fait face à un monde qui change rapidement, et il devra se modifier continuellement pour répondre à ces changements.

The format for today and tomorrow relies heavily on high-quality guest speakers - and for good reason. We need to focus on the fact that we exist for our clients, and for the public policy realm they fit into. It is, in a way, a declaration of our direction - DFO is a client-oriented service-driven organization. So... for today and tomorrow, we are going to be switched on to receive and tuned into an analysis of what we hear.

Ladies and Gentlemen

All organizations -- government, commercial, academic, military and voluntary -- encounter change at two distinct wavelengths. There are the short-wave changes, analogous to weather, to which we adjust as we go along. This category includes, for instance, changes in the economic cycle, changes in governments or even changes of ministers within the same government.

There are also longer-wave changes that are more analogous to climate than to weather. We at DFO are facing a climate change. It has been developing over a decade, generated by a number of powerful forces:

① The first is a dramatic alteration in Canadians' perception of their role in the working of governments and in particular about decisions that affect their lives. Canadians say they want to participate and to be heard. They are not content to leave the making of policy to the "elite", or the "experts". They want direct, personal participation in the process.

② A second powerful force also comes from the customer end. Canada in 1991 is not populated by 27 million happy campers. The public is dissatisfied with the service it is getting. The taxpayers want more service, faster service and more sensitive service. And with government operations costing them \$30 billion a year, they feel they have already paid for it.

③ Third are the changes in the international economic environment. We are part of a global market. A nation with a small domestic market and one of the highest standards of living in the world has no choice but to sell abroad.

We must win our share of sales on the global market, and we must do that by matching or surpassing the efforts of some very efficient competitors. One determinant of a country's competitive edge is the calibre and quality of its public sector. The extent to which our

policies, management practices, procedures and our regulations support rather than hinder Canadian competitiveness matters a lot, as does our success in building a closer alliance among business, government and labour. The sooner everyone in the public service understands we are competing head-to-head with these kind of alliances in other countries the better we will do at out-smarting our competition.

There is a growing recognition in government that our laws, regulations and policies must be made transparent, timely and predictable if we are to offer a competitive edge to our traders.

Fourth, the environment is a powerful force on everyone's agenda. Mainline Canadian society worries about the poisonous legacy we pass on to our children, and the costs of clean up they will have to bear. And, for DFO the protection of habitat and the environment is part of our historic roots and we are being driven by today's fears and today's new standards. We have heavy responsibilities, yet those responsibilities are still plastic enough to require thoughtful shaping - itself, an additional load.

Fifth, our society is becoming acutely conscious of its responsibilities to its minorities, and particularly our Native people. The Courts tell us we have fallen behind in our public policy arrangement with Native people and we have to make more progress, more quickly. This is the core message of the Supreme Court's decision in the Sparrow case. Working toward a social contract among all the parties and stakeholders, swiftly and surely, is both a momentous challenge and irresistible force.

Sixth, Canada is a society that believes in tradition, personal pride and the protection of the individual. It is a society that built medicare, hospital insurance and CCP/OAS. Few believe that welfare is an acceptable option to fishermen facing ice conditions, catch failure or plant closures. We are expected to try like hell to find humane income security answers to economic adjustment. We have built and adapted (many times) the Unemployment Insurance scheme to the place where it may now have lost its elastic qualities.

DFO has to work on new ways to allow economic adjustment, and yet ensure we have an income safety net that meets Canadian society's standards of equity and fairness.

To respond to the participation/consultation revolution, and to respond to a Minister who wants an efficient, transparent, non-political system of licensing and allocation, we are expected to develop, consult on and implement a new decision making process. Canadians doubt that decisions affecting their individual lives can or should be made in Ottawa. Surely, they say, these are decisions that can be made in my region and made in such a way that I feel I have participated.

Yet, we have a very complicated system. More than a dozen fishing plans involving over 400 allocations in the Atlantic alone. We saw 126 appeals from the Atlantic Fishery Licensing Appeal Board. We have 108 advisory Committees and 200 pages of Regulations in the Atlantic alone. (Not to mention hundreds of individual request for exemption, and variations special pleadings to be examined).

So...faced with all these powerful forces (and many others I have not described) what do we at DFO do? Obviously, we can't continue to put most of our effort into hands-on management and regulation of the fishery.

Obviously, the Minister cannot be the final arbiter on this number of individual cases, particularly at a time when we are being called upon to be much more than this. To take on more and new responsibility. To be more linked to the Government's other agendas. To be more in tune with the forces of our society. To be more politically astute and more creative in our problem solving. DFO is being asked to play a wider role in Canadian society as a major economic and social department of government.

Let me illustrate the point I am making with one example - The West Coast Salmon issue.

- yes, it is a complex fishery management problem
- multiple harvesting sectors, multiple stocks, 5 species, many different river runs
- fishery management is complicated by international harvesting and interception
- the science is complex, with many unknowns
- the environmental issues are many with habitat problems and enhancement opportunities
- the last user is the first priority - conservation and escapement.

What is our mission in a complex issue like this? Not simply to do a sophisticated job of stock and harvest management - that we already know a lot about. We are being asked to define a new social contract for Canadian society among natives and the commercial, sports and fish packing sectors. We are expected to accomplish this miracle in the context of native land claims, and international trade obligations, while achieving economic stability in a globally competitive economy. Moreover, we are supposed to invent ways to do this (because no one has ever done it) that are efficient, humane, sensitive to political imperatives and explainable to all. We are expected to fulfill our conservation imperatives, be fiscally responsible, and be sensitive to Federal/Provincial relations, the unity agenda, the competitiveness agenda and the environmental agenda.

For all of these reasons, we need to change the corporate culture of DFO to one that is as comfortable with macroeconomics and native land claims as it is with 2J3KL cod stock management and ITQ's. One that is as comfortable with Grande Baleine as a unity and environmental dossier as we are with AGAC and ICATT.

I need not tell you that the Minister is a demanding, experienced reformer. He is well aware of how essential it is that DFO grasp and manage this broad, small "p" political, public policy role.

Let me turn to the five most critical items on the Ministers agenda.

1. DFO reform: licencing and allocation

- something that few other Ministers could do
- it is critical to our future as a department
- part of all national agendas.

2. Native rights - fishery matters/land claims

- I spoke earlier of the "social contract"
- it's part of the Unity proposals and the Prime Minister's agenda
- We need to lead the courts, not follow. To replicate the USA experience here would be totally unacceptable.

3. Economic Adjustment/Social Security

- innovation is needed, what we have is getting worn out
- the catch failure program was linked to the solution of the income security issues and an effective task force is expected
- no more ad hockery

4. International issues and their domestic consequences

- we must face the fact that there is a passionately and widely held belief that foreign overfishing is at the root of the problems in allocation (whether it is true or not).
- foreign vessels fishing within 200 mile zone are increasingly hard to defend and explain.
- it is an issue complicated by many players domestically (Provinces, industry, unions) and a rule and tradition bound international audience.

5. Habitat and Environment

- a top government priority
- as I said, still plastic in form and therefore needs to be clearly thought out. We are making new and basic public policy
- major constituencies of people concerned: Public, environmentalists, job holders, investors

The Minister has at least one other personal passion which may not rank as high as the five I have mentioned, but it is something that we must work hard on. That is the best use and conservation of that wonderful fish, the Atlantic salmon. And there will be other things that the Minister will see that can be fixed, opportunities that can be seized and problems he will send us out to solve.

So let me begin to conclude with some final thoughts.

- We know what we must work on, and we know against what our success will be measured.
- To be effective, we will have to communicate well with each other and the Minister, and support each other.
- We see a daunting but interesting challenge ahead of us.
- To be effective, we must recognize and take account of the fundamental forces that are shaping our world.
- The issues we face have many facets. When we are struggling with a problem we have to think, who else needs to know this? What ramifications could be expected to flow from a decision on this? What questions will the Minister be asked?
- We have to think of our clients and of serving them. We have to think about people who fish, people who process fish, people who sell fish and people who buy fish.
- And ... we also have to think conciously and carefully about people's rights, peoples' health and safety, peoples' pride and peoples' aspirations.

It is a tall order. It will be a lot of fun.

Notes For An Address

by

Mike Hunter

President

Fisheries Council of B.C.

to

Senior Officials

Department of Fisheries and Oceans

October 21, 1991

NOTES FOR PRESENTATION TO DFO SENIOR MANAGERS' CONFERENCE

OTTAWA, ONTARIO

OCTOBER 21, 1991

-Grateful for invitation from Bruce Rawson and for chance to talk about the challenges and opportunities facing the Pacific coast fishing industry.

-Stress the important role of government, and especially DFO in ensuring that challenges are understood, so that a climate can be created within which the industry can take advantage of the opportunities.

-Almost goes without saying that the Pacific coast is different from the Atlantic - the challenges and opportunities are different and need different policy approaches.

-Description of FCBC - 100 years of processor trade associations in BC

-Importance of BC in national fisheries picture. BC products worth \$1 billion. Industry provides work for 14000 fishermen and 10000 shoreworkers and managerial staff.

-It was formerly believed that a policy of benign neglect from Ottawa served industry the best, and was the appropriate role for government. Worst thing that could happen was to have a Minister from your own region. That thinking is no longer evident. The state of the industry is precarious, caught in a cost-price squeeze partly but not entirely of our own making. Need government attention and sound policies to help industry set itself on a future course of prosperity.

-Focus on three or four major factors and "sub-factors" that are important to understanding where the industry is at.

A. Salmon is a desirable food commodity.

This fact provides sustenance in the dark days. Salmon may have intrinsic value, but the value that has been and can be extracted is enormous. Refer to all the salmon products on display from around the world at ANUGA.

B. Global Production has increased by 50% in a six year period.

World salmon production in 1984 was about 650000 tonnes, mostly produced by USA, Japan, USSR, and Canada. In 1990, world production exceeded 1 million tonnes. One half of the increase came from aquaculture - Norway, Scotland, Chile and assorted others, including Canada. The other half came from natural production increases in Japan, Alaska and Canada, with the USSR a relative unknown.

World trade patterns have changed dramatically. Japan has become the consumer of 40% of the world's salmon, half provided by imports that did not exist as late as 1980. Changes are taking place in the European Community and in Eastern Europe that augur major changes in the near future. Patterns of recreation and tourism are not irrelevant, since a portion of the overall value of salmon is generated from its recreational use. Back on the commercial side, there are signs of an impending crisis in Norway, where major banks are overextended in financing a loss-making aquaculture sector.

C. World Trade rules have changed.

The GATT/FTA salmon and herring case was a watershed development. It marked the formal end of the period of resource diplomacy which had marked fisheries affairs through the late 1970's and early 1980's. Now, trade law, as developed in the GATT/FTA case, diminishes the authority of coastal states, and their ability to extract maximum economic benefits from fisheries resources from their citizens who, by and large, foot the management bill.

Who knows where the MTN and NAFTA negotiations will lead us?

Analysis

The result of the GATT/FTA case has led to a loss of security of supply for the BC salmon processor. The removal of 80 year old protective regulations which had required that all herring, and sockeye and pink salmon be processed in Canada is leading to fundamental and lasting structural change in the industry. It is one more factor in the "competitiveness" equation that is facing all Canadian manufacturing sectors in the 1990's.

With respect to competitiveness, two important studies were undertaken in 1990/91. One was the DFO sponsored ARA study; the other was the report of the Industrial Inquiries Commissioner, appointed in 1989 as a means of ending the industrial dispute that occurred in that year. Both concluded that BC has some competitive advantages, and some disadvantages. Not the least of the disadvantages is the conclusion of both that we have been paying too much for raw materials. This is indeed a significant factor in an industry where 60-70% of costs are raw material costs (fish).

The high prices paid for fish are simply unsupportable in today's salmon world. Prior to 1989, when prices collapsed, the industry overinvested in harvesting equipment, an investment that was assisted by the tax rules on accelerated capital cost depreciation, and by the Fishermen's UI program. The problems created by the high price of fish are now exacerbated by the ability of foreigners to access Canadian fish, and by transfers of fish from the commercial sector to native use, including the illegal food fish sector.

It is clear to us that Minister Crosbie's observation in his speech to the FCC a couple of weeks ago is unassailable: he said that the economics of the fishing industry will not support the maintenance of the current number of participants in the industry. If the statement was intended for Atlantic consumption, it applies equally to BC.

The problems facing the BC industry were not all created by government, although some were. However, with industry protection now gone, thanks to the free traders, the government's responsibility is to assure that the marketplace, not the regulatory structure of a bygone era, determine our future success.

The Future

The future prosperity of the industry has to focus on cheaper fish and fishing methods, including a flexible management system that can respond to market forces while maintaining its conservation objective. The two objectives are not mutually exclusive. For example, fishery openings on days that allow processing at regular pay rates should not be inconsistent with conservation, 99 times out of 100.

Cheaper fish, priced competitively with our Alaskan competition, will allow processors to become more innovative and produce new value added products. Fundamentally, the industry will become more and more market driven, as opposed to the production (volume) driven approach of the past. Don't make the mistake of thinking that fish volume will be less important. In fact, critical volumes must be provided to plants that must cover overhead costs and return a profit on the basis of a few months per year operation.

The future will see us requiring better trained human resources, an area where government policies and programs can clearly be of great assistance.

From a government perspective, it is no longer good enough to produce fish for the sake of fish. Production and management must reflect industrial needs if we are to extract value from the resource. This is not to say that the needs of the fish can or should be ignored. What we must strive for is a more balanced approach. The new proposed regional agencies must not become an excuse for inaction in other policy areas; there is more to the industry than licencing and allocation. What is needed is a revolution in DFO thinking about the industry that parallels the revolution that has taken place in the industry itself. This revolution is probably best illustrated by the observation that the processor is no longer the fishermen's banker.

Conclusion

FCBC believes that government, and especially DFO has an important role in the structure and operation of the BC fishing industry in the future. We cannot afford to be approaching issues in any other than a cooperative manner. We need to involve the fishermen in this new equation, and perhaps the new Salmon marketing Council will be the forum within which these new linkages can be forged. DFO can help this process in the immediate term by reviewing its consultative processes. What you need is informed analysis from industry groups, not a whole lot of self-serving opinions. Qualify your advisers.

Thank you for the opportunity to present a west coast perspective. I hope it will assist you in your discussions over the next 24 hours.

Notes For An Address

by

Cynthia Lamson

Environmental Spokesperson

to

Senior Officials

Department of Fisheries and Oceans

October 21, 1991

Brief to DFO Senior Managers (October 21, 1991)

I would like to preface my remarks by saying that I appreciate the opportunity to share my views with you today. I am heartened by the Minister's recognition that institutional and structural reforms are needed because the existing system is not working as well as it should. However, I also understand that while it is easy to point out weaknesses, it is far more difficult to tear-down and re-build. You face an enormous challenge but I am optimistic that genuine opportunities for improving the system really do exist.

I was asked by Cheryl Fraser to comment on some of the key issues associated with DFO's mandate to protect fish and fish habitat and the requirement to assume greater responsibility in the area of environmental assessment. I was also asked to make reference to the Green Plan and the commitments undertaken to develop a sustainable fisheries policy and action plan by 1992.

My presentation this afternoon focuses on four topics: DFO's mandate and responsibilities for protecting fish habitat under the Fisheries Act, provisions of the 1986 Fish Habitat Policy, environmental issues on Canada's three coastlines, the Green Plan and DFO reform.

Fish Habitat Provisions of the Fisheries Act

The Fisheries Act gives the Minister overall responsibility for protecting fish and fish habitat from disruptive or destructive activities. The Minister's authority for habitat management derives from 9 sections of the Fisheries Act, including:

Section 35: prohibits works or undertakings which damage fish habitat unless authorized by the Minister or regulations.

Section 36: prohibits the deposit of deleterious substances in waters frequented by fish unless authorized by the Minister or under regulations.

Section 37: provides the authority to request plans and specifications for works or undertakings with the potential to affect fish or fish habitat. Empowers the Minister, with Governor-in-Council approval, to make orders to restrict or close works or undertakings that may harmfully alter fish habitat or lead to the deposit of deleterious substance.

When the Federal Court of Appeals ruled in November 1990 that the Oldman River Dam Project, a \$353 million dam situated 10 km northeast of Pincher Creek in Alberta, must undergo an environmental assessment and review, the Department was put on notice that it was going to be held fully accountable for fulfilling its statutory responsibilities for habitat protection to works and activities traditionally viewed as part of other agency

mandates. In other words, according to the Court's ruling, the Minister must review and monitor projects in or near water even in regions where, by prior agreement, the provinces or territories have been granted administrative management authority for freshwater fishery resources, i.e., Ontario, the Prairie Provinces, parts of Quebec, British Columbia and Yukon. In these jurisdictions, fisheries legislation is administered by provincial or territorial management agencies:

The delegation to the provinces includes enforcement of the Act and its regulations and prosecution of violations but excludes regulation-making and discretionary powers, including the power to authorize the destruction of fish habitat. Most of the habitat management powers provided by the Act are ministerial discretionary powers which cannot currently be exercised by provincial authorities.

Provincial authorities thus have not been provided with the management tools needed to undertake full management of freshwater fish habitat. At the same time, where provinces administer the freshwater fishery, DFO has only exercised its discretionary powers over fish habitat to a limited extent. DFO does not enforce the Act or prosecute violations of the general prohibition against the harmful alteration or destruction of fish habitat.

Since DFO has not intervened (except at provincial request, where the province administers the fishery, the protection of fish and fish habitat in those areas depends entirely on provincial initiative. Nevertheless, the Minister of Fisheries and Oceans remains ultimately accountable for the fulfilment of his habitat protection mandate.

1986 Fish Habitat Policy

In 1986 DFO released its Policy for the Management of Fish Habitat which declared that its principle objective was achieving an overall net gain of productive capacity of habitats for the nation's fishery resources to benefit present and future generations of Canadians. The "no net loss" principle includes three goals: fish habitat conservation, fish habitat restoration and fish habitat conservation. The Department understood that, in some cases, habitat loss was unavoidable, and therefore emphasis was placed on trying to strike a balance between habitat conservation/protection and habitat degradation/loss. The principle may be applied on either a stock-specific or geographic area basis, depending on local or regional management frameworks.

An important, but controversial element of the policy (given the Oldman ruling) specifies that the "no net loss" principle should not be interpreted as a statutory requirement to be met at all costs and in all circumstances. Instead, the policy indicates that the principle should be used to guide department officials and other interested parties in decision-making. The policy also

indicates that decisions should be based on professional judgement and common sense and arrived at in an "cooperative manner." Clearly DFO did not envision developing a new regulatory review process, preferring instead to use existing project referral and environmental assessment procedures whenever possible. However, the policy did outline a 6-step review process to illustrate how the Department would respond when notified about projects.

The Fish Habitat Policy is perhaps the most detailed DFO policy statement to date. In addition to articulating the no net loss principle, policy goals and implementation strategies, the document specifies a "hierarchy of preferences" which are criteria to guide managers in applying the no net loss principle. There are also commitments to conduct scientific research, public consultations, public information and educational programs, and to promote cooperative action for habitat improvement and monitoring.

Two elements of the Policy are particularly significant: (1) the commitment to attempt to implement resource management on an ecosystem basis, and (2) recognition of the need for integrated resource planning to minimize user conflicts and coordinate action between several levels of government. Examples of coordinated management activity include the preparation of estuary management plans in British Columbia, port development planning on both the east and west coasts, and assisting preparations for northern land use planning.

In my opinion, references to ecosystem management and integrated resource management should reflect future (if not current) directions for Canadian resource managers. However, in the short-term, these areas may represent potential minefields if groups outside DFO begin to pressure the Department to demonstrate how it is fulfilling these 1986 policy commitments.

Key Environmental Issues

Pressures on freshwater, coastal and marine environments are caused by many different activities, but most fall within one of four general categories: resource exploitation, coastal restructuring, waste inputs and atmospheric change. In turn, pressures may lead to a range of effects, including habitat degradation and loss, contamination (of biota), or risks to human health (see Figure 1).

Uncontrolled exploitation of living resources may cause stocks to decline and, in extreme cases, to levels which can no longer sustain harvesting effort. In addition to fishing pressure, other concerns focus on technology and the impact of certain fishing gears on stocks and habitats. For example, some gears are more selective than others (with respect to age/size of fish that are caught). There is also some evidence indicating that trawls and rakes may disturb fish habitat, but this issue is controversial and remains unproven for many locations. However, research by Dutch scientists suggest that gear-related habitat damage may be greatest

on flat, sandy bottoms.

Coastal restructuring is becoming a problem of global significance, although certain areas are experiencing greater pressures from development than others, e.g., the U.S. eastern seaboard and the Mediterranean Basin. In Canada, populations on both the Pacific and Atlantic coasts are growing at faster rates than other parts of the country. The areas around Victoria and Vancouver, for example, grew by about 32% and 28% respectively from 1971 and 1986. On the east coast, St. John's experienced growth rates of 22% and Halifax of 18% between 1971 and 1986. By comparison, the national population growth rate for this same period was about 17.5%.

In addition to pressures associated with urban growth (increased wastewater and effluent discharging), smaller projects such as causeways, dams, breakwaters and piers may disrupt habitats and degrade the quality of nearshore waters. Physical structures can interrupt migration, spawning runs and larval transport of fish and invertebrates. In Nova Scotia, causeway construction at Canso led to changes with respect to benthic species composition in St. George's Bay and the Strait of Canso. A smaller causeway at Barrington Passage cut-off the summer mackerel migration and destroyed lobster habitat. Possibly the most spectacular effect of causeway and pier construction may be seen along the Bay of Fundy where strong tidal currents maintain sediments in dynamic equilibrium. For example, construction of the causeway at Windsor (1970) caused a net siltation of 2m in depth for a distance of 2km down the Avon River.

Reclamation projects also lead to habitat losses. On the west coast, reclamation of intertidal and delta wetlands for agricultural purposes has reduced estuarine fisheries habitat by about 75% since the turn of the century. Other activities, such as dam construction for hydroelectric power and flood control on major river systems, have also resulted in habitat losses.

Waste is the third major environmental issue confronting fishery managers. Many of society's waste products are carried by streams and rivers to estuaries and eventually end up in the open ocean. Seven primary sources of waste have been identified: bacteria and nutrients, spills, synthetic organic compounds, heavy metals, pulp and paper wastes, ocean dumping, and persistent litter and debris.

Municipal wastewater is a major source of contaminants in the marine environment. As of 1989, only 47% of the coastal population living in centres of 1000 persons or more were served by primary wastewater treatment systems. In the North, several communities discharge raw sewage directly into marine waters; others have sewage lagoons or holding ponds, but these frequently overflow and concerns about sewage leaching into surface drainage systems are significant.

Pathogenic microorganisms in sewage may contaminate shellfish and have resulted in the closure of increasing acreage to harvesting.

For example, as of 1983, 262 shellfish areas were closed in the Maritime Provinces representing 140,000 ha. On the West coast, 70,000 ha of productive waters along a 730 km stretch of coastline were closed in 1988 due to bacterial contamination, mainly from sewage.

Spills can also have profound effects on aquatic ecosystems. Between 1971 and 1987, 171 significant marine spills (approx. 52,000 tonnes of material) were reported on the Atlantic coast, and 180 spills (approx. 48,000 tonnes) on the Pacific coast.

In the Arctic, 175 accidental marine spills were reported between 1972 and 1985 (contributing between 1.5 and 1.6 million litres of waste material). In all areas, small spills and leakage associated with offshore drilling, marine transport and the storage and handling of petrochemical products are the major sources of pollution. However, in the St. Lawrence Estuary and Gulf, ship traffic accounts for the largest volume of spilled substances. On an annual basis, approximately 200 oil slicks are reported in the region, and at least 54 significant spills occurred between 1980 and 1984 as a result of ship groundings, collisions and other marine casualties. On the West coast, discharging by the pulp and paper industry accounts for another 8% of marine wastes and the fishery industry may contribute up to 6%.

The impacts of oil pollution include direct toxic effects on biota, the smothering of coastline and benthic habitats, tainting of fishery resources, and seabird mortalities. However, other contaminants are also major sources of concern, especially synthetic organic compounds. Persistent organochlorine chemicals may have significant impacts on resources because they accumulate in animal fatty tissues and organs. Biomagnification occurs and animals at higher levels in food chains accumulate progressively larger amounts of these chemicals. Synthetic organic compounds enter aquatic systems from agricultural run-off, sewer outfalls, industrial effluents, and from spills at sea or on land.

Sources of metal pollution include industrial effluents, municipal wastes and ocean dumpsites. In sediments, trace metals tend to be bound in organic molecules and are not very available biologically. Measurements at outfalls and loading docks near minesites tend to reflect elevated levels of metals such as mercury, lead, zinc, cadmium, nickel and copper.

Mercury contamination of marine sediments and biota has been associated with chor-alkali plants in Quebec, New Brunswick and Nova Scotia. Smelting operations may also lead to higher levels of localized metal pollution. For example, elevated cadmium levels, associated with the lead smelter near Belledune, N.B., resulted in the closure of the lobster and mussel fisheries as far as 20 km downstream. In this case, the installation of an effluent treatment has resulted in reductions of overall metal concentrations in adjacent marine waters.

In British Columbia, approximately 8,300 ha. of benthic habitat

have been smothered by tailings from coastal mines, many of which are now closed. However, the Island Copper Mine is still operational and continues to dispose its tailings into the waters of Rupert Inlet on Vancouver Island. Here, tailings have smothered benthic habitat tens of kilometres from the outfall, but, fortunately, recovery from exposure to mine tailings discharge is believed to occur relatively rapidly.

Pulp and paper manufacturing activities account for large quantities of organic wastes which are discharged into the marine environment. Wastes are commonly measured in terms of biochemical oxygen demand (BOD) and total suspended solids (TSS). The release of wood fibres and other high BOD materials can smother benthic habitats and reduces the oxygen content of water. The impacts can be significant, as illustrated by the fact that areas adjacent to 9 coastal pulp mills and one sawmill (approximately 2.4% of the B.C. coastline) are closed to fishing for crabs, prawns, shrimp and oysters.

There are many other examples of habitat loss associated with industrial activities in or near aquatic environments. My goal was not to provide you with a comprehensive listing, but to highlight some of the complexities associated with land and coastal management-- ergo, the need for integrated resource management should become increasingly self-evident.

The Green Plan and DFO Reform

Although I realize this conference was not convened to develop a sustainable fisheries policy per se, it is clear to me that developing a sustainable fisheries policy is the paramount task facing the Department, industry and all other Canadians who rely on healthy marine and freshwater resources. There is little if any logic in trying to implement discrete policies and strategies for resource conservation, utilization and habitat protection. Going one step further, one might also ask whether it is reasonable to have a separate Arctic Marine Conservation Strategy, a Recreational Fisheries Policy, an Aquaculture Strategy, a framework for marine environmental quality, and a federal Oceans Policy.

I can assure you that persons outside of government are confused by the existence of multiple policies, strategies, frameworks and plans and no one is quite certain of their status or which agency is responsible for implementation. With the release of the Green Plan, the situation has become even more complex.

A year ago DFO hosted a sustainable fisheries "think tank" meeting in this same hotel. The purpose was to initiate consultations with stakeholder groups to identify issues, goals and strategies for developing a sustainable fisheries policy. Most people who participated in the exercise understood the need for new approaches to resource planning and management and were encouraged that DFO was seeking input from different interests despite potential

conflicts and incompatibilities. Unfortunately, there has been little or no public follow-up to that session and I suspect that some of the enthusiasm and momentum generated by the event has dissipated during the past 12 months. Given the need to produce a sustainable fisheries policy by 1992, I would encourage the Department to pursue the workshop's recommendation to conduct consultation sessions in each region as soon as possible. Although consensus will be difficult (if not impossible) to achieve, DFO must demonstrate its willingness to listen to all interests on an equal basis.

Special efforts, however, should be devoted to encourage members of the fishing industry to participate in developing a sustainable fisheries policy. Because the concept originated outside the industry, there is considerable uncertainty, even cynicism, about sustainable development. Many industry participants are firmly convinced that DFO is more interested in resource and environmental protection than in industry development.

In short, the Department is at a crossroads: it must decide whether it wants to maintain the status quo (characterized by adversarial relations) or whether it is prepared to change course and work with industry to solve or mitigate problems on a cooperative basis.

The fact that protests are common occurrences (i.e., sit-ins, marches, blockades, office trashings), should indicate that some policies and decision-making procedures have major flaws. Thus, unless sincere efforts are taken to obtain industry input about sustainable fisheries policy, it is likely to be regarded as yet another policy to protest or to lobby against. (This attitude should not really surprise anyone because there are quite a few examples whereby management decisions have changed or been modified following intensive lobbying by fishermen, processors and/or communities).

Furthermore, although once upon a time it was sufficient to refer to "scientific evidence" as a basis for decision-making, two developments have lessened the credibility of the "scientific" rationale. First, the fishing industry has witnessed several occasions whereby administrators have made decisions which do not correspond with the scientific advice provided. Second, both industry and the public are more sophisticated and they understand that scientific data may be challenged if assumptions are weak, a variable has been overlooked, or if research results cannot be validated. Thus, the only way to ensure acceptance of a sustainable fisheries policy (and compliance with management regulatory measures), is to make every effort to engage stakeholders in the policy process from Day 1.

I also believe the Department should also assume a leadership role in defining what constitutes sustainable fisheries practice (in both the harvesting and processing sectors). At present, there is limited and conflicting data about the impacts of different fishing gears on the environment. Therefore, a priority for departmental

action should be the undertaking of comprehensive and comparative studies to assess the characteristics of fishing gears currently used by Canadian fishermen. This research should be planned, carried out and evaluated by a joint industry-government team to avoid criticisms of bias or misreporting.

Once there is sufficient data to evaluate the impacts of different fishing gears on resources and the environment, industry should be requested to develop a viable incentive system to encourage switching to more sustainable fishing practices. At the same time provincial governments should be requested to assess the potential impacts of shifts in harvesting and processing technology on single-sector fishery dependent communities. In some cases changes could actually expand employment opportunities, while other changes could result in job losses. The role of the federal government in each of these exercises would be to provide technical assistance and/or support services if requested.

However, if the government issues a sustainable fisheries policy, an obligation arises with respect to evaluating license applications from fishermen and processors. A clear and consistent set of criteria must be applied to determine whether the enterprise is compatible with sustainable fisheries policy. (Long-term operators who do not meet policy requirements should be allowed a grace period to work with fishery development officers to come up to standard). If the Department genuinely desires to change its image as an enforcement agency first and foremost, it should focus greater effort on helping the industry to meet new policy and regulatory requirements. Thus, when violations or problems arise, fishery officers should be able to make referrals to a DFO development officer who is tasked with helping operators correct their problems.

Finally, I want to underscore the importance of working towards integrated resource planning and management. Although Canada is unlikely to follow the lead of those nations which have enacted comprehensive coastal zone planning and management legislation, other approaches may be more appropriate given existing governance arrangements, geography and configurations of stakeholder interests.

Recent initiatives on all three coasts indicate that there is growing awareness of the need for some form of area-wide management planning if resource conflicts are to be minimized and special areas/habitats protected. For example, in British Columbia, three estuary management plans have been developed (for the Cowichan, Squamish and Fraser Rivers). On the Atlantic coast, Prince Edward Island has taken steps towards comprehensive planning by conducting an island-wide inventory of coastal waters to assist shellfish growers in site selection. Other efforts include the Bras d'Or Lakes project which is the first integrated resource planning initiative in Nova Scotia. The program commenced in 1985 with assistance from the Cape Breton Development Corporation, and a draft plan will be discussed at a workshop in Baddeck this week.

(October 24-25). In addition, Environment Canada, Atlantic Region, initiated the Atlantic Estuaries Profile program in 1986 in an effort to promote system-wide assessment and management. The project team produced 12 profiles until funding was virtually eliminated. However, in 1991 portions of the original program were modified and, with Green Plan assistance, the Atlantic Coastal Action Plan emerged.

Integrated resource planning may be most advanced in the Canadian North. Land use planning commenced in 1981 in response to pressures arising from industrial development projects, and a federal/territorial Northwest Territories Land Use Planning Commission was created in 1986. However, in 1988 this institution was dissolved and was replaced by regional commissions, i.e., Lancaster Sound, Beaufort Sea/MacKenzie Delta in the Northwest Territories and the Greater Kluane Region in the Yukon.

In conclusion, I would like to table a series of recommendations as food for thought over the next two days: given that DFO has defined sustainable development as "a process of finding a balance between protecting fish stocks and their habitat and providing fish and fishing opportunities for Canadians in the future," I submit that:

1). DFO must develop, in consultation with industry and the public, a sustainable fisheries policy framework which outlines federal objectives, goals, and strategies for implementation. This policy should address the commercial and recreational fisheries, aquaculture and habitat protection.

2). Certain elements from existing policy documents should be incorporated within the new sustainable fisheries policy. For example, the co-management provisions of the Arctic Marine Conservation Strategy could have broader application, especially in habitat management where many local-level stewardship groups have been active for some time. In addition, a commitment to pursue research which will facilitate the shift away from species and stock management to ecosystem management should be included in the new policy.

3). Because many of the habitat issues facing DFO will also involve input from Environment Canada as well as provincial and territorial environmental agencies, a federal/provincial habitat committee (or network) should be created. The committee would address concerns arising from proposed projects and should be given sufficient resources to undertake (or contract-out) habitat research on a priority basis (the Environmental Studies Revolving Fund is a potential model). This committee or network might also be the appropriate group to oversee the Marine Environmental Quality (MEQ) framework which, to date, has been driven (led) by Environment Canada. However, the existing framework should be expanded to include freshwater resources and habitats.

4). Finally, I believe DFO should endorse coastal zone or area-wide resource planning and management. Furthermore, the Department should assume lead responsibility for working with the provinces and territorial governments to develop appropriate frameworks for different regions, settings and environments (east, west, Arctic coasts; ports and harbours, estuaries, etc.). It is clear from the frequency of conflicts between user groups that current decision making procedures are inadequate; if DFO is genuinely committed to reforming the way it does business with industry and the public, then it must commit greater human and financial resources to manage complex social systems as well as natural systems. Although the initial investment may be high (in terms of dollars and hours), a long-term goal could be the eventual transfer of responsibility for activities such as data collection, surveillance/monitoring and enforcement to local authorities.

Figure 1

Land-based sources of marine contamination, or activities, affecting marine living resources on Canada's three coasts. (Waldichuk, 1988)

Contaminant or activity	Atlantic	Pacific	Arctic
Sewage	*	*	●
Urban and Agricultural Runoff	*	*	0
Pulp and Paper Mill Wastes	*	*	
Mining Wastes	●	●	●
Ocean Dumping	●	0	0
Coastal Developments	●	●	*
Petroleum Hydrocarbon Exploration and Exploitation	●	●	*
Agriculture (nutrients, siltation)	0	0	
Pesticides in Agriculture and Forestry	●	0	
Petroleum Refineries	●	●	
Chemical Industries (e.g., chlor-alkali plants)	0	0	
Chemical spills and leaks from shore installations	0	0	0
Atmospheric Emissions	0	0	●
Litter	●	●	●

Level of Concern

- * Very High
- High
- 0 Moderate
- Low

The somewhat subjective rankings are based on proven ecological damage and on economic losses in resource utilization through closures imposed by legislated regulations.

Notes For An Address

by

Earle McCurdy

Secretary - Treasurer

Fishermen, Food and Allied Workers Union

to

Senior Officials

Department of Fisheries and Oceans

October 21, 1991

Earle McCurdy
Fishermen Food and Allied Workers
Address to DFO's Senior Managers Conference
October 21, 1991
(Transcribed from tape)

Thank you Mr. Rawson. I hadn't quite realized until you read them out how many thankless, time consuming, and unpaid jobs I've been roped into lately but I've got to start dropping some of those. It's not good for my health.

This is I suppose in a sense, if not an historic, certainly an historic year for us in our organization. Because 1991 marks the 20th anniversary of the latest incarnation of a fishermen's union in Newfoundland - Labrador. And I say the latest incarnation because of course just after the turn of the century there was quite a lively and viable organization in place for a number of years.

Now at the time that our organization was started and this predated my own personal involvement there were a lot of people who said that it couldn't be done. First of all that fishermen for some reason could not be organized, that they were too individualistic and so on and so forth. That there was no employer, employee relationship therefore it was not appropriate for them to be in a trade union. And secondly that you couldn't possibly have one organization that had under it's roof inshore fishermen, fish plant workers and trawlermen. Well we've taken our lumps and knocks over the years, but it's 20 years later and we still have one organization representing those various sectors.

We've survived a substantial change in restructuring of our own organization that put our support in each bargaining unit to the test of a labour relations board vote. And now 20 years later we're very pleased to be members of the Canadian Auto Workers and have the support that that organization is able to lend to us in our efforts on behalf of our members.

There was a book written actually several years ago, I think a couple of additional chapters may be in order after events of recent years, in fact of recent weeks. And that book was called "More than just a Union." And I think that is what we always try to do is involve ourselves in a little more than the conventional activities of trade unions not that those are unimportant.

I'll just go through a few of those, I think it's important for, actually I suppose a group here would be classified into three groups. There are those who pretty well know who we are and what we're about. There are those who don't and then there's that very dangerous group, those who think they do, but actually don't. So particularly for the benefit of the latter group I'll try and give just a brief sketch of some of the activities in which we're involved.

Certainly one of the key things that is different I think for a fishing industry union from any other is the major input in resource management issues. And I think it's unique to fisheries because there's probably no other sector of the economy, certainly none that I can think of where on a day to day basis in their everyday working lives people experience the hand of government in a regulatory sense in the same way that happens in the fishing industry. So we certainly have a major role to play and a very time consuming one and also an extremely controversial one in trying to represent the interests of our members on the various management issues.

Now people tend to highlight and assume that the real, that the big problem, is in issue conflict between inshore and offshore sectors. And at times, there are times when conflicts arise there that can be complicated and difficult to deal with. But by far the most complex and difficult problems and most serious conflicts that we have to work with and to try and manage and work our way around come within different sectors of the inshore division. Whether it's mobile gear in conflict with fixed gear, gill netters trying to get access to an area where trap fishermen don't think they should belong or whether it's seiners in conflict with purse seiners, whatever we have in conflict with fixed gear fishermen there's all kinds of different interests and on the face of it conflicting interests that arise.

But we also believe there is a lot of commonality of purpose. And we believe that there are a lot of these problems we're able to resolve more effectively in house than if you had a whole bunch of little organizations with virtually no resources all running around with a very narrow agenda. So we make the best of some of those problems.

But in addition to that we've had in our organization now for the last approximately two, a little over two years, an education officer for inshore division with the assistance of funding from the Newfoundland Inshore Fisheries Development Agreement on a cost share basis. We hired Father Des Magrath, one of the original founders of our Union, as an education officer and that has led to a number of other activities. We found a distinct lack of coordination in the delivery of training programs for fishermen in the province. A lot of different agencies trying to do it and no real clearing house for it. And so we set up, under the auspices of CEIC, a training coordinating group called Fishermen Training Incorporated with a group of fishermen on a Board of Directors and some advisors from various government departments to really set priorities and goals for fishermen's training and to try and coordinate the efforts of different institutions. We have, this past winter, developed a course called Life Line which was a Health and Safety course that we delivered to approximately 1200 fishermen in the province and we did that by hiring fishermen. It was based on peer training. We felt the best people to teach fishermen about health and safety was not people who were trained educators, because you know in three weeks you can't learn all there is to

learn about being on the deck of a boat, but we took fishermen and trained them in teaching techniques in a bit of a crash course. Developed a course ourselves that had a three week training period and then they went out into the field in pairs to teach their fellow fishermen a course in basic health and safety on board the boat. And we did that in 110 communities and as I said attracted about 1200 participants. We're now heading into our second term, in fact today the training period begins in St. John's. Another three week training period for another 10 instructors who in November will be going out in the field once more to pass on what they've learned to other fishermen. We have, in the northern peninsula now two communities on a pilot project basis, a literacy and academic upgrading program underway. In Port (inaudible), for example, we have over a hundred people who are taking what's called a plato computer program which is a program where people sit down at a monitor and really take academic upgrading at their own pace. We also have into that approximately, I think it's in each of the two locations, 13 fishermen who have come forward, identified themselves as being totally illiterate and wanting to first of all work with individual volunteer instructions to get their own level of comprehension up to the point where they can begin doing the individualized computer program. And we've had a tremendous response to that both in terms of participants and also volunteers who are willing to take the time to do the teaching.

Because you know one of the things that's being talked about now and I'll get on to that a little more later, is the whole business of professionalization of fishermen. And if we're going to talk about having standards and certification of fishermen we certainly, one thing that has to be addressed is those people who lack the basic tools to be able to participate in any kind of a training. It obviously would be a major project to tackle in the province as a whole and would take a long time but we're very pleased with the early results of our pilot project and hope to take it further.

Another example the type of activity that we engage in which may be a little off the beaten path in the trade union movement is a survey we undertook last winter. We worked fairly closely with the Newfoundland Region and the Dunne Task Force. We conducted a detailed survey of our member's attitudes, inshore fishermen's attitudes, on a whole range of issues relating first of all to professionalization and secondly to various aspects of licensing some of them kind of narrow esoteric points of detail others very broad points of general policy. And we had, I forget the exact number, well in excess of 200 community meetings last year and over 3,000 people participated. So I guess that if people can make value judgements as to who the next Prime Minister of the country will be based on 800 or 1,000 or 1,200 responses across the country if we have input from 3,200 fishermen in Newfoundland and Labrador, I think we've got a pretty good idea of what the overall thinking of the group is.

Now this we do, or attempt to do, and do as best we can with a staff of 20 people including support staff, officers, field staff

and the like. So which is basically in relation to the task at hand. A bit of a corporals garret but none the less we do the best we can.

I think the reason, someone might say well how do you get 3,200 hundred to attend meetings and fill out a questionnaire because people say you're never going to get that kind of response or how do you get 1,200 hundred people at courses on safety when the coast guard with all their best efforts have trouble getting anywhere close to those numbers. And how come you're getting much greater turn out at the literacy program than other similar programs that different people undertake. So I'm not going to answer that question in a boastful manner because there's plenty of time for that later. But the, I think the important thing, is what we bring to these kinds of issues is a network of contacts and of people in all the communities in the province. Our booklet of Fishermen's Committee Members lists off in excess of 250 committees and over 1,000 people who are involved to a greater or lesser degree in the affairs of the Union. This should be looked on by DFO as a network of leadership which will provide a vital link between the people who make decisions and the people out in the field who are the ultimate, supposedly the ultimate, beneficiaries. There's certainly people who had to live with the consequences whatever they might think of the decision. I think there's quite a network there and I think DFO should take advantage of it whenever possible. Because you know there's organizations out there and then there are other organizations. I mean it's very simple to hang out a shingle and say well I represent a such, you know whatever it is the somebody's fixed gear association or the something or other inshore fisheries this or inshore fisheries that and it's a growth industry in Newfoundland to declare an organization without resorting to some of these unnecessary details like founding meetings, constitutions, charters, memberships and those kind of things. And put yourself in business and I think it's important to people in DFO to be able to make the distinction. But that I think is probably enough of who we are. I was ready to just set the stage and for some comments on a few of the issues.

Now there's any number of issues that I could fill on any one of which I could fill the available time. So what I plan to do is just touch very briefly and give very much summarized remarks on a number of the key issues on a given day. And there's no question that there's one overwhelming issue against which all others pale. And that is the whole question of the state of the resource.

We are in a period of resource decline and the stock situation which has led to a crisis of really unthinkable proportions. I'm still not sure that the magnitude of the situation has fully sunk in to people and I don't mean not only people in the communities I think people in this town, people in St. John's, and people in positions of authority because of the state of what's going on now, the magnitude of the problem is absolutely frightening.

To talk, what you see now, anger is one emotion that I feel comfortable dealing with it but you have to do it all the time. It

comes with our job it comes with your job. Despair is a very difficult one to deal with and more and more we find ourselves having to deal with despair. And that's not a very pleasant thing to have to cope with. But the impact of what's happening now have been severe. Quite frankly the explanations of what's happened this year has been somehow an anomaly related to this or that environmental factor and so on. That explanation is not washing with people. I mean there's a really deep abiding concern by people that have spent a life time on the water, that the stocks are in a very severe decline and that we have a problem of really frightening dimensions to face over the next few years.

Obviously part and parcel of all this is the whole question of foreign over fishing. It's absolutely when we see our catch going directly down and while the foreign catch continues that's pretty hard for anybody to swallow. I mean I was one of the people who had to go down to Trepassey two or three weeks ago and face a group of 650 people who have permanently lost their jobs. And those, that loss of jobs is directly irrevocably and undeniable linked to foreign over fishing. There some other problems.

Different people haven't resourced it may be arguable. The closure of Trepassey it is not arguable. Foreign over fishing on the flounder stocks, we hear a lot about cod publicly. We don't hear a lot publicly about flounder it doesn't seem to have the same appeal for some reason. But our flounder catches in the last five years have been cut in half and a loss of flounder has put the people of Trepassey and fifteen surrounding communities out of business. There's absolutely despair there. They don't know what the future has to hold. Grasping at straws as to what some other half baked alternatives might be to keep a few of them working there in the plant. But the reality is for a large number of them, they're facing a desperate future. Worse than uncertain, no prospects for most of them at all and that stems directly and unequivocally from this foreign over fishing. So that's a matter of the utmost urgency. I can't think of any issue of sovereignty that could affect any other sector or any other jurisdiction in our country that would not have a tremendous uproar surrounding it.

As part of our approach to dealing with this, one of the things we are going to do, and this is one of the benefits of being in part of the Canadian Auto Workers, in a union that does get involved these kind of matters, is that work has begun on a film that we're going to produce of approximately a half hour's duration on the whole question of foreign over fishing and the impact that has on people. We're going to show people who have to pay the price for these kinds of things and our objective is to get something, a tool of communication that we can use to raise the profile of this issue in our own country and to the extent that we're able to through our connections internationally to do it in other countries as well because it's a problem of almost unimaginable dimensions.

Another issue that I'll touch on very briefly is this whole question of a developmental pool. One of the more poetic amongst

us the other day said that the only fish that belongs in the developmental pool is jelly fish. And the you know when I just can't explain to fishermen why gray sole on the west coast of Newfoundland, that they're having tremendous trouble even finding, why that belongs in a developmental pool to give away to somebody else. I mean there is no justifiable explanation for that. It doesn't belong and will whoever here has any authority in that matter whatsoever go home make it a mark, put your watch on your right hand instead of your left so you remember to god's sake take gray sole off the developmental pool and while you got the mark, to be the heavy black pen out and strike out turbot too and we'll probably have a few other nominees there as well.

But certainly to have those in there at a time when the catches are going down and the way that turbot one has gone. I mean here we had Grand Bank closed. We have Trepassey closed. We have Gaultois closed. We had National Sea going down hill. We had inshore fishermen scrambling around trying to survive and somebody took that turbot route, first of all made the judgement that that turbot was in fact in some fashion surplus. And then in issuing the rights to fish it didn't even say how, if it's a developmental pool let's use it for the purpose of development of our industry and therefore we'll use that in some way as a part of a package to keep one or more of these plants operating. Or to help fishermen in some fashion. Instead it was just, it was just bartered to, I mean given to individual private companies to go make a deal with. And if that's development then God help us.

There is one issue, you'll be pleased to hear where I believe, I do believe it's us and DFO against the world. We're partners on this one. Now which one is it? Enjoy this one cause I'm getting back to more like the earlier ones. And that issue is limited entry. And just recently in the press there's been a couple of our, we have our own brand of politician in Newfoundland. God knows it's a good thing that it's not contagious, it hasn't spread to other areas. But these people who purport to speak to the world for all in sunder whomsoever they deem to come under their jurisdiction. And we've got lots of them and they'll speak up. But then when you get talking about (inaudible) they'll certainly be not at all shy about giving DFO a blast. Without feeling any requirement to do things, like find out the facts first or anything like that just have a shot at it. But when you get to the issue which is a real fishermen's issue of limited entry then they start to get namby pamby on us and then they start to say things like well everybody has a right to fish. Or everybody, what about the fellow whose, I read it in the paper the other day attributed to a fairly controversial and outspoken MHA whose not shy about getting himself in the news. And he said, and he said, well what about the person who spends the summer building a house and then in the fall there's a squid fishery and he has a chance to supplement his income, why shouldn't he have that opportunity?

Well I'll tell you why he shouldn't have that opportunity. Because we can't manage the fishery that way. And because that's

contemptuous of fishing as a profession. And there has to be a limit, there has to be limited entry. We can not afford the luxury in a declining, in a badly declining, resource to let every Tom, Dick and Harry who comes along or everybody whose laid off in a zinc mine somewhere, or is put out of work somewhere at a refinery, somewhere else to say well here's a license for you to go prosecute the fishery. We can't operate that way any more. It's been like that too long and so certainly the thrust of the recommendations in the Dunne Task Force on limited entry and the general thrust of DFO policy towards limited entry we support that. We will continue to support it. We'll deal with the people in Newfoundland that have ranged to the level of premier over the years who feel that everybody who feels like should have whatever rights they have to fish.

Rights to fish may be one thing but this business of owning a vessel, having a vessel registered, having a right to commercial sale of fish, we've got to limit that. There isn't room to keep on. Maybe in days of growth you could do that, I don't know it didn't make sense to me then either. But certainly now we can't afford the luxury. So I believe that that's one item at least where we're on the same wave length.

As part of that I believe that it is very important to continue pursuing and probing the whole issue of professionalization and/or certification of fishermen. Now when initially all that was one line in the Atlantic fisheries adjustment program and we had no idea what anybody meant by it. But since it was there we decided that we wanted, the best thing we could do was to set out to develop our own ideas and our own definitions and our own objectives of what will come of that.

There was I believe quite a successful conference in Moncton six or seven months ago at which we had a fair size delegation. To just explore the idea to bring it along. I believe we were more receptive initially then some of the other fishermen groups in Atlantic Canada. But I think some of them are starting to come on side a little with it. I sincerely hope that that initiative continues to be pursued. I mean all that funding into the AFAP program really does is allow for a full, in my view anyway, a full and complete exploration of the issues and development of the concept. I don't believe it's a delivery cause a, it's a delivery mechanism, I think that's quite separate and falls under the whole area of training. But I think it's very important that this go forward. If we're going to say, you know we, we're dealing with a limited resource then I believe what we have to do is try and do everything we can to allow people to make the most that can possibly be made out of that resource. And I believe a part of all that is a proper development of certification and professionalization. Provided that, as with lawyers and doctors and other trades and professions, the people who ply that trade or profession are the ones who set the ground rules for what should govern it. The government doesn't set the rules for the Bar Society. The government doesn't set the rules for the Medical

Association. I believe the role for government here is to work with fishermen's organizations to try and to see if it's possible together to develop a set of rules and guidelines that could form a better identification of fishermen. And then could help so that when you have situations like we find ourselves in this year so you have a handle on who are really fishermen. Because as long as there's, in Newfoundland alone there's 25 or 30 thousand people with a piece of paper in their pocket that declares that they are fishermen. Then we're not, it's very difficult to deal with the problems.

And another matter related to licensing and here I believe over the years I think we've had whatever level of support or otherwise we may have gotten at the regional level we certainly have over the years I think run into a brick wall in Ottawa. It's the whole question of a significant, simplification of the licensing of those fishermen who are bona fide, full time, life long participants in the industry. The present maze of different status and different licenses and restricted entry, limited entry licenses and so on that people have is becoming, at a time of a declining resource, an ever increasing source of real bitter discontent. And I think the whole system is in danger of virtually collapse unless we can come to grips to that, with that complex set of regulations and try and find ways to simplify and streamline.

When we did our survey last year we asked a question which a critic might say was somewhat general but a question as to whether or not the fishermen supported more equal access and for the Union to pursue a more equal access to all species for bona fide fishermen and 91% of the respondents said yes. That means we had 27 or 28 hundred said yes we should do that and 3 or 4 hundred didn't. Although there were a lot of people there in that group that had, might have something to loose in all that. As they looked at a narrow selfish interest. But I believe the policy has to reflect the values of the society that it purports to serve and I believe the values in Newfoundland which may be different from other provinces call for a more egalitarian approach to access the resource. This year I mean we've had improvements here over the years we know we've nibbled away at it. There were some improvements which we were pleased it and appreciated in the tuna, access to tuna this year in our province. But it's on an adhoc basis and I think what's needed is some more broad policy approach to improve that situation and reflect the values of the people.

The whole area of ITQs is a hot issue and it's been put forward I believe by some as a panacea. We are extremely sceptical to put it mildly about ITQs. We have seen clear evidence of the potential for ITQs to provide an incentive for people to cheat, putting it quite bluntly. It's one thing if you can, and we saw that in the Gulf of St. Lawrence where the stocks went in and collapsed. And at the time that we were part of trying to put that ITQ thing together one of the things that we felt should happen was that there should be a monitoring of the catch and through our organization to keep tabs, on the landing practices and to require

all sales from fish of that fleet to go through some kind of a centralized landing funnel so that we could get a handle on what was going on. But in fact what happened was that all of a sudden is that there's a big increase in hake landings or in red fish landings or whatever else was there on paper. Because as long as you had a willing processor there's a tremendous personal gain from cheating the system. If you got 20,000 pounds of cod in your boat and you can get a processor to recede it for 10,000 pounds of cod and 10,000 pounds of hake you got a lot more left on your enterprise allocation. And that's a very serious matter. I think the whole question of ITQs, I can think of very few if any fisheries in our province at any rate whether it would be appropriate in any event they should never proceed in the fishery unless there's a full discussion of the pros and cons and a clear acceptance of the principle by the participants.

The heading of dockside grading cause this is one to just get me, I'd be squirming in my seat if I was in one. But it certainly one that gets us edgy. Dockside grading in some provinces, the user pay, or in some areas and some sectors, of the Atlantic Canada and some sectors it's not user pay. And that kind of a distinction and basically a discrimination causes a lot of controversy and a lot of trouble and it's small wonder that it does. I believe in all these areas and the whole planning of the fishery, what we really need to deal with cause we are in crisis and I can't underline that enough, but what we need to deal with the situation in which we find ourself is really a two fold approach.

Number one of course is conservation. I mean we've got to have an approach that will rebuild our fisheries for the future. And the second that has to go hand and hand with that is an approach to help the people who are full time participants in the resource and in the fishery, deal with the implications of those conservation policies. Otherwise the economy, certainly of rural Newfoundland and Labrador and I suspect much of Atlantic Canada will be in great danger. Just as one example of what I mean the whole question of small fish. I mean to go out tomorrow and issue an edict that nobody on the Avalon Peninsula can catch fish under a certain size could have tremendous repercussions for the ability of the participants to earn a livelihood. Now if someone said we are going to do that but because you are the victim, you over here you're the victim of that we're going to help you cope with that. ie assist you with and defray the economic loss associated with that in hopes of rebuilding this resource so that you can continue to participate in the future. Then at least you got something that you can talk to people about.

The only other issue I'll just touch on very briefly at risk of getting myself agitated is the whole question of the Fish Aid Program that recently came out. And I would have to say that if there's a more ineffective, unimaginative and demeaning way of spending a lot of money than that one I don't know what it is.

I mean really after all we went through this summer, I mean now you get fishermen calling from Labrador saying "how are we going to", I mean they've got to try and figure out how to get a project that won't be buried in snow before they are half way through their objective of what the program is supposed to do. So certainly the obvious comparisons are being made by fishermen between what happened to deal with that crisis in the fishery and what happened to the deal with the crisis in agriculture. And I can't think of any other sector where make-work projects are inevitably put forward as the only solution people have. And I think part and parcel of that is trying to deal with that question of who are the fishermen identifying in the system identifying and certifying the people who are what we call professional fishermen. The bona fide fishermen whose life work is fishing, as opposed to the people who want to finish building the boat and then avail of squid fishery if it suits them from time to time.

The other general area I'd like to discuss really is which I think is quite important to all of us is the whole question of DFO's role with respect to these issues and others and how we see DFO's role, where we see a need for strengthening and where we feel over the years there's been some breakdowns and some slipping back a little from a number of years ago. I think first of all that in approaching any of these issues that come up whether it has to do with dockside grading or ITQ's or cod trap mesh size or whatever issue it doesn't matter whatever issue is on the plate on a given day. There are two important questions that we always have to ask ourselves. We do and you do.

Question number one for whom is the resource being managed? I mean it's all well and good to make all kinds of decisions and they have to be made on a daily basis and I appreciate that's a high pressure job trying to manage that resource. And it's a tough job and there's a lot of people in this world wouldn't have the stomach for it and I understand that. But in making the decisions that have to be made always foremost on our minds should be for whom, in who's interest, in who's name is this being done and then to try and develop a policy that does act in the interest of those people we've identified.

And the second question is what is the objective. Now it's too bad Frank Slade is here cause Frank probably wouldn't let me tell that story about the bridge would you Frank? But I think it's a good story and I'll do it anyway. About what can happen when you loose sight of the objective. And it concerns this community (incredible), Newfoundland where they had a problem with vandalism on the bridge and the bridge got put out of service and the people had to make a hell of a detour around an old cow path somewhere and it was extremely inconvenient and it was causing tremendous problems. So somebody one day had the bright idea of hiring a security guard. And well that worked like a charm and for months and months there was no problem on the bridge, no vandalism. The bridge was open all the time and the cow path fell into disuse. But then of course once they had a security guard they had somebody

there on payroll. So they hired a payroll clerk to pay the security guard. And of course once you had a payroll clerk in place you had to have an audit function. So now an auditor was hired to supervise the payroll and, well of course, once you had three people well it would go without saying that you had to have a supervisor. So now there were four. And then one day the minister, the president of Treasury Board, came out with an edict that there had to be a 25% cutback in the size of the public service and so they laid off the security guard.

Everyone laughed except the deputy. I think it was the case of someone failing to ask what is the objective? And I think that's in our organization.

We had to keep reminding ourselves that when we get up in the morning and we go and do things, in whose name are we doing them and what's the objective here. But one of the areas that comes up from time to time is the whole question of jurisdiction and we in our organization have supported the whole notion of a strong central government. Through a succession of provincial administrations we have rejected what sounds on the face of it a rather catchy notion, that there should be more provincial jurisdiction in the fishery. But we've told them first of all that if your asserting the need for more jurisdictions, you bear the onus of telling people what it is you plan to do with it. And also of standing accountable for your actions in those areas where you already have jurisdiction.

At the level of the constitution, of the whole broad constitutional debate that is taking place in the country, certainly the labour movement in Newfoundland generally, and our union in particular, have been the only distinguishable group or identifiable group as a whole apart from scattered individuals who have come and said that we've got to put this behind us. Because what we're seeing now in the country at a time in tremendous crisis in the fishery, what we're seeing now in the country is a virtual paralysing of the system. While we deal with the constitutional issues we have a premier who goes across the country giving speeches about the constitution when he should be giving speeches about the implications of foreign over fishing and the devastation it is causing to our communities. But we've always advocated a strong central government. And for god's sake don't make it difficult for us. You know because with jurisdiction comes accountability and I think that there are whole areas and recently, I think we've got to reexamine. I'm glad DFO is having this kind of seminar and inviting input to help it reexamine the goals of our policy. I believe in recent months there has developed a void in our relationship with certainly the headquarters of DFO that hasn't existed in my time in the union and maybe some of that is changing, people change and so on it takes time to rebuild relationships. There certainly is a void there now and I hope it's one that can be addressed. I mean anyone who is in charge of policy certainly, it would seem to me part of the job, would be reasonably regular contact with organizations such as ours. Because otherwise how can

someone be said to be in policy. There are people in the key positions in DFO, at least occasionally it seems, that there has to be that kind of contact.

That's why I was very pleased to have this invitation, accept this invitation to at least pass on the our views of the world and try to be as candid as possible in doing so and not beat around the bush. Our role in our organization is one of managing conflict which is really quite consistent with your own. And that's not easy and I don't think that can be done effectively by either of us without a reasonably trusting working relationship one to the other. I think that has to be our goal. I give you as an example a whole situation unfolded last year on Port AUBASQUE which was quite unpleasant for all concerned. And I think that kind of a thing is avoidable. I think it could have been prevented. But it can only be prevented when there aren't barriers but there are open lines of communication with people making key decisions. I think there's a sense generally by fishermen of abandonment by not only DFO, but by both levels of government and they generally feel as though they've been passed by in the whole thing that's happened to the resource.

Now there's has been some areas where we have had a good working relationship. I think at the regional level we've had a respectable and respectful working relationship. I think the work on the Dunne Task Force, it is incumbent on me to point that out, as an area where there was extensive consultation with, not just me because that's sounding more personal, but with our elected inshore fishermen's counsel on a number of issues. And they can be a hostile, not hostile, they can be hard to get along with at times. God knows they are to me and why should they be any different to you people. But there was an open exchange of views, kind of blunt sometimes, but it got to the point and I think that while we didn't necessarily agree with all their recommendations at least what came out was a report which clearly, in the reading of it, took into account the input from these people and tried to reflect it as much as the office felt possible.

But there are other areas you know which I think really concern me. For example, to my knowledge and I checked with all the people in our organization who deal in this area. And I'm not aware of any consultation or anything we just kind of found about it all most by accident. That suddenly the stocks were, the state of the stocks was calculated based on fish from age 3 and up instead of 4 and up or at least in certain species. And then I have no idea whether that's the right way to count them or not. It's not my area but I do believe that when those kinds of decisions are made surely there's a responsibility to come to groups like ours and say we are here, here's what we are contemplating doing and here are the reasons. We may say we disagree and they may say we have a lot more, we know a lot more about this than you do (inaudible) we're doing it anyway. That's fine but at least there's been a process. Another example would be the change in the principles and this one really kind of agitates me. The Atlantic ground fish management

plan. Luckily we had someone at the meeting with the poet who I spoke about earlier, Max Short was reading his book, he's a pretty diligent kind of fella, and he's reading his book pretty closely and he saw where it said for years on the matter of inshore transfers that there be no reallocation to other gear sectors in cases of declining stock without the consent of the user group affected. But all of a sudden that said in the case of stocks declining in numbers of fish. Well some might say well that's not much of a (inaudible) so what's the difference. Well there's a significant difference. That could certainly prove a rationale for transferring without consent in the Gulf for example because of the what I gather is a large number of small fish. I mean those kind of changes people don't have any business making without full consultation with the people affected. And maybe at the end of the day someone would say yes that change makes sense. Go for it. Maybe we'd say no we don't agree and you do it anyway but at least we'd know. But I think to just have that change implemented without that kind of dialogue is not the way to develop the kind of relationship we need to both do the tough job we've got to do.

Now I'll try and rap up quickly cause I know time is pressing. There's a couple of things, where we go from here I suppose is the usual question to ask. I mean there are some things we're stuck with for now. And I suppose in the country we're stuck with this kind of marketplace ideology that seems to dominate and all I can say is for god's sake in DFO we've got enough problems, don't get wrapped up in all that because it isn't all that appropriate or relevant to the client group you're supposed to serve here. I think a lot of it is gobbally gook that glows in the dark and I think you should steer clear of it, but anyway you're probably stuck with some of the implications of all that and we all are. But I think what's important, one thing that's important, I think DFO, in the future development of DFO, should be development oriented not just regulation and enforcement oriented.

Now I raise with interest the minister's recent speech talking about setting up a separate agency. We view that in our organization and I do personally with a considerable amount of wariness. We're certainly more than willing to explore the issue. We think he's done the right thing by saying, by flagging it and saying here's something we're going to pursue and to seek input. We are concerned about what the guidelines will be, what the roles will be and in particular who will be charged with the responsibility of carrying out that job because it's easy to say we'll separate it and I can certainly understand why the minister and most of the people in this room would be tickled pink to be rid of some of those headaches. Because that's what a lot of them are, those decisions. But unless the system can adjust. If it's so bureaucratic it can't adjust to a changing situation then I think we're in for trouble because as, there's a lot of people here who have gotten those frantic phone calls, from Max Short or from me or from somebody else saying I know that fishery is supposed to close on Friday but you can't close it till Saturday or you can't open it on Tuesday you've got to wait two weeks or all those different

things. And there's got to be some shock absorbing in the system and somewhere the ability to be flexible and to cope with changing circumstances. That's one of the reasons we're very worried, plus we're really concerned about who you turn over this authority to so we're a little bit from Missouri on that one but we're certainly willing to, and look forward to, an open and full debate on the pros and cons of it cause it might be that properly done it could be to the benefit of the people in the industry.

Now all that is in a lot of that is political and a political decision which is dealt with an another level but I think in the meantime there is a big job ahead for a rebuilding and a restoring and a developing of the relationship between DFO and the industry. And I have a few modest suggestions for some of the things that I think could go into that.

First of all I think more support and authority for the regions. On too many really picky, little management decisions the thing has to go all the way up to Ottawa and takes it's time because of the tremendous volume of work that flows through Ottawa. And then has to eventually find its way back sometimes in recognizable form and sometimes not on issues that are of a relatively minor and esoteric and localized nature. And I think there could be more authority on a lot of these things and more support for the regions.

I think, we've dealt with this already, more openness between the decision makers and the organizations in the industry. And I stress organizations because individuals pop up so I think it's important to look at the organizational frame work that is behind these individuals who from time to time purport to speak on behalf of people in the industry. I think the senior management has to, as part of the mandate, get out in the regions and mix with the people in the industry and really see what they are all about and really get some flavour of how they see the issues of the day.

I think resource management has to be area sensitive. Years ago when I didn't have that tremendous accumulation of wisdom I have know I bought a pair of socks that said one size fits all. And they might of fit all but they didn't fit me. I don't think we can take a one size fits all approach to management of the fishery because it's too different from one region not always the fishery different but the values of the people who participate in the fishery are different. There are things that are done in some areas of the country which tend to create a leech, if I can use that word, among fishermen, which are not acceptable to the value, which are acceptable to the values in that area of the country. And which are not acceptable to the values in Newfoundland, Labrador because people have a different history and a different way of looking at some of those issues. And I think it's, you know, we have to have area sensitive and regionally sensitive resource management decisions and not just try and have a broad brush that has to suit everybody.

I think we have to streamline the advisory process. I mean they got meeting with a 100 and how many participants. It really is a fruitless, frustrating exercise and this is a separate issue we'll take up with somebody individually separate is when an organization representing the breath and scope of what we represent has one seat at the table and so does an organization that represents 8 votes with three people in each group. There's something asked there. But I think that whole process is really AGAC in particular but it's really gotten so out of hand that pretty soon we'll have to rent the stadium to hold the meetings and I really don't think it serves the kind of purpose it can.

I believe that to get, and this is obvious, there's a political dimension to this while we have to plan the fishery of the future we can't let the type of fishermen we're going to have in 10 years time happen by accident. And we can't set policies to do kind of tactical policies to deal with a particular problem as it arises without having a long term plan for what kind of fishery we're striving towards and therefore so that there's an ultimate goal towards which a particular manage measure is seen as a step. I would hope that as an objective we could have in answering the two questions I outlined earlier. Those two basic questions I would hope that our organization and DFO could have compatible answers to those questions if not they won't be identical but at least compatible answers that we can try and work with. And so and then able to try and work together to realize the objectives and I believe if that can be done then what we can do is work to rebuild DFO as a people department which is what I believe it should be. Thank you.

Notes For An Address

by

Miles Richardson

President

Council of the Haida Nation

to

Senior Officials

Department of Fisheries and Oceans

October 21, 1991

Miles Richardson
President
Council of the Haida Nation
Address to DFO Senior Managers Conference
October 21, 1991
(Transcribed from tape)

My name is Kilstlikaji-sting. As Bruce stated I'm the president of the Council of the Haida Nation. And recently I've been one of seven persons involved in the British Columbia Claims Task Force who had been mandated to address process issues for dealing with the outstanding issues of Indian or Aboriginal title in British Columbia where no treaties had been concluded to this point in time. So I wanted to speak to you from my perspective as a leader of the Haida Nation and from our particular experiences in fisheries but also to keep in mind that broader context that I feel has been a good and productive process and offers much hope toward solutions.

I want to thank the Department of Fisheries and Oceans for inviting me to speak to this gathering. I know far too many times we find ourselves in our Nation as Haidas or as Aboriginal people generally in British Columbia at cross purposes in confrontation with you people. The people who work within the Department of Fisheries and Oceans and who have, on behalf of the government of Canada, responsibility for the stewardship of the same resources that define who we are and are such an important part of our being. I think its high time that we came to terms with some of the fundamental issues that we've been pushing aside for far too long and learn to work together as human beings as people who are concerned about one of the great and rich inheritances, the fish resources of the sea.

So my message to you today is very simple. It's that I believe that the aboriginal rights issue presents a great opportunity for us to address head on some of the deep and lasting problems that we've all faced in dealing with our relationship to the resources of the sea. It's an opportunity that will give us the tools to deal with these challenges if we can change our attitudes from adversaries, as I have no hesitation in saying that we've always been, to being partners in the great challenge of managing such a wonderful and rich inheritance.

I don't have much knowledge of the east coast or fisheries in other parts of Canada other than what we all see on TV. But I know that if the Atlantic fisheries are anywhere near in the shape of the Pacific fisheries, we've all got a huge job in front of us. For our people, the Haida people in Haida Gwaii, it's been only 208 years since our first contact with the forbears of Canadians today, of the British people. In that time our society has gone through a very dark period, our whole economic basis, our social structures, have been devastated. Our relationship to that part of our life source, the fisheries resources of Haida Gwaii, have been alienated from us. And we have made a very conscious and deliberate decision as a nation that we are going to strengthen and restore those relationships that are such an important part of who we are as a people. And we don't ask any quarter in doing that. We've taken that route for many many years and have been very patient in asking people to cooperate with us and we still have that attitude that we'd prefer to cooperate but nonetheless we have a hugh obligation to our future generations to get that under control. And our intention is to do that now and again to keep hammering away at the opportunity, the great opportunities, that are before us to deal with these issues cooperatively.

I can remember in my lifetime talking to some of the Haida fishermen about the great abundance of salmon, of shellfish, of fisheries of all kinds that existed in the waters of Haida Qwaii. And surely any of you that have heard of the Haida Nation know about our culture and our art forms and that didn't come about by accident. It didn't come about because there are real brilliant, smart people in Haida Qwaii. That came about directly as a result of the rich inheritance from the sea of our people. And the great flourishing of our cultural traditions, our political institutions, and all facets of our life that found expression in that very, in my opinion, sophisticated art form came about primarily from the richness of our oceans. And if we, and we do aspire, to be so in control of our own lives again we have to look after those resources of the sea and reestablish those relationships.

How do we do that? That's been the subject of the British Columbia Claims Task Force and some of you may have heard of it. As I stated, the Haidas in British Columbia off the British Columbia coast are not the only ones who haven't concluded treaties. East of the rockies generally the whole of this country has been treated except for up north. And we've been dancing around the table for so many years avoiding the hard questions in that issue. Finally, the will was generated by the First Nations collective in British Columbia. By the Government of Canada and the Government of British Columbia basically saying confrontation, whether it's on the ground in direct action, or whether it's in the courts with litigation, is not the way to forge relationships between self respecting and mutually respecting peoples. We need to sit down and address our differences and our future together through a reasonable process of negotiations.

So as I stated, three representatives from the First Nations, two from the Government of Canada, and two from the Government of British Columbia sat down for six months. A very short time frame for such a large job and addressed the issues of how do we design a process to resolve these large and generally undefined issues. And I say (inaudible) in having an in that there was not a mutual understanding of what we were dealing with. So we came out with a process which is very simple and very basic and the essence of it is that each of us First Nations, Canada and British Columbia as peoples as societies, have a right to exist and a right to perpetuate ourselves and we accept that. And how we negotiate is to sit down at that negotiating table as equals committed to respecting each other. And that's just the first step, to acknowledge that those issues exist and to sit down and address them.

But the process becomes very unwieldy and gets bogged down if we don't have a way of dealing with the policy obstacles that inevitably pop up in that process so we set up something called the British Columbia Treaty Commission. And really all it is, is a keeper of the process. It's an ongoing commission that each of the parties at the negotiating table, by their consent, can refer problems or obstacles in the negotiating process too so that their respective governments at the highest level can tackle head on those problems. If the will to negotiate exists then the assumption is that those parties will use their best efforts to resolve process obstacles for negotiation. And very importantly, that process that was identified outlines the need for a mutual commitment by those three principles to conclude treaties.

In sitting down at the table, at the outset, the respective First

Nations, and there's approximately 30 in British Columbia, Canada and British Columbia are committing to negotiate modern day treaties which will encompass the new relationship. That must be more a process than an event. It's going to take time for us to communicate about who we are, and the various nations in British Columbia are as different and as distinct as the Nations in Europe or in Asia or anywhere else and each of them insists on their autonomy. Especially the political autonomy to negotiate in their own way. So it's very important that we take the time to to communicate our aspirations as a Nation, our needs and our vision of our eventual relationship with Canada and British Columbia. To communicate to those to get to understand each other and hopefully in that process to be able to build a basis of respect and trust that we could formalize relationships in terms of how we control the essentials of our lives. And that very clearly is going to take time. And one of the key areas in those negotiations in British Columbia is obviously fisheries matters. We don't have the luxury, in my view, in our view, as the Haida Nation of waiting for this process to take place and to unfold to address fisheries issues.

So in the process we outlined we referred to something called interim measures that we would sit down immediately with yourselves with the authority of the Government of Canada and work out how we could, how we can work, if the will is there to move constructively and cooperatively toward defining and building these new relationships. And it's my opinion that fisheries issues in British Columbia will lead the way in defining how these interim measures, agreements can and will proceed. Of course it takes a will on our behalf and I can say without hesitation that the First Nations in British Columbia are committed to negotiating interim measures.

We've heard that the Government of Canada and the Department of Fisheries are committed also to approaching the immediate challenges that we face in the Pacific fisheries and of course the Government of British Columbia. It's the unique opportunity that the fisheries sector provides for us to play a supportive role, but the main issues will be between the First Nations and the Government of Canada to be negotiated between those parties. It's going to take a commitment, as I stated, to defining new relationships between treaties, between peoples, between Nations. And that is going to take a commitment by the Government of Canada. It's got to be beyond the Department of Fisheries and Oceans. A commitment to negotiating and concluding Nation to Nation agreements including this fisheries sector. And that's one aspect of this issue, of this potential process that's been missing. We talk about a comprehensive claims policy. We talk about fisheries issues. We talk about some vague notion of aboriginal fishing rights. The politicians talk about them. The courts talk about them. The people on the grounds talk about them. There's a (inaudible) everywhere but what are they? Nobody agrees on what they are. I have a very clear view of what our fisheries interests are as Haidas in Haida Qwaii. And it's total, it's absolute.

Two hundred years ago there were no other users of that resource in Haida Qwaii. Our people had very sophisticated political institutions that ensured the responsible stewardship of those resources and nothing in my view has changed in that 200 years to change that situation. In talking about political process or due process of law. That view, in my view, is legitimate and it continues. But the reality is that there is a lot of competing

pressure on those resources. And we have to come to terms with that. The fisheries are what's suffering in that scenario and when the fisheries suffer everybody loses. We don't have the luxury of continuing that situation.

So the Government of Canada is going to have to stand up and make that commitment if we're going to be able to move forward. If you're going to be able to change your role as fisheries managers from being merely protectors of the status quo to real dynamic managers with a view to cooperating in solving the real problems that face us in the fisheries.

Secondly, what is going to have to happen after that commitment is made, is Canada and British Columbia are going to have to respect the autonomy of each First Nation. Autonomy and sovereignty in all those things really bring up a lot of fear and uncertainty in a lot of people but what I mean by that is each First Nation has distinct territories, that in our view of the world we have rights and responsibilities towards. And amongst ourselves as Nations those are very clear and distinct and if any system of management is going to work we are going to have to recognize those and come to terms with those. But those are more in the longer term.

Those are under the area, as I had mentioned, of treaty negotiations. I believe that an essential part of a process that's going to work has to begin immediately. Right now. And I think we've missed a few opportunities to start on this already. To begin to implement for want of a better term, pilot projects, that take those commitments, that take the mutual commitment, to resolving the problems in the management of the resource and start testing them through cooperative initiatives. Through these interim measures. And I think that in British Columbia the initiatives by the Department of Fisheries and Oceans in recent months to try and define a set of overarching principles that will guide government to government fisheries negotiations presents an opportunity that fits perfectly in with this interim measures approach. And also the stated intentions of a true cooperative management program that was presented recently through the First Nations Summit to the First Nations in British Columbia fits together well with that concept of principles for a negotiating process in that we can commit as First Nations in the Department of Fisheries and Oceans to test our commitment to partnership.

(Portion missing from Tape)

is that of principles for negotiating process. In that we can commit as First Nations to the Department of Fisheries and Oceans to test our commitment to partnership. And it was very clear to first nations when the Department of Fisheries and Oceans representatives stood up and very clearly stated to us that we're looking not at building another federal government Department of Fisheries and Oceans program but a true cooperative program where we can take that commitment and move forward.

Now those two initiatives, if they were put into a process of negotiation to define this interim measure, I think has a great opportunity to move us forward toward what seems like an impossible task of negotiating a fisheries component of treaties in British Columbia. And when I talk of opportunities that one is immediately before us. To manifest that commitment to grab some of those issues by the horns and just see what this mutual commitment means to take some of the rhetoric and put it into real and practical solutions.

That's a challenge that'll test us right now. And I know that the first nations in British Columbia, including the Haida Nation, are looking much forward to concluding these interim measures processes with the Department of Fisheries and Oceans. The situation right now is very sad and unacceptable. We have to take large and bold steps to bring about change.

Many of you are familiar with the relationship of Haida people to salmon. The salmon resources of Haida Qwail are very rich, have been historically, and have been really decimated in recent times. They provide an opportunity.

I remember long before 1985 where on the road in Lyle Island protecting some of our forests and fish habitats. And I remember then the Landric Creek issue, the forest companies had come in and clear cut very steep and unstable hill sides. Rains came and the whole thing slides. Plugs up the whole creek. DFO tries to take some action. Nothing. It's really obvious and a grossly irresponsible way to treat such rich resources. Powerless, can't do a thing. The provincial government throws up its hands and gets defensive about the forest companies. But the fact remains that a whole series of species and stocks of salmon were just wiped off the face of the earth never to return. And I remember that clearly with our people on the roads and while we were standing on the road protecting that land that the chum salmon returned and it was a scene as horrible as watching the clear cutting. All those chum salmon spawning on the gravel right in front of the slide. The slide had just piled up on the bottom. The chum had no where to go they just wasted their spawn in the beach gravel. I don't think any of it made it out of there. Nothing ever came of that, it's just a wasted, a wasted situation, a wasted opportunity. And for the last 25 years by DFO and British Columbia's own statistics we've been losing one stock of salmon per year to habitat destruction. Even the coho, the coho aren't returning.

We've got to do something about it. We will do something about it. The system really isn't working for us. And I, I'm just trying to give you a sense of the urgency with which our people see the need to make changes.

Another situation that I know. Pat and Paul Sprout are more than familiar with the abalone. Richest place in the whole coast for abalone is Haida Qwail, was Haida Qwail. Our people depended on it. The sea otters depended. Everything depended on it for many many generations. In the last 30 years we've just about decimated them. We over-fished them and really haven't had the control over that fishery. Now we're doing it again to many other species as industry moves in more and more and digs deeper and deeper into the richness of that area. Geoducks today, I'd like to have that debate some time with some of the managers. Very old, some of them are 100 years old. Subtitle giant clams is basically what they are. They siphon the mud from the bottom. We don't even know what role they play with any certainly in the ecology of the intertidal zone. We don't even know how many there are down there. We don't have any population surveys but we're taking them out at a very alarming, to us, and much too fast a rate. We're repeating the problem, repeating the same old problems.

It has to come to an end. And our people are committed to ensuring that it does. One of the things that we have to do and I keep, and I hope I keep hearing, hoping that I'm misunderstanding the statements but when I hear the Minister talk about the reforms that

are going on now, all I hear is about approaches to changing the management of an industry. The fish are much more than just an industry. The fish are a rich and bountiful inheritance that we have a responsibility to look after, that have a place in the whole web of life in our respective territories and once those are looked after, once that responsibility has been satisfied, then we can worry about the industry and ensuring that the demands of it are met. When we look at aboriginal fishing rights it's a recent phenomenon in the legal forum. It's always been our view that it's ridiculous that we'd even have to go to court. It was real, it was a black eye to the integrity of Canadian justice and the Canadian political system. That we would even have to go to court to litigate such a self evident truth. Such a self evident fact. That we have an inextricable relationship to the resources of the sea. To our older people it's beyond comprehension. What the heck are you wasting all that money going to court for. Finally people did it. Through a series of cases, the Collier case, and recently to a certain degree culminating in the Sparrow case, the courts recognize this aboriginal fishing right.

And it hasn't really manifested itself in any advantage in building constructive relations with Canada's managers of the resource, the Department of Fisheries and Oceans, that adversarial attitudes still exist. And I couldn't characterize that any better by the decision of the then Minister of Fisheries Valcourt when the Department decided to shut down the abalone fishery on the west coast. What was it 3 months before? 3 or 4 months before the fishery was shut down there were major announcements. We're going to shut this fishery down for 5 years. For everyone, the commercial fishermen, what they call recreational fishermen, what they call the native fishermen. That was us. We're going to shut it down for five years. And yet during that time they allowed, from the time they announced it till the time they shut it down, the fishery went (inaudible). And every fish that was taken during that period was knowingly a fish that was our constitutionally protected aboriginal right. We had the right of access to. We've got a lot of obvious and self evident issues to address and to deal with. We have to recognize and we are going to recognize.

You know I can stand here and try and convince you all I want do this cooperatively. And I really hope that we turn that corner now to working cooperatively. But we're going forward. We're going forward and we're going to implement our legitimate authority as we've done to the commercial recreational fishery. We've gone forward after 30 years of trying to negotiate our way back in. Constantly being told there's no room. A new user group comes in and now when we go to the negotiating table we're going to be dealing with another third party interest. Who has a right that's going to supersede that that we're negotiating for. The system's out of whack. We've got to straighten it out. Let's recognize the reality as the courts have. As the public has increasingly been pushing us. That aboriginal fishery rights are a real and legitimate issue. Let's sit down and recognize that for the great opportunity it presents us to get out of the mess we're in. Let's sit down and do that constructively and cooperatively with the well being of that resource upper most in our mind. But let's just certainly not continue the way we're going.

I think it's time, I know it's time, that we get on with it. I look forward to the next few weeks of initiating this process and sitting down as partners in this interim phase and solving some of these problems that have been around for much too long. I don't

need to talk at you any longer I'd like to take a few minutes if we have the time to answer any of your questions or to clarify anything that I say that hasn't been clear. I think it's important that you take this opportunity to get to understand each other.

Notes For An Address

by

Bud Bird, M.P.

Fredericton - York - Sunbury

to

Senior Officials

Department of Fisheries and Oceans

October 22, 1991

BUREAU PARLEMENTAIRE
Pièce 232 - Édifice de l'Ouest
Ottawa, Ontario
K1A 0A6
Tél: 613-995-9287
Fax: 613-992-7273



PARLIAMENTARY OFFICE
Room 232 - West Block
Ottawa, Ontario
K1A 0A6
Tel: 613-995-9287
Fax: 613-992-7273

**J.W. BUD BIRD, M.P.
FREDERICTON — YORK-SUNBURY
ADDRESS - BUD BIRD, M.P.**

**MANAGEMENT SEMINAR
DEPARTMENT OF FISHERIES AND OCEANS**

TUESDAY, OCTOBER 22, 1991

OTTAWA, ONTARIO

"POLITICIANS AND PUBLIC SERVANTS"

**THIS IS TRULY A UNIQUE AND PLEASANT OPPORTUNITY FOR
ME TO SPEAK WITH SENIOR OFFICIALS OF THE DEPARTMENT OF
FISHERIES AND OCEANS, AND I AM VERY FLATTERED AT THE
INVITATION TO DO SO.**

**HOWEVER TO SOME EXTENT, (LIKE MOST POLITICIANS,) I
OCCASIONALLY PERCEIVE THAT PUBLIC SERVANTS CONSIDER US
TO BE "THE NECESSARY EVIL" WITH WHICH YOUR LIVES ARE
BURDENED, AND FOR EXAMPLE, I GENERALLY WINCE WHEN YOU**

BUREAU DE COMTÉ
Pièce 102 - édifice Phoenix Square
Fredericton, N.B.
E3B 3N3
Tél: 506-458-8046
Fax: 506-458-8048

CONSTITUENCY OFFICE
Rm 102, Phoenix Square Bldg.
Fredericton, N.B.
E3B 3N3
Tel: 506-458-8046
Fax: 506-458-8048

REFER TO US AFFECTIONATELY (OR OTHERWISE) AS YOUR "POLITICAL MASTERS". THUS, IT CROSSES MY MIND IN STANDING BEFORE YOU TODAY THAT PERHAPS MANY OF YOU ARE THINKING, "WHY IN BLAZES DO WE HAVE TO LISTEN TO THIS FROM A POLITICIAN?"

I MUST SAY THOUGH, THAT TO A FAR GREATER EXTENT, I AM INSPIRED AT THE CHANCE TO SHARE SOME THOUGHTS WITH YOU BECAUSE I REALLY DO BELIEVE THAT POLITICIANS AND PUBLIC SERVANTS ARE PLAYING ON THE SAME TEAM. WE HAVE A COMMON PURPOSE TO SERVE THE SAME CITIZENS, AND WE CAN FULFILL THAT PURPOSE IN FAR GREATER MEASURE BY WORKING TOGETHER THAN WE CAN BY OPERATING IN ISOLATION, OR WORSE STILL BY WORKING AT ODDS FROM ONE ANOTHER.

I KNOW THAT ALL SOUNDS PRETTY ACADEMIC, BUT IT FRANKLY HAS BEEN MY EXPERIENCE THAT POLITICIANS FREQUENTLY SEE PUBLIC SERVANTS VIRTUALLY AS ANOTHER FORM OF OPPOSITION; WHILE PUBLIC SERVANTS ON THE OTHER HAND, MORE OFTEN THAN NOT REGARD POLITICIANS AS SOME KIND OF TAINTED INFLUENCE TO BE TOLERATED AT BEST, AND TO

BE AVOIDED ENTIRELY IF AT ALL POSSIBLE.

THEREFORE, THE THRUST OF MY MESSAGE TODAY IS THIS:
POLITICIANS AND PUBLIC SERVANTS ARE ALLIES, NOT ENEMIES.
THE SUCCESS OF THEIR RESPECTIVE CAREERS, BOTH IN TERMS
OF RESULTS ACHIEVED AND SATISFACTION ENJOYED, CAN BE
REINFORCED AND EXPANDED THROUGH RATIONAL AND
CONSTRUCTIVE WORKING RELATIONSHIPS TOGETHER - NOT
JUST AT THE SENIOR LEVEL AS BETWEEN MINISTERS AND DEPUTY
MINISTERS, (WHERE IN FACT THEY ARE BOTH APPOINTMENTS OF
THE FIRST MINISTER), BUT PERHAPS EVEN MORE SO AT THE
MIDDLE MANAGEMENT AND OPERATING LEVELS IN THE FIELD, IN
EVERY CONSTITUENCY. I WOULD LIKE TO SUGGEST A FEW OF THE
WAYS IN WHICH I FEEL SUCH A PARTNERSHIP APPROACH CAN BE
PRACTISED BETWEEN US, EFFECTIVELY AND WELL.

- (1) FIRST OF ALL, OBVIOUSLY, YOU SHOULD GET
TO KNOW THE ELECTED POLITICIANS IN YOUR
AREA OF JURISDICTION. ESTABLISH
CONTACTS EARLY, AND MAINTAIN THEM ON A

REGULAR BASIS. THIS REACHING OUT APPEALS TO THE HUMAN INSTINCTS IN ALL OF US, AND HELPS TO BUILD CONFIDENCE BETWEEN US - AND OBVIOUSLY THAT SPIRIT SHOULD FLOW IN BOTH DIRECTIONS. IN MOST CASES, YOU WILL FIND THAT THE POLITICIAN WILL WELCOME YOUR ACKNOWLEDGEMENT OF HIS EXISTENCE, AND WILL APPRECIATE THE IMPLICIT EXPRESSION OF INTEREST AND RESPECT FOR HIS RESPONSIBILITIES WHICH YOUR CONTACT WILL CONVEY. (I KNOW THE REVERSE IS ALSO TRUE, AND I TRY TO INITIATE THOSE KINDS OF RELATIONSHIPS MYSELF, WHEREVER I CAN)

- (2) COMPARE NOTES WITH THE POLITICIAN TO DESCRIBE BROADLY THE TERMS OF REFERENCE FOR YOUR OPERATIONS, AND IN

PARTICULAR, DEFINE THE GOALS AND OBJECTIVES YOU SEEK TO ATTAIN.

DETERMINE IF HE SHARES THOSE GOALS, AND DO NOT HESITATE TO DEBATE ANY DIFFERENCES IN YOUR RESPECTIVE OBJECTIVES. THIS IS IMPORTANT, BECAUSE ON THE SURFACE OUR MOTIVATIONS MAY APPEAR TO BE DIFFERENT (- FOR EXAMPLE, YOU WOULD PROBABLY EXPECT MY SOLE GOAL IS RE-ELECTION, WHEREAS I MIGHT SUSPECT YOUR MAIN INSPIRATION TO BE THE EXERCISE OF REAL POWER -) AND THUS IT IS ONLY THROUGH FRANK DIALOGUE THAT ANY KIND OF CONSENSUS CAN BE REACHED.

WHEN WE CAN ULTIMATELY COMMUNICATE IN THE CONTEXT OF COMMON SERVICE TO THE SAME CLIENTS AND CONSTITUENTS, THEN IT GENERALLY BECOMES EASY AND OBVIOUS TO SEE THAT SUCH SERVICE WILL

BE THE MEANS TO SUCCESS FOR EACH OF US. BETTER STILL, WE SHALL APPRECIATE HOW WE CAN HELP EACH OTHER TO DELIVER THAT SERVICE IN THE BEST POSSIBLE WAY.

- (3) DO NOT HESITATE TO IDENTIFY AND DISCUSS THE JURISDICTIONAL DISTINCTIONS AND SENSITIVITIES OF OUR RESPECTIVE ROLES. MOST POLITICIANS SHOULD REALIZE THAT PUBLIC SERVANTS MUST NOT BE COMPROMISED IN PARTISAN WAYS, AND IF THAT REALIZATION IS MISSING THEN IT SHOULD BE FIRMLY ESTABLISHED BY YOU. CONVERSELY, MOST PUBLIC SERVANTS KNOW THAT THE POLITICAL PROCESS FREQUENTLY MOVES IN CLEARLY PARTISAN PATTERNS, SO RELATIONSHIPS MUST BE APPROACHED IN A SPIRIT OF OBJECTIVITY AND RESPECT FOR POLITICAL SENSITIVITIES.

THE BEST WAY FOR ALL CONCERNED, IS TO BE PURSUING GOALS THAT ARE PRE-DETERMINED TO BE CLEARLY FOR THE COMMON GOOD. THE RIGHT RESULTS WILL COUNT, BOTH FOR THE POLITICIAN AND FOR THE PUBLIC SERVANT.

- (4) KEEP THE PARTNERSHIP RELATION ALIVE. FOLLOW-UP ON PROJECTS WHERE POLITICS AND PUBLIC SERVICE HAVE BEEN APPLIED TOGETHER. EVALUATE THE RESULTS, IDENTIFY THE CONTINUING PROBLEMS, PLAN FURTHER ACTION TO BE TAKEN, AND TRY TO KEEP THE POLITICIANS PLUGGED IN. AS YOU WELL KNOW, THE PROCESS OF POLITICS AND PUBLIC SERVICE NEVER ENDS. THE MORE CONSISTENT THE PATTERN OF CO-OPERATION, THE BETTER THE SERVICE, AND THE MORE FULFILLING IS THE PURPOSE FOR

BOTH POLITICIAN AND PUBLIC SERVANT.

I MUST CONFESS THAT IN SAYING THEM, THOSE SUGGESTIONS SOUND SO PLAIN AND PRACTICAL THAT I FEAR THEY MAY SEEM LIKE LITTLE MORE THAN SELF-EVIDENT PLATITUDES. YET, I BELIEVE THEY ARE IMPORTANT CONSIDERATIONS AND THEREFORE I WANT TO LEAVE YOU A COUPLE OF EXAMPLES FROM MY OWN EXPERIENCE WHICH I HOPE WILL HELP TO GIVE THEM MEANING.

STORY #1

WHEN I WAS FIRST APPOINTED 13 YEARS AGO AS MINISTER OF NATURAL RESOURCES IN NEW BRUNSWICK, MY DEPUTY MINISTER WAS A GOOD PROFESSIONAL AND A LOYAL GOVERNMENT MAN, AND ONE AS TOUGH AS NAILS. FROM THE START, HE CALLED ME "MR. MINISTER" WITH THE GREATEST OF COOL RESPECT, ALMOST AS THOUGH I WAS AN OCCUPATIONAL HAZARD, (IN FACT HE TOLD ME AT OUR FIRST MEETING THAT HIS FIRST PRIORITY WAS, "TO PROTECT ME, FROM MYSELF"). THAT TO

MEAN (I FELT QUITE CLEARLY), TO SHIELD THE REAL OPERATIONS AND GOALS OF HIS DEPARTMENT FROM BEING SCREWED UP BY THE POLITICIAN WHO HAD OSTENSIBLY BEEN SENT TO HELP LEAD IN ACHIEVING THOSE OBJECTIVES.

WELL, HAVING A STUBBORN AND RESOLUTE STREAK MYSELF, I DECIDED TO MEET THAT CHALLENGE, AND FOR MANY WEEKS THE CONTEST SEEMED TO BE WHO WAS GOING TO BREAK FIRST.

SUDDENLY, HOWEVER, A NEW MISSION WAS THRUST UPON THE DEPARTMENT THAT CAUSED US TO CHANGE OUR ATTITUDES. CABINET APPROVED A MAJOR REFORM OF FORESTRY LEGISLATION AND INSTRUCTED BOTH THE DEPUTY AND MYSELF TO COMMENCE THE PREPARATION OF A NEW CROWN LANDS AND FOREST ACT. IT WAS THEN WE FINALLY HAD A GOAL THAT WAS LARGE ENOUGH AND CLEAR ENOUGH FOR BOTH OF US TO SEE — AND WHEN WE WERE OBLIGED TO SHARE SERIOUSLY IN ADDRESSING IT — WHEN HE COULD APPRECIATE THAT HE

NEEDED MY POLITICAL CAPABILITIES TO CARRY THE MATTER THROUGH CAUCUS AND CABINET, AND WHEN I COULD SHOW THAT I NEEDED HIS HELP TO RECRUIT THE ENTIRE DEPARTMENT STAFF TO THE TASK - AND FURTHER, WHEN WE NEEDED EACH OTHER TO CONSULT WITH AND WIN CONSENSUS FROM THE FOREST INDUSTRY - IT WAS THEN, AND ONLY THEN, THAT WE COMMENCED TO COME TOGETHER AS A TEAM. ULTIMATELY WE WERE VERY SUCCESSFUL, AND N.B. IS STILL SAID TO HAVE THE BEST FOREST MANAGEMENT LEGISLATION IN CANADA, NOT TO MENTION ALSO A VERY GOOD FISH AND WILDLIFE ACT.

IN RETROSPECT, BOTH THAT DEPUTY AND I WOULD ADMIT TODAY THAT WE STARTED OUR RELATIONSHIP IN WRONG DIRECTIONS FOR WRONG REASONS. HE WAS DEFENSIVE AND DISTRUSTFUL OF POLITICIANS; I WAS NOT CONFIDENT ABOUT THE COMMITMENTS AND CAPABILITIES OF PUBLIC SERVANTS. WE TOO QUICKLY ACCEPTED THE CONVENTIONAL WISDOM WHICH SEPARATES POLITICIANS AND PUBLIC SERVANTS, AND WE MADE NO EFFORT TO BRIDGE THAT GAP UNTIL GOOD FORTUNE PLACED

A COMMON MISSION BEFORE US THAT COULD NOT BE IGNORED.

ONCE WE GOT INTO IT, THEN TRUE PARTNERSHIP DID COMMENCE TO DEVELOP, AND GOOD RESULTS WERE ACHIEVED THAT WOULD OTHERWISE HAVE BEEN IMPOSSIBLE. HE PLAYED THE BUREAUCRATIC ROLE, AND I PLAYED THE POLITICAL ONE, BUT THE MISSION WAS COMMON. WHEN IT WAS OVER, WE NOT ONLY ACHIEVED THE PURPOSES OF THAT PROJECT, BUT WE HAD ALSO ESTABLISHED A WORKING RELATIONSHIP THROUGHOUT THE DEPARTMENT BASED ON THE COMMON PURPOSE OF POLITICS AND PUBLIC SERVICE.

STORY #2

JUST THIS PAST SUMMER, WITH YOUR OWN DEPARTMENT OF FISHERIES AND OCEANS IN NEW BRUNSWICK, WE WERE FACED WITH THE COMMON DILEMMA OF AN ATLANTIC SALMON FISHERY IN TURMOIL BECAUSE OF DECLINING STOCKS, INCREASED GILL NETTING BY NATIVES, THE IMPLICATIONS OF THE SPARROW CASE JUDGEMENT, AND EXPLODING FRUSTRATIONS AMONG ANGLERS AND CONSERVATIONISTS. IN MY VIEW, THE MAKINGS OF

ANOTHER "OKA SCENARIO" WERE CLOSE AT HAND, AND BECAUSE OF MY PAST INVOLVEMENT IN PROVINCIAL POLITICS WITH RESPECT TO ATLANTIC SALMON, MANY OF THE PUBLIC PRESSURES AND THE POLITICAL PROBLEMS SEEMED TO LAND ON MY DESK IN FREDERICTON

FOR SEVERAL WEEKS, I COMMUNICATED THROUGH THE MINISTER'S POLITICAL STAFF IN OTTAWA TO INITIATE A PROCESS OF COMMUNICATION AND CONSULTATION WHICH I HOPED MIGHT PRE-EMPT A SERIOUS CONFRONTATION. NOT MUCH HAPPENED, HOWEVER, UNTIL I LEARNED THAT YOUR DIRECTOR GENERAL FOR THE GULF REGION HAD DECIDED ONE WEEKEND TO CALL REPRESENTATIONS OF THE PLAYERS TOGETHER IN A MOTEL ROOM FOR CONSULTATION - INDIAN PEOPLE, ANGLERS AND CONSERVATIONISTS. WITH ALL THE MODESTY I COULD MUSTER, I RECOMMEND THAT MEETING SHOULD ALSO HAVE A POLITICAL PERSPECTIVE, AND MANAGED TO INVITE MYSELF TO ATTEND IT. NEEDLESS TO SAY, I WAS GREETED BY DFO WITH COOL COURTESY BUT NOT WITH OPEN ARMS. HOWEVER, I WAS

TOLERATED AND THE PROCESS BEGAN.

ULTIMATELY, IT LATER LED TO QUITE A SIGNIFICANT CONFRONTATION WITH 300 OR MORE ANGLERS ONE EVENING, ON THE MIRAMICHI, ALL READY TO DISMANTLE DFO AND TO DISMEMBER ME. FORTUNATELY, BY THAT TIME BOTH DFO OFFICIALS AND I HAD HAD EXTENSIVE OPPORTUNITY FOR CONSULTATION AND PREPARATION, IN THE COURSE OF WHICH WE ESTABLISHED THE GOALS WE WERE TRYING TO ACHIEVE. WE SET OUT A PLAN TO WORK TOGETHER IN PURSUING THEM. WE SURVIVED THAT FRACTIOUS MEETING, AND WE WERE ABLE TO AVOID THE SERIOUS PROSPECT OF PUBLIC CHAOS, HOPEFULLY EVEN POINTING THE ISSUES TOWARDS SOLUTIONS THROUGH BROADER CONSULTATIONS TO COME LATER THIS YEAR. IN THE PROCESS, I FEEL THE SENSE THAT I AS THE POLITICIAN, AND THE PUBLIC SERVANTS IN DFO, HAVE BECOME ALLIES, AND I THINK WE HAVE BOTH BENEFITTED FROM THE APPROACH THAT HAS BEEN TAKEN TOGETHER.

IN THE FINAL ANALYSIS, WHEN THE CITIZENS OF NEW

BRUNSWICK -INDIANS, ANGLERS AND CONSERVATIONISTS ALIKE
- ARE CONTENT AND CONFIDENT IN OUR ATLANTIC SALMON
POLICIES, THEN THAT WILL BE EVIDENCE OF GOOD PUBLIC
SERVICE FOR YOU, AND GOOD POLITICS FOR ME. FURTHER, THIS
IS A PARTICULAR MISSION THAT WE ARE NOT GOING TO DROP. A
CONSULTATIVE CONFERENCE IS IN THE PLANNING
WORKS,(HOPEFULLY IN FREDERICTON NEXT MONTH?) AND WE
SHOULD HAVE A CONSENSUS ABOUT ATLANTIC SALMON
MANAGEMENT IN NEW BRUNSWICK BY THE TIME NEXT SEASON
ROLLS AROUND.

SO AGAIN, MY MESSAGE IS A SIMPLE ONE. POLITICIANS AND
PUBLIC SERVANTS HAVE A COMMON PURPOSE. THEIR
CONSTITUENTS AND THEIR CLIENTS ARE EXACTLY THE SAME
GROUPS OF PEOPLE. THEY CAN SERVE THEM BEST BY WORKING
TOGETHER AS ALLIES, IN A TRUE SENSE OF PROFESSIONAL
PARTNERSHIP.

BOTH THE POLITICIAN AND THE PUBLIC SERVANT MUST BE
IN TOUCH WITH THE MOOD OF PUBLIC OPINION. THAT IS ONE
AREA WHERE THE POLITICIAN CAN FREQUENTLY MAKE A SPECIAL

CONTRIBUTION TO YOUR RELATIONSHIP, BECAUSE HE IS THE LIGHTNING ROD FOR PUBLIC CONTACT, PARTICULARLY IN A CRITICAL PERSPECTIVE. BY CONTRAST, THE PUBLIC SERVANT OFTEN SEES HIS CITIZEN CLIENTS AS PART OF THE PROBLEM, AND SOMETIMES ADOPTS A POSITION AS PROTECTOR OF THE GOVERNMENT POSITION AGAINST THE PEOPLE, RATHER THAN AS THE SERVANT OF THEM. SUCH A SPIRIT, ONE THAT CAN EVEN BECOME A POSSESSIVENESS OF THE GOVERNMENT MANDATE, (MUCH AS WITH A POLICEMAN WHO BECOMES MORE CONCERNED WITH THE LETTER OF THE LAW, THAN WITH THE APPLICATION OF IT TO SERVE SOCIETY), AND THE POLITICIAN CAN HELP TO KEEP PUBLIC SERVANTS HONEST IN THOSE RESPECTS. TO BE CONSISTENTLY SUCCESSFUL, I BELIEVE THAT BOTH POLITICIAN AND PUBLIC SERVANT MUST ALWAYS BE PRE-OCCUPIED WITH THAT WORD "SERVICE" TO THE PUBLIC THAT THEY BOTH REPRESENT.

I SUPPOSE THAT WE COULD ALSO HAVE GREAT DEBATE ABOUT THE WORD "REPRESENTATION", BECAUSE MOST OF YOU WOULD SEE THAT TO BE THE POLITICIAN'S JOB. IT IS TRUE, IN

BROAD TERMS, THAT THE POLITICIAN IS RESPONSIBLE TO INTERPRET THE WILL OF THE PUBLIC, AND TO FORMULATE THE POLICIES RESPONSIVE TO THAT WILL, NEVERTHELESS, IN THE APPLICATION OF THOSE POLICIES AND THE DELIVERY OF THOSE SERVICES, THERE IS ALSO AN IMPORTANT FUNCTION OF REPRESENTATION, PARTICULARLY AT THE FIELD LEVEL. THE SUCCESS OF MOST POLICIES AND SERVICES IS CRITICALLY DEPENDENT UPON THE FEEDBACK PROCESS, AND YOU ARE OBVIOUSLY IN THE BEST POSITION OF ALL TO DETERMINE HOW THINGS ARE WORKING IN THE REAL WORLD.

I HAVE NEVER FORGOTTEN THE INTRODUCTION OF OUR GRAND SCHEME FOR TAGGING THE HARVEST OF ATLANTIC SALMON, JUST BEFORE DAWN, ON THE FIRST MORNING OF THAT FIRST SEASON WHEN THE TAGS HAD BEEN INTRODUCED, I GOT AN URGENT CALL FROM A FRIENDLY OUTFITTER ON THE MIRAMICHI WHO SAID, "BUD, THE TAGGING POLICY IS A GREAT IDEA, THE PROGRAM IS WELL ORGANIZED AND WELL IN PLACE, THE FISHERMEN HAVE STARTED TO TAG THEIR CATCH, BUT BUD, THE DAMN TAGS DON'T STICK!"

NOW, IT WOULD BE DIFFICULT TO BLAME THAT ON DFO OR ON THE NEW BRUNSWICK DEPARTMENT OF NATURAL RESOURCES, BUT IT MIGHT HAVE HELPED IF OFFICIALS HAD PUT THEMSELVES IN THE FISHERMEN'S POSITION, IN ADVANCE, AND HAD DONE SOME EXPERIMENTATION TO REPRESENT THE USER'S INTERESTS BEFORE THAT PROGRAM WAS INTRODUCED. AS IT HAS TURNED OUT, THE TAGGING SYSTEM IS NOW A WELL DEVELOPED CONCEPT BEING USED THROUGHOUT CANADA, AND EVENTUALLY WILL BE THROUGHOUT THE WORLD.

BEFORE I CLOSE, I ALSO WANT TO TAKE THIS OPPORTUNITY TO PAY MY SINCERE RESPECT TO PUBLIC SERVANTS. I MUST SAY THAT BEFORE I EVER ENTERED POLITICS, I WAS ONE WHO SHARED THAT PRE-CONCEIVED NOTION OF THE BUREAUCRACY AS A LETHARGIC STRUCTURE OF SECURE AND SELFISH INDIVIDUALS, WORKING TOGETHER TO DO AS LITTLE AS POSSIBLE, OVER THE LONGEST PERIOD OF TIME, IN PROTECTING THEIR OWN EMPIRES FROM THE RIGORS OF SERVING BOTH POLITICIANS AND THE PUBLIC. NOW I KNOW, THAT IS OVERSTATING FOR EFFECT EVEN MY OWN MISPERCEPTIONS, BUT

THERE IS FREQUENTLY A COMMON VIEW THAT THE PUBLIC SERVICE DOES NOT MEASURE UP AT ALL TO ITS COUNTER-STRUCTURE IN BUSINESS AND IN INDUSTRY. AS YOU WELL KNOW, HOWEVER, AND AS EVERY POLITICIAN EVENTUALLY FINDS OUT, THE PUBLIC SECTOR IS VERY MUCH LIKE THE PRIVATE SECTOR; THERE ARE GOOD ONES AND BAD, STRONG ONES AND WEAK. IN FACT, WITH FEW EXCEPTIONS, I THINK PEOPLE IN SENIOR POSITIONS IN THE PUBLIC SERVICE FREQUENTLY WORK LONGER AND HARDER THAN THOSE IN BUSINESS OR INDUSTRY. TO SOME EXTENT ALSO, THEY ARE CALLED UPON TO WORK UNDER THE PRESSURES AND VAGUARIES OF POLITICAL DEMANDS, THAT ARE UNIQUELY DIFFERENT CONDITIONS IN MANY RESPECTS THAN IN THE PRIVATE SECTOR.

IN MY POLITICAL EXPERIENCE AT EVERY LEVEL, I HAVE CONSISTENTLY FOUND INDIVIDUALS WHO ARE EXTREMELY COMPETENT AS PROFESSIONALS TO MATCH THEIR BUSINESS OR INDUSTRIAL COUNTERPARTS ANYWHERE - BE THEY CITY ADMINISTRATORS, FISH AND WILDLIFE DIRECTORS, REGIONAL DIRECTORS OR DEPUTY MINISTERS. CANADIANS ARE NOT

SUFFICIENTLY FAMILIAR WITH THE EXCELLENCE THAT DOES EXIST
IN THEIR PUBLIC SERVICE. SOMEWHAT AS WITH POLITICIANS,
THE BAD APPLES CAN RUIN THE BARREL, PARTICULARLY IN THE
TASTE OF PUBLIC OPINION.

BY WORKING TOGETHER, POLITICIANS AND PUBLIC
SERVANTS CAN HELP TO CORRECT THAT IMAGE, BOTH IN THEIR
OWN INTERESTS AS WELL AS IN THE INTERESTS OF THOSE THEY
SERVE. IN THE DEPARTMENT OF FISHERIES AND OCEANS, FOR
EXAMPLE, ARE CHARGED WITH ONE OF THE WORLD'S MOST
IMPORTANT AND DIFFICULT TASKS, THE IMPLEMENTATION OF THE
CONCEPT OF SUSTAINABLE DEVELOPMENT INVOLVING FRAGILE
RESOURCES THAT ARE UNDER HEAVY DEMAND AND ATTACK. IN
RECENT YEARS, WE SEEM TO SEE EVIDENCE IN EVERY DIRECTION
THAT FISH STOCKS ARE FALLING, THAT THE DEMANDS TO
HARVEST THEM ARE RISING AND THE SOLUTIONS TO SUCH
CONFLICTS ARE BECOMING EVERMORE DIFFICULT TO DEFINE.
ADD TO THESE PROBLEMS THE COMPLEXITIES OF INTERNATIONAL
JURISDICTIONAL DISPUTES, AND SUCH DOMESTIC PHENOMENA
AS CONSTITUTIONAL DIVISIONS AND EMERGING NEW

CHALLENGES OF NATIVE RIGHTS AND SELF-GOVERNMENT, AND YOU COME SOON TO THE REALIZATION THAT FISHERIES AND OCEANS IS REALLY A BIG AND IMPORTANT JOB. IN MANY RESPECTS, IT SEEMS ALMOST AN IMPOSSIBLE ONE.

THOSE COMPLEX PARAMETERS, WHICH YOU FACE IN DFR, SPEAK MORE STRONGLY THAN ANYTHING ELSE I CAN SAY FOR THE COMPELLING CONCEPT OF PARTNERSHIP BETWEEN POLITICIANS AND PUBLIC SERVANTS. IT IS ONLY THROUGH THE CLOSEST AND MOST EFFECTIVE OF SUCH ALLIANCE THAT THE CHALLENGES FOR FISHERIES AND OCEANS CAN BE MET, BY CANADA, AND THE IMPERATIVES OF SUSTAINABLE DEVELOPMENT FULFILLED.

THANKS AGAIN FOR HAVING ME HERE AND LISTENING SO ATTENTIVELY. IF THERE ARE ANY QUESTIONS, I SHALL BE PLEASED TO RESPOND TO THEM.

Notes For An Address

by

Patrick McGuinness

Vice President

Fisheries Council of Canada

to

Senior Officials

Department of Fisheries and Oceans

October 22, 1991

OVERVIEW

THE ATLANTIC FISHERIES IS ONCE AGAIN BEING DESCRIBED AS IN A CRISIS CONDITION. THE FUNDAMENTAL PROBLEM IS THE HIGH DEGREE OF ECONOMIC DEPENDANCE OF THE INDUSTRY ON KEY GROUND FISH AND SHELLFISH STOCKS EXPERIENCING SEVERE QUOTA REDUCTIONS COMBINED WITH SERIOUS OVERCAPACITY IN FISHING VESSELS AND FISH PROCESSING PLANTS.

INDUSTRY SITUATION: AN OVERVIEW

<u>REGION/SECTOR</u>	<u>TOTAL ALLOWABLE CATCH (TAC) (1)</u>			
	1984	1991	MT	CHANGE %
OFFSHORE COD & FLATFISH (NFLD., N.S.)	364,000	236,400	(127,600)	(35%)
GULF OF LAWRENCE COD (NFLD., QUE., N.B., N.S.)	181,000	93,000	(88,000)	(49%)
SCOTIAN SHELF & BAY OF FUNDY, COD, HADDOCK, POLLOCK (N.S., N.B.)	250,000	124,200	(125,800)	(50%)
GULF OF ST. LAWRENCE CRAB (QUEBEC, N.B.)	30,951 (2)	11,296 (3)	(19,655)	(63%)
TOTALS	825,951	464,896	(361,055)	(44%)
# OF PLANTS (ATLANTIC CANADA & QUEBEC)	724	927	203	28%

-
- (1) INCLUDES ALLOCATIONS TO FOREIGN FLEETS
(2) 1984 LANDINGS
(3) 1990 LANDINGS

AS CAN BE SEEN FROM ABOVE, THE DECLINES ARE SUBSTANTIAL AND THEY IMPACT STRONGLY ON EACH OF THE ATLANTIC PROVINCES AND QUEBEC. FURTHERMORE, NO RAPID RECOVERY IS ENVISAGED. WHILE THE GULF OF ST. LAWRENCE CRAB RESOURCE SHOWS SOME MODEST SIGNS OF REBOUND, THE IMMEDIATE AND SHORT-TERM PROSPECTS FOR THE OTHER KEY STOCKS RANGE FROM FURTHER DECLINES, STABILIZATION, OR ONLY MODEST IMPROVEMENTS. NO SIGNIFICANT SUBSTANTIAL TURNAROUND IN THESE RESOURCES IS CURRENTLY PROJECTED. HOWEVER, THE INDUSTRY IS SADDLED WITH HARVESTING AND PROCESSING PRODUCTION CAPACITIES GEARED NOT ONLY TO THE LEVEL OF RESOURCES EXPERIENCED IN 1984 BUT TO A HOPED-FOR MUCH EXPANDED RESOURCE BASE.

FINANCIAL PERFORMANCE

AFTER EXPERIENCING MAJOR FINANCIAL DIFFICULTIES IN THE EARLY 1980S BECAUSE OF LOW MARKET PRICES, OVEREXPANSION, AND HIGH INTEREST RATES, THE ATLANTIC FISHERIES RECOVERED SHARPLY BETWEEN 1984 AND 1987 AS PER CAPITA CONSUMPTION OF SEAFOOD INCREASED SUBSTANTIALLY COMBINED WITH UNPRECEDENTED INCREASES IN MARKET PRICES COUPLED WITH STRUCTURAL IMPROVEMENTS IN THE INDUSTRY. THE INDUSTRY BECAME MORE MARKET ORIENTED AS A RESULT OF ALLOCATING QUOTAS TO ENTERPRISES (RATHER THAN FORCING EACH COMPANY TO RACE EACH OTHER TO FISH AVAILABLE QUOTAS) AND IT BECAME PROFITABLE AS THE INDUSTRY INCREASED EMPHASIS ON COST CONTROLS.

THE TABLE BELOW ILLUSTRATES THE FINANCIAL PERFORMANCE OF THE INDUSTRY OVER THIS PERIOD:

FINANCIAL PERFORMANCE OF CANADA'S
FISHING PROCESSING INDUSTRY
PROFIT AFTER TAX ^{*}/EQUITY

	<u>FISH PROCESSING</u>	<u>ALL MANUFACTURING</u>
1979	12.7	14.4
1980	- 2.4	13.3
1981	-14.7	11.5
1982	-29.2	3.5
1983	-13.8	6.8
1984	1.2	11.1
1985	- 0.3	9.2
1986	9.8	10.8
1987	11.5	11.0

* PROFIT AFTER TAX PLUS DEPRECIATION AND AMORTIZATION

SOURCE: STATISTICS CANADA, CATALOGUE 61-207

HOWEVER, THE ATLANTIC FISHERIES IS ONCE AGAIN DISTRESSED, LED BY SHARP DECLINES IN MARKET PRICES IN 1988 AND 1989 AMOUNTING TO REAL DECREASES OF ABOUT 34%. WHILE MARKET PRICES REBOUNDED SHARPLY IN 1990 AND 1991, ANY POTENTIAL RECOVERY WAS ABORTED BY THE CONTINUED DRASTIC DECLINE IN THE CONDITION OF THE RESOURCE THROUGHOUT THE ATLANTIC FISHERIES. THE FINANCIAL FIGURES FOR 1988 THROUGH 1992 WILL RESEMBLE THE EARLY 1980S WHEN SIGNIFICANT AND NON-SUSTAINABLE LOSSES PERSISTED.

KEY ISSUES

MOST OF THE KEY ISSUES CURRENTLY DRIVING THE INDUSTRY RESULT FROM THE LACK OF FISH, THE COMPETITION BETWEEN PROCESSORS IN SOURCING THAT FISH, AND THE UNCERTAINTIES FACED BY PROCESSORS IN THE SYSTEM IN MAINTAINING THEIR SUPPLY OF FISH.

1. ECONOMIC VIABILITY

- OVERCAPACITY IS THE PROBLEM, EFFICIENCY IS THE OBJECTIVE, DOWNSIZING MUST BE THE REMEDY. THE NUMBER OF FEDERALLY REGISTERED FISH PLANTS IN ATLANTIC CANADA ALMOST DOUBLED IN THE 1980s, INCREASING FROM ABOUT 500 PLANTS IN 1977 TO ABOUT 900 IN 1990. IN SOUTHWEST NOVA SCOTIA THERE ARE AN ADDITIONAL 300 NON-REGISTERED FISHERMEN-PACKERS PLANTS.
- THE FINANCIAL CONDITION OF THE INDUSTRY HAS BEEN CONSISTENTLY WEAK THROUGHOUT THE 1980s - THERE WERE ONLY THREE YEARS IN THE 1980s WHEN THE INDUSTRY'S RETURN ON EQUITY WAS POSITIVE.
- THE EXCESS CAPACITY COMBINED WITH THE DECLINE IN THE RESOURCE HAS RESULTED IN A COUNTERPRODUCTIVE COMPETITION FOR RAW MATERIAL RAISING THE COST FOR EVERYONE.
- MEANWHILE, THE WORLD IS NOT SHORT OF FISH SUPPLIES - AQUACULTURE HAS EXPANDED, THIRD WORLD COUNTRIES HAVE EMERGED AS MAJOR COMPETITORS, AND THERE ARE INCREASING NUMBER OF SUBSTITUTES FOR TRADITIONAL CANADIAN FISH AND SEAFOOD PRODUCTS.
- FISHERMEN EARNINGS ON AVERAGE ARE BARELY ADEQUATE IN MANY AREAS. PLANT WAGES ARE NOT EXCESSIVE.

- THE MAJOR QUESTIONS FACING THE INDUSTRY ARE:
 - . WILL THE INDUSTRY IN FACT DOWNSCALE TO FIT THE RESOURCE;
OR
 - . WILL THE CAPACITY BE MAINTAINED FOR A DECADE AWAITING A REBOUND IN THE RESOURCE; OR
 - . WILL THE CAPACITY CONTINUE TO GROW AND VARIOUS FEDERAL AND PROVINCIAL GOVERNMENT PROGRAMS USED TO KEEP IT GOING.

2. WORLD FISH AND SEAFOOD COMPETITORS

- CANADA IS ABOUT THE 15TH LARGEST SUPPLIER OF FISH AND SEAFOOD PRODUCTS TO WORLD MARKETS. COUNTRIES SUCH AS SOUTH KOREA, THAILAND, THE PHILIPPINES, MEXICO, BRAZIL, AND SPAIN ARE ABOUT EQUAL TO CANADA.
- DEVELOPING COUNTRIES PRODUCED MOST OF THE INCREASED VOLUME IN THE 1980s. COUNTRIES WITH WARM WATER, FAST GROWING SPECIES, LOW LABOUR COSTS ARE CANADA'S NEW COMPETITORS.
- AQUACULTURE SPECIES ARE ADDING TO THE SUPPLY:

	<u>1980</u>	<u>1990</u>
SHRIMP	58,000 MT	500,000 MT
SALMON	14,000 MT	200,000 MT

AND CAUSING PRICE IMPACTS OVER A WIDE RANGE OF PRODUCTS.

- CANADIAN GROUND FISH EXPORTS TO THE U.S. THROUGH THE 1980s INCREASED ABOUT 3%. OTHER COUNTRY EXPORTS TO THE U.S. THROUGH THE 1980s WENT FROM 500 MILLION TO 700 MILLION POUNDS, UP 31%.

- CANADIAN COD AND OTHER TRADITIONAL GROUND FISH EXPORTS ARE LOSING THE U.S. MARKET SHARE.

	<u>1984</u> MILLION LBS.	<u>1987</u> MILLION LBS.	
FROZEN COD FILLETS	175	172	-1.2%
FROZEN HADDOCK & PERCH FILLETS			STABLE
FROZEN "OTHER FILLETS"	78	191	+142%

- CANADIAN COD BLOCK EXPORTS TO THE U.S. REMAINED ABOUT STABLE OVER THE PERIOD WHILE WHITING BLOCKS, ALASKA POLLOCK, ETC. GREW. COD'S SHARE OF BLOCK IMPORTS DECLINED BY 15%.
- THE MARKETPLACE NOW HAS A FULL RANGE OF NEW COMPETITIVE SPECIES POSITIONED AGAINST COD, OCEAN PERCH, HADDOCK, AND ATLANTIC POLLOCK: ALASKA POLLOCK, POND CATFISH, WHITING/HAKE, ORANGE ROUGHY, SNAPPERS, KING CLIP, TILAPIA, HOKI, ETC.
- CONCLUSIONS:
 - THE WORLD IS NOT FISH SHORT
 - NEW COMPETITORS ARE LOW PRICE PRODUCERS
 - CANADA CANNOT SET PRICES
 - AQUACULTURE CAN FIX SOME PRICE CEILINGS
 - TRADITIONAL SPECIES LIKE COD ARE BEING REPLACED BY EXOTICS AND AQUACULTURE.

CANADA MUST REMAIN COMPETITIVE IN THIS RAPIDLY CHANGING WORLD OF SEAFOOD IN SPITE OF ITS OWN DOMESTIC PROBLEMS.

3. COST RECOVERY

WE HAVE CONTINUALLY REQUESTED A STRUCTURED AND COMPREHENSIVE APPROACH TO DETERMINE HOW THE DEPARTMENT AND INDUSTRY SHOULD RESPOND TO THE GOVERNMENT'S COST RECOVERY INITIATIVES. AS SUCH, WE OBJECT TO THE AD HOC MANNER IN WHICH THE DEPARTMENT HAS IDENTIFIED CERTAIN NEW INITIATIVES TO BE COST RECOVERED. THE MOST RECENT EXAMPLE IS DOCKSIDE MONITORING.

WITH RESPECT TO DOCKSIDE MONITORING, WE WELCOME THE DECISION TO SET UP A TASK FORCE TO REVIEW THE ISSUE. WE WANT A COMPREHENSIVE REVIEW OF THE ENFORCEMENT AND SURVEILLANCE REGIME TO BE UNDERTAKEN TO IDENTIFY THE COSTS AND BENEFITS OF THE VARIOUS COMPONENTS OF THE SYSTEM (AIR SURVEILLANCE, SEA PATROLS, ONBOARD OBSERVERS, DOCKSIDE MONITORS) AND TO DESIGN A LEAST-COST, CHEAT-PROOF, EFFECTIVE SYSTEM.

WHETHER THE DOCKSIDE MONITORING COMPONENT OF THE SURVEILLANCE AND ENFORCEMENT SYSTEM SHOULD BE PAID BY INDUSTRY OR BY GOVERNMENT OR A COMBINATION OF BOTH CAN AWAIT THE OUTCOME OF THE WORK OF THE TASK FORCE.

4. FOREIGN OVERFISHING

- FOREIGN FLEETS CONDUCT PULSE FISHING ON CANADA'S STRADDLING STOCKS. 3NO COD AND THE STRADDLING FLATFISH STOCKS HAVE BEEN SEVERELY DAMAGED BY UNCONTROLLED FOREIGN FISHING. THE 25,000 MT ANNUAL HARVEST OF THE NORTHERN COD STOCK BY FOREIGN FLEETS IMPEDES THE RECOVERY OF THAT VITALLY IMPORTANT STOCK.

- THE LONG-TERM SOLUTION IS FOR INTERNATIONAL LEGAL AND ENVIRONMENTAL EXPERTS TO AGREE TO PRACTICAL MEASURES WITHIN THE LAW OF THE SEA TO CONTROL THE FISHING OF STRADDLING STOCKS. ANOTHER SOLUTION IS FOR NAFO TO GIVE CANADA THE AUTHORITY TO ENFORCE NAFO QUOTAS FOR THE STRADDLING STOCKS.
- WE ARE CONCERNED ABOUT THE RECENT INITIATIVE TO EMBARK UPON COMPREHENSIVE DISCUSSIONS WITH THE EEC TO OBTAIN A SETTLEMENT WITH THE EEC TO CONTROL THE SPANISH AND PORTUGUESE FLEETS. OUR CONCERNS ARE:
 - . THE LACK OF NON-SURPLUS FISH (I.E. 2J3KL COD) AVAILABLE TO STRIKE A SETTLEMENT;
 - . THE UNCERTAINTY OF THE PENDING CANADA-FRANCE BOUNDARY ARBITRATION;
 - . THE GROWING, NEW NON-NAFO ENTRANTS TO THE FISHERY (S. KOREA);
 - . THE INABILITY TO STOP THE EEC FROM REFLAGGING VESSELS TO PANAMA TO CONTINUE TO FISH IN THE AREA.
- WE FEAR A SETTLEMENT THAT WILL GIVE THE EEC AND OTHER NAFO COUNTRIES 2J3KL COD QUOTAS, WILL ALLOW EEC VESSELS TO FISH QUOTAS INSIDE THE CANADIAN ZONE WHILE REFLAGGED SPANISH AND PORTUGUESE VESSELS CONTINUE TO FISH THE STRADDLING STOCKS AND MORE REFLAGGED SPANISH AND PORTUGUESE VESSELS ARE ADDED TO THE PANAMANIAN FLEET.

5. CANADIANIZATION/DEVELOPMENTAL FISHERIES

THE UNDERUTILIZED SPECIES PROGRAM OR THE DEVELOPMENTAL GROUND FISH PROGRAM INTRODUCED IN 1990 HAS BEEN A SOURCE OF CONFLICT IN THE INDUSTRY. THE MAIN CONFLICT IS OVER THE USE OF FOREIGN VESSELS AND WHETHER REAL DEVELOPMENT IS OCCURRING. THE ISSUE AND DEBATE IS NOT YET SETTLED.

THE FIRST PROBLEM IS THAT GOVERNMENT AND INDUSTRY DO NOT HAVE THE SAME DEFINITION OF UNDERUTILIZED.

GOVERNMENT DEFINITION: FISH QUOTAS "LEFT IN THE WATER" OR ALLOCATED TO FOREIGN FLEETS

INDUSTRY DEFINITION: VOLUMES OR SPECIES WHICH HAVE NO ECONOMIC DEMAND AT THIS TIME

FACTS: - FOR SOME SPECIES APPROPRIATE FISHING TECHNOLOGY DOES NOT EXIST IN CANADA
- FOR SOME SPECIES APPROPRIATE HANDLING TECHNIQUES ARE UNKNOWN
- FOR SOME SPECIES APPROPRIATE PROCESSING TECHNOLOGY IS UNKNOWN

SPECIES WHERE THE ABOVE APPLIES MIGHT BE 2GH COD, DEEP WATER TURBOT, SILVER HAKE.

- LACK OF AN ECONOMIC MARKET DEMAND
- LACK OF A CANADIAN COST PRICE DEMAND
- POOR INTRINSIC QUALITIES OF SPECIES
- POOR CONSUMER MARKET PRESENTATION

SPECIES WHERE THE ABOVE APPLIES MIGHT BE REDFISH, MACKEREL, TURBOT, ARGENTINE, ROUNDNOSE GRENADIER.

THE HARVESTING AND PROCESSING OF UNDERUTILIZED SPECIES OFFERS THE OPPORTUNITY FOR SOME PLANTS TO DIVERSIFY FROM TRADITIONAL STOCKS AND TO MODERATE SOMEWHAT THEIR ADJUSTMENT PROCESS. IT SHOULD BE RECOGNIZED, HOWEVER, THAT THE UNDERUTILIZED SPECIES PROGRAM OFFERS ONLY MINOR OPPORTUNITIES FOR DIVERSIFICATION IN THE ATLANTIC FISHERIES. INNOVATION IS REQUIRED. INDUSTRY AND GOVERNMENT SHOULD BE WORKING TOGETHER TO HARVEST THE UNDERUTILIZED SPECIES BY CANADIAN VESSELS AND TO PROCESS THE UNDERUTILIZED SPECIES IN CANADIAN PLANTS. HOWEVER, PROGRESS IN THESE AREAS WILL BE DIFFICULT AND SUCCESS IS UNCERTAIN.

BENCHMARKS FOR DEVELOPMENT:

- THE PROJECT MUST BE ABLE TO IDENTIFY A NET BENEFIT TO CANADA
- THE PROJECT SHOULD AVOID THE PITFALL OF ATTRACTING U.S. COUNTERVAIL DUTY CONCERNS.

6. QUALITY MANAGEMENT PROGRAM

THE FISHERIES COUNCIL OF CANADA SUPPORTS THE QUALITY MANAGEMENT PROGRAM. HOWEVER, OUR SOUTHWEST NOVA SCOTIA SALTFISH PRODUCERS, AS A SECTOR, OPPOSE THE PROGRAM BECAUSE OF LONG-STANDING DISAGREEMENTS BETWEEN THE SECTOR AND THE DEPARTMENT OVER FUNDAMENTAL DEFINITIONS REGARDING HEALTH, SAFETY, AND QUALITY STANDARDS.

THE QMP APPROACH IS THE WAVE OF THE FUTURE FOR FOOD PROCESSING AROUND THE WORLD. GOVERNMENTS CANNOT INSPECT HEALTH AND SAFETY INTO FOOD PRODUCTS. GOVERNMENTS CANNOT AFFORD THE MANPOWER COSTS OF TRYING TO INSPECT HEALTH AND

SAFETY INTO FOOD PRODUCTS. GOVERNMENTS CAN ONLY ENSURE THAT THEIR FOOD PROCESSORS HAVE IN PLACE A QUALITY MANAGEMENT SYSTEM THAT CONFIRMS TO THE GOVERNMENT THAT THE PROCESSOR IS IN CONTROL OF HIS OPERATION, KNOWS WHAT IS HAPPENING TO THE PRODUCT AS IT IS BEING PROCESSED, IS CHECKING THE PRODUCT AS IT IS BEING PROCESSED TO ENSURE IT MEETS HEALTH AND SAFETY REQUIREMENTS, AND IS ABLE TO RECALL THE PRODUCT FROM THE MARKETPLACE IF IT IS LATER DETERMINED THAT SOMETHING OR SOMEONE BROKE DOWN AND AN UNSAFE PRODUCT WAS SOLD.

WHEN THE PROGRAM BECOMES MANDATORY IN FEBRUARY 1992, THE CANADIAN FISH INDUSTRY WILL BE THE WORLD LEADER IN FISH AND SEAFOOD QUALITY ASSURANCE. WE WILL ALSO BE AHEAD OF OUR CANADIAN MEAT AND POULTRY COMPETITORS.

HAVING SUPPORTED THE PROGRAM AND WORKED IN HAND WITH DFO INSPECTION OVER THE PAST TWO YEARS HELPING TO DESIGNING THE PROGRAM, THE FISHERIES COUNCIL OF CANADA WANTS THE FOLLOWING:

- . NO EXCEPTIONS. THE PROGRAM SHOULD APPLY TO PROVINCIAALLY REGISTERED AS WELL AS FEDERALLY REGISTERED PLANTS.
- . A FAIR AND EFFECTIVE APPEAL PROCESS. THE PENALTY FOR FAILING THE QMP INSPECTION CAN BE SEVERE.
- . A 12-MONTH INTERIM ENFORCEMENT POLICY. THE DFO INSPECTION/INDUSTRY QMP TEAM NEEDS TO CONTINUE TO WORK TOGETHER TO IDENTIFY THE PROBLEMS IN THE DESIGN AND TO FIX THEM BEFORE FINALIZING THE ENFORCEMENT APPROACH.

7. FLEET SEPARATION

THE FLEET SEPARATION POLICY INTRODUCED BY ROMÉO LEBLANC IN THE LATE 1970S HAS BEEN OVERTAKEN BY EVENTS BUT REMAINS AS A DISCRIMINATORY OBSTACLE TO PROCESSORS. THE FLEET SEPARATION POLICY IS LIKE THE CANADIAN SALTFISH CORPORATION MONOPOLY - TIMES HAVE CHANGED, THE ORIGINAL CONCERNS HAVE SUBSTANTIALLY DIMINISHED, AND THE CURRENT POLICY IS A BARRIER TO DEVELOPMENT AND EVOLUTION. FISHERMEN ARE NOW OWNERS OF PROCESSING PLANTS. AND PROCESSORS ARE SOMEWHAT CIRCUMVENTING THE POLICY WITH CUMBERSOME AND COSTLY FINANCING ARRANGEMENTS.

IT IS SIMPLY TIME TO UPDATE THE POLICY.

8. QUOTA AND LICENCE ALLOCATION PROCESS

THE MOVE TO TRY TO DEPOLITICIZE AND MAKE TRANSPARENT THE FISHERIES QUOTA AND LICENCE ALLOCATION PROCESS IS NOT A NEW IDEA. IT WAS RECOMMENDED IN THE KIRBY TASK FORCE REPORT IN 1982. THE FISHERIES COUNCIL OF CANADA SUPPORTED THE PROPOSED INITIATIVE AT THAT TIME. MINISTER VALCOURT RESURRECTED THE IDEA AND MINISTER CROSBIE NOW APPEARS INTENT ON DOING SOMETHING ABOUT THE IDEA.

THE FISHERIES COUNCIL OF CANADA SUPPORTS THE INITIATIVE. WE WANT AN IMPROVED FISHERIES AND QUOTA LICENCE ALLOCATION PROCESS THAT WILL: (I) DE-POLITICIZE THE PROCESS; (II) IMPROVE THE EFFICIENCY IN DECISION-MAKING; (III) ESTABLISH MORE STABLE POLICIES WITH UNIFORM INTERPRETATIONS; AND (IV) REDUCE THE AMOUNT OF AD HOC DECISIONS.

THE COUNCIL HAS DEBATED AND DISCUSSED THE ISSUE A NUMBER OF TIMES. THE FOLLOWING ARE THE AREAS OF AGREEMENT REGARDING THE STRUCTURE OF A FISHERIES QUOTA AND LICENCE ALLOCATION BOARD:

- . THE BOARD SHOULD HAVE POWERS REGARDING THE ALLOCATION OF QUOTAS, THE LICENSING OF FISHING VESSELS, AND THE LICENSING OF FISH PROCESSING PLANTS;
- . PUBLIC SERVANTS OF THE FEDERAL GOVERNMENT AND CIVIL SERVANTS OF THE PROVINCIAL GOVERNMENTS SHOULD NOT BE ALLOWED TO BE BOARD MEMBERS;
- . INDIVIDUALS INVOLVED IN THE FISHING INDUSTRY SHOULD NOT BE ALLOWED TO BE BOARD MEMBERS;
- . THE BOARD SHOULD OPERATE UNDER POLICIES AND GUIDELINES ESTABLISHED BY THE FEDERAL MINISTER OF FISHERIES AND OCEANS;
- . THE BOARD SHOULD BE MANDATED TO MAKE DECISIONS WITHIN THE ESTABLISHED POLICIES AND GUIDELINES AND CONSISTENT WITH THE ECONOMIC REALITIES FACED BY THE INDUSTRY.

WE BELIEVE THE EFFORT TO DEPOLITICIZE THE PROCESS IS A WIN/WIN SITUATION. WE AS AN INDUSTRY WILL BENEFIT AND YOU AS PUBLIC SERVANTS CHARGED TO GIVE ADVICE AND GUIDANCE TO MINISTERS AND BOARDS WILL BENEFIT. THE FOCUS WILL BE MORE ON THE CONTENT OF THE ADVICE, THE ACCURACY OF THE ANALYSIS, AND THE OBJECTIVITY OF THE RECOMMENDATION RATHER THAN THE SENSITIVITIES OF THE POLITICAL MASTERS.

Notes For An Address

by

Sheldon Ehrenworth

President

Public Policy Forum

to

Senior Officials

Department of Fisheries and Oceans

October 22, 1991

Ladies and gentlemen/ mesdames et messieurs:

It's somewhat daunting to step into Paul Tellier's shoes to talk to you about something as integral to policy development as consultation. Paul would approach the subject from a much different level. And you people are certainly more directly involved in policy development than I have been for quite some time.

But I was sympathetic to Maryantonne's predicament when she called me this morning. Having put together more than my fair share of conferences involving deputies and the like, I've learned that their time is not their own. Ministers and Prime Ministers have a nasty habit of intervening, sending organizers scurrying in search of last minute replacements.

I know the pickings can be slim sometimes, but I wonder if its only a coincidence that when ever I have been asked to pinch hit, there was never any honorarium offered to the original speaker.

But, it is a pleasure to fill in for Paul with a few words about public consultation and policy development. My remarks may be somewhat shorter than Mr. Tellier's, because, I'll confess, my command of our two official languages is singular. And, you may also find my views somewhat blunter than Paul might express, but I guess that's one of the perks of no longer being in her Majesty's employ.

I should also confess that the only contentious fisheries issue that I have been close to is debating the relative merits of Atlantic vs. Pacific salmon. So, you'll forgive me if my comments are rather general and I start off with a sweeping generalization, by saying that public consultation doesn't influence federal government policy development nearly enough, at least not yet.

That's because there isn't much genuinely effective consultation, either between government and the private sector or among the various sectors in the private sector, or, for that matter, among government departments. All must improve in quality and quantity.

You simply can't have effective public policy if you don't have all the relevant players participating in the development of that policy.

The world out there is increasingly competitive, and common sense alone says that you get the best bang for your buck by working together, by bringing all the best minds to bear on pressing national issues.

Today's increasingly complex policy environment is beyond the capacity of government to manage on its own -- nobody, including government, has all the answers nor enough money to pay for all the solutions. And the sooner we face up to this reality, the better off we'll all be.

Let me cite four, tactfully dated, non-F & O policy debacles to illustrate my point. Think back to the National Energy Program, the Six and Five Program, Scientific Research Tax Credits, and the November 1981 Budget. What do they all have in common?

The answer is that they are all public policy mistakes which managed either to pour billions of tax dollars down the drain, to cripple investment and industrial growth, to alienate huge sections of the population, or in the case of the november 1981 Budget, to accomplish all of the above at the same time.

But another common thread running through each of these misadventures in public policy is that they were designed in a vacuum, albeit by dedicated, intelligent and well-intentioned people.

The fact is, no matter how brilliant people are or how hard they work, you simply can't design effective policy or deliver the appropriate goods and services if you are out of touch with your clients and the external environment.

In Germany, Japan, Switzerland, Austria, Sweden and other trading nations, business, organized labour, the academic community and other groups in the private sector work very closely with government to forge the kind of public policy framework that leads to world market success.

The need for a top quality public service and for the public and private sectors to work hand in hand are taken for granted -- and that goes for everything from training and human resource policy to monetary and fiscal policy and, in some cases, I suppose, to fisheries policy as well. .

I believe that developing our consultative skills, developing the broad sense of common purpose that we see in these other nations offers the only real hope for Canada to develop a public policy framework which supports the efforts of our companies and our workers, and yes, our fishermen too, to take on the world, and win.

If we don't confront this reality, we have a very grim economic future ahead of us.

Think about it. Compare Argentina and Japan: in 1960 both had about the same GNP per capita. Today Argentina is an economic basket case and Japan is a powerhouse. Why?

Largely because of the quality of national policy and the ability of the public and private sectors to work together.

Canada risks becoming another Argentina.

It has taken a lot of time and considerable lobbying from the outside to convince Canada's public service that it is overmanaged, under motivated, poorly led and above all else, inward-looking and secretive.

But I am encouraged that some departments at least are coming to grips with the notion that 1970s attitudes just won't cut it in the 1990s – particularly, attitudes concerning consultation with the groups and individuals who are affected by management and policy decisions taken in the department.

I believe that some real headway is being made, although I suspect that many of you may be cynical about Public Service 2000 and the government's white paper on public service reform.

And I don't blame you.

The white paper doesn't exactly read like Hemmingway, and we've seen some rather conflicting messages from the top about the new and better public service that is supposedly evolving.

But in some departments with forward looking people at the top, I think PS 2000 and the White Paper offer executives at all levels a license to act very differently from how they have felt compelled to act in the past.

I believe there is now an unparalleled opportunity for government executives to deal more openly and honestly with outside clients and stakeholders and to involve them in developing the policies that will affect them.

Whether this is true or not, is really up to you. Too often, when all is said and done, more is usually said than done." But I see PS 2000 as a license to act differently.

The White Paper came out and acknowledged that "a new, consultative, service-oriented culture needs to be created in government." This message was inspired, in large measure by the report of the PS 2000 Task Force On Service to the Public which, I suggest, is in your strategic interest to read.

Chapter 4 deals specifically with consultation and even tries to define the term. It draws heavily on views put forward by some leading executives from business, government, labour and the academic community at a meeting the Public Policy Forum organized in May, 1990, in collaboration with Bruce Rawson and the Service to the Public Task Force.

Participants in that meeting reached two important conclusions about the consultative process:

- 1) there is no consultative culture in the canada, not in government and not in the private sector. and;
- 2) That government and private sector executives share the responsibility to fix this problem.

Here is what they had to say about consultation. It may differ from how you view the term. They said:

"consultation implies sharing information, it means relinquishing power, surrendering unilateral control. It includes inquiring, listening, understanding and caring. It does not mean making decisions and then getting people to buy-into them."

They went on to say that: "some form of power-sharing is the key to effective partnerships but some government people have genuine difficulty with the idea of relinquishing power or even sharing information.

And they added "too often, consultation is an afterthought rather than a first thought, or worse still, mere window-dressing".

Their words echoed in tone and substance something I heard a couple of years earlier from Bernd Koken, then Chairman and CEO of Abitibi-Price, and about to resign in frustration from co-chairmanship of the Forest Sector Advisory Committee. He observed that:

"in the past decade, the federal policy process has become more participative, allowing a broader range of private sector groups to inject their views into policy discussions." But the volume of input to government is not the measure of an effective public policy process. How well the public and private sectors interact -- not if they interact -- is the important factor in good government."

"At some point," Mr. Koken went on, "consultation has to reflect joint responsibility, commitment and action to achieve objectives which are jointly set by government, business, labour and other relevant policy stakeholders. As he put it: "we don't do very much of that in Canada."

As these comments, suggest, what the private sector is looking for from consultation is nothing more or less than a piece of the action. And despite the many so-called consultation exercises initiated by government over the years (tier I and TIER II, Major Projects Task Forces, Neilson etc.) the pre-budget talks, or what have you, private sector leaders don't, for the most part, think that they are getting a piece of the action.

They remain unconvinced and cynical that politicians and public servants have the will to change, to open up, to welcome outside involvement in policy development.

Your challenge, I suggest, is to prove that this cynicism is unfounded and to prove it in such a way that your private sector counterparts respond in kind, and to do their bit to make a new consultative relationship work. It is, after all, a shared responsibility.

Let me offer a few real life examples of the kinds of attitudes that have to change:

There was the senior official who said at his senior management committee that he simply didn't have time to consult with outsiders because he was too busy developing policy.

Or the guy from Ottawa who said to a group of regional business leaders at a forum event, "gee it's nice to get out three or four times a year to talk to our clients," as though consultation was a series of isolated events, not an ongoing process.

In one major department, there was a senior official who was convinced he was doing things right, that he really was consulting because, quote "he had people all over this country telling the private sector exactly what they were planning to do" unquote!

And the problem for some departments isn't just consulting with clients, it's knowing who they are. At an APEX conference here in Ottawa two years ago, one of our directors, Carole Lafrance, got a shock when she participated in a workshop on service issues. During the roundtable, public servants were asked to identify their clients.

Some said the minister, some the deputy minister, some said interest groups, the third world etc. But nobody mentioned Canadian taxpayers.

Poor Carole was shocked because it's inconceivable to a successful businessperson not to know who your clients are, and it doesn't make too much sense in government, either. How can you do a decent job if you don't know who you're working for?

But let me emphasize again, it's more than just public servants who have to change to make consultation work. Private sector executives have to take a much broader and more constructive approach to their policy discussions with government. They must appreciate that they are seldom the only party with a stake in a particular issue and indeed, they must recognize the need to consult with other stakeholders, and wherever possible, present brokered solutions and speak with a common voice to government.

But since I am speaking to a group of public servants, I'll confine my prescriptions to what I believe public servants have to do to consult more effectively.

This is where I come dangerously close to the pop psychology books which some of you have probably read -- books like I'm O.K.- You're O.K., or Passages or Born to Win.

You read them, and all along you're saying, yeah, that's me, that's exactly how I feel. And by the time you get to the final chapter, you know what's wrong, but you still don't have a clue what to do about your problems.

Then you get to the final chapter. Its the one where the prescriptions come. Its always the shortest and is where the good doctor usually says:

"You know what your problems are -- you just have to start thinking differently about yourself. So, think differently!" This may be easier said than done, but what do you expect from a \$4.95 Paperback.

Maybe we have to seek professional help to cure our neuroses. But there is a paperback I can refer you to that should help to improve your consultative skills. I mentioned it earlier, it's the report of the PS 2000 Task Force on Service to the Public where Bruce Rawson held the pen.

Chapter Four lists some principles for effective consultation and makes recommendations which, if broadly followed, would lead us toward that elusive consultative culture.

I won't quote them all, but let me mention a few of the 18 principles that are the most important to public service executives.

- 1) Consultation is intrinsic to effective public policy development and service to the public. It should be a first thought, not an after-thought.
- 2) The initiative to consult may come from inside government or outside -- it is up to the other party to respond.
- 3) Effective consultation will not always lead to agreement; however, it should lead to a better understanding of each other's positions.
- 4) The agenda and process of consultation should be negotiable. The issues, objectives and constraints should be established at the outset.

Remember, you're not consulting for your benefit, but for the benefit of those who will be affected by policy outcomes. It's their process as much as yours. Hence the final principle I will quote:

- 5) Effective consultation is about partnership. It implies a shared responsibility and ownership of the process and the outcome.

I think those are five of the most important principles. Now let me turn to two of the most important recommendations:

- 1) Recommendation 4.6.6 (D) (God Bruce that sounds bureaucratic) says to: develop programs which give public sector executives a better appreciation of the world in which their private sector counterparts operate and of the impact of public policy on the private sector. And;
- 2) Recommendation 4.6.6 (E) which states: offer programs which give business, trade union and other private sector stakeholders an opportunity to improve their understanding of government operations and the political environment in which decisions are made.

These two recommendations address the single most important ingredients for effective consultation: mutual understanding and respect. If you want to set out to improve your approach to consultation, this is the place to start.

Ask yourself, how well do you and your people understand your private sector stakeholders – fisher-people, fish packers, fish unions, fishing communities? How well do they understand the world you work in? And what can be done to increase the level of understanding?

And of course, you can't ask or answer these questions in all by yourself. The clients have to be part of the process from the very beginning and they should be asking themselves the same questions.

Well, that's my advice. I apologize if I have been long in my description analysis and short in my prescriptions. But unless Bruce Rawson jumps up to repudiate everything I've just said, I think it's good advice, because really, it's his advice.

I mentioned earlier that PS 2000 offers government managers a license to act differently from before. When it comes to consultation, this is your license. (Hold up report)

It's well worth reading because, there is no getting around that in the 1990s, effective consultation is intrinsic to effective public policy and to the fulfilment of your departmental mission which I understand from Maryantonnet is FISH, ORDER AND GOOD GOVERNMENT. OR WAS THAT PEACE, ORDER AND GOOD FISHING.

Again, it was a pleasure to stand in for Paul Tellier tonight. I hope that these comments have been useful.

Workshop Reports



Workshop Report

Subject: DFO Reform - Group A

DFO Senior Managers Conference

October 22, 1991

CONFERENCE OF SENIOR MANAGERS
WORKSHOP ON DFO REFORM - GROUP A

Chairman: David Griggs
Director
Salmonid Enhancement Program
Vancouver

Rapporteur: Cheryl Fraser
Director
Fish Habitat Management
Headquarters

Workshop Group:

Geoff Holland, Science, Ottawa
Andrew Smith, Finance, Ottawa
Hilary Pearson, P&PP, Ottawa
Bob Johnson, Area Manager, Charlottetown
Neil Bellefontaine, RDG, Halifax
Gaston Lelièvre, Inspection, Québec
Frank Slade, Harbours & Corp., St. John's
Sharon Leonard, Communications, Winnipeg
Dave Innell, Comptroller, Vancouver
Michaela Huar, Oceans Development, Ottawa
Dennis Orchard, Communications, Ottawa
Bob Allain, Licensing & Enforcement, Ottawa
Les Burke, Program Coordinator & Economics, Halifax
Jean-Claude Dubé, Gestion des actifs, Québec
Bob Wiseman, Area Manager, St. John's
Don Wight, Ship Branch, Ottawa
Daniel Ricard, Legal Services, Ottawa
Susan Shultz, DFO Reform

Our group's discussion can be characterized as a "good" and "comprehensive" discussion. We touched on a number of fundamental issues that the group felt have to be considered in the DFO reform process. The following are the main points that arose out of the discussion:

1. there is a need for a clear vision of where we are going - what will the department and agency look like in the future;
2. there is a need to communicate "what is going on" to DFO employees and in particular to get DFO employees who are experts in the licensing and resource allocation issues involved in the process;

3. there is a need to recognize the local and regional, federal and provincial issues of licensing and resource allocation and to deal with these issues effectively in the design of new structure; and
4. there is a need to ensure client satisfaction within the new vision.

1. What are the priorities in a reform exercise?

Before answering the question, our group redefined/restated the objectives of the reform exercise. These are:

1. to make the process of resource allocation and licensing more open, transparent and fair; give resource stakeholders more direct say in decision-making;
2. to remove from the Minister and senior management the responsibility of having to deal with hundreds of resource allocation and licensing decisions each year;
3. to refocus the remaining Department on new priorities such as the environment, natives and service to the fishing industry;
4. to streamline administrative processes;
5. to improve direct satisfaction; and
6. to minimize adverse effects on DFO employees.

With respect to priorities for DFO reform, the group recognized that in order to define the vision for the agency and department, a priority in itself, the process should begin with defining:

1. what kind of business we are in;
2. what are we trying to accomplish; and
3. which type of agency, or organization in the case of the department, will best suit the needs of our business and help us meet our objectives.

2. What issues need to be addressed in DFO reform?

It is fair to say that there was scepticism in the group regarding how and if the Minister will step back from the process as it is now known. The group recognized that fish is a resource with active and vocal constituents. From time to time there is great pressure for the Minister and his colleagues to become involved in resource allocation and licensing decisions.

Other issues identified as issues to be addressed included:

1. the legalities/legislation in the reform process - how do we proceed, is the current legislation sufficient or doesn't require change;
2. finances, operating budget, audit and control functions for the agency (i.e. the need to set up an agency that carries out its functions as effectively and efficiently as possible). The issue of self-financing and cost-recovery also need to be addressed;
3. the differences between regions, noting the current differences in licensing policy and resource allocation and use;
4. the scope of the operational agency - is it purely to issue licences and make pre-season resource allocations? What about in-season management?
5. rules of procedure for the operation of the agencies must be defined;
6. how the membership will be established, criteria set, and individuals picked;
7. the communications strategy for the package;
8. areas other than fish management that could be included, such as science, development or enforcement;
9. the concept for the agency vis-à-vis federal-provincial relations;
10. the transition process and the eventual link with the department right down to the local fishery officer level;

11. penalties/enforcement issues; and
12. the responsibilities of a leaner DFO. The group envisioned the future responsibilities of the department as:
 - national issues;
 - natives;
 - habitat/the environment;
 - policy direction; and
 - science.
13. communications to DFO staff (need for reassuring managers);
14. will the agencies operate monolithically or through regional/local boards or panels? and
15. will the policy development process be frozen until the agencies are up and running?

3. Are there successes in the past that should be accommodated in DFO reform?

In answering this question, the group:

1. expressed fear that agency will set the department back in the policy development process particularly in relation to ITQs; and
2. recommended that licensing and allocation decisions already taken, and policy reform processes which have put in place, be supported (e.g. ITQs etc). The concept for the new agency(s) should build on our existing strengths.

4. What are the organizational and cultural changes which will occur?

The Group saw the need for better DFO and the new agencies to be more service-oriented and less confrontational. Agriculture Canada was suggested as a model.

5. How can the Department prepare to meet these challenges.

Questions were raised as to:

1. who was involved in the Reform process;
2. how the consultations with industry will be undertaken; and
3. role of the regions in the consultation process, more particularly at the area and local level. There was also uncertainty on how the consultation process would interface with the agenda to move reform forward.

The Group recognized that there has to be a process for employees to know how they will be affected. Furthermore, there has to be consistent delivery on messages through good communications within the Department and to client groups. Moreover, the Group felt that there is a need to clearly define the benefits to all staff and the industry.

Regional task teams with common terms of reference were suggested as a means of involving the regions in the process. The Group also suggested the creation of two Departmental teams, one for reform and the agency development, the other to take care of the change within the Department. The Group noted that there is a need to give thought to other issues of priority to the Department and their long term outlook.

It was recognized that in the future there was a need for a highly integrated process between the agency and local areas of DFO. The Group recognized the 1/4 of Department's employees are fishery officers. A big part of their job is licensing and allocation.

In Conclusion:

Despite the fact that the Group raised a lot of issues, their response to the DFO reform process was generally positive. The Group saw a real opportunity for change.

Workshop Report

Subject: DFO Reform - Group B
DFO Senior Managers Conference

October 22, 1991

DFO Reform - B

Chairman - Hank Scarth
Area Manager
South West, N.B.
St. Andrews

Rapporteur - Nicola Furlong
Chief
Policy & Program Coordinator
Headquarters

Barry Muir, Science, Ottawa
Dan Derousie, Harbour Management, Ottawa
John Emberley, Inspection, Ottawa
Ted Gale, Special Advisor, Ottawa
Don Kowal, Pacific & Yukon Operations, Ottawa
Alphonse Cormier, A/RDG Gulf, Moncton
Jean Boulva, Sciences, Mont-Joli
Bernie Bracket, Area Manager, Gaspé
Alphonse Pittman, Area Manager, Grand Falls
Burton Ayles, Fisheries & Habitat, Winnipeg
Sue Poulin, Planning Advisor, Vancouver
Bonnie Mewdell, Communications, Ottawa
Pat Eagen, Capital Assets, Ottawa
Susan Steele, Program Coordinator, Vancouver
Red Clarke, Area Manager, Winnipeg

RECIPE FOR DFO REFORM SUCCESS:

"DFO Reform." The Deputy called it a daunting but interesting challenge.

Take heart, unlike the dejected guy in the Canadian Airlines ad, we can get there from here.

Follow this simple recipe:

- 1 Get the most essential ingredient, the yeast: DFO staff.
Talk with them for they can make or break DFO Reform.
- 2 Next, crack these priorities:
 - clarify the new agency's mandate; and
 - tap the existing resources; tell staff the benefits, keep them involved and productive.
- 3 Then, sift through former successes and failures; don't reinvent the wheel:
 - Alberta Energy Conservation Board;

- CRTC & Department of Communications;
- US Fisheries Management Councils;
- AFLAB and PRLAB;
- P/ARC;
- Agriculture Canada;
- co-management regions in the north; and
- other nations, such as Norway and Iceland.

4 Stir in issues:

- new DFO priorities;
- new Agency's linkage to DFO'
- the degree of policy setting to be devolved to Agency;
- pace of transition to new working relationships;
- financing of transition, new agency, etc.;
- regulatory changes;
- fed/prov issues and perceptions; and
- revised consultation processes.

5 Finally, fold in the cultural evolution:

- changing roles, fish cop rather than fish manager;
- shift from day-to-day operations to long term policy & coordination function;
- shift in focus and organization to new national priorities;
- resistance to change;
- increased role & relative size of science to rest of DFO;
- re-tooling of Department;
- regions vs HQ; centralization vs decentralization;
- information and communications changes & exchanges; and
- higher policy and advocacy roles.

6 Mix vigorously and pour into several regional/national task forces responsible for:

- defining what we do today in resource allocation, licensing and licensing appeals; and
- examining and defining options for Minister for devolution.

7 Bake until ready but don't forget - test regularly for doneness. Things can get burnt!

Finally, remember what Hank Scarth says: the best ideas are your own.

We must make DFO Reform everyone's idea.

Workshop Report

Subject: Aboriginal Issues - Group A

DFO Senior Managers Conference

October 22, 1991

ABORIGINAL FISHERIES - WORKSHOP A

- Chairman:** Jacque Robichaud, Regional Director, Fisheries & Habitat Management, Quebec
- Rapporteur:** Carol Ann Rose, Regional Chief, Conservation & Protection, Moncton
- Participants:** Sheryl Manson, Legal Services, Ottawa
Roseanne Hamilton, Facilities Management, Vancouver
Bill Doubleday, Science, Ottawa
Mike Godin, Small Craft Harbours, Ottawa
John Lark, Sustainable Development, Ottawa
Marion Lefebvre, Native Affairs, Ottawa
Joe Fitzgibbon, Planning and Coordination, Ottawa
Alex Bielak, Habitat & Enhancement, Moncton
John Loch, Science, Moncton
Fred Allen, Area Manager, Sydney
Ted Maher, Management Services, Halifax
Denis Martin, RDG, Québec
Wayne Follet, Coordinator & Economics, St. John's
Bill Beggs, Management Services, Winnipeg
Kate Glover, Communications, Vancouver
Paul Sprout, Area Manager, Nanaimo
Ross Douglas, Dominion Hydrographer, Ottawa

The session began with a review of recent announcements by the Prime Minister of Canada, the Right Honourable Brian Mulroney, the Minister of Fisheries and Oceans, the Honourable John Crosbie and the Deputy Minister, Bruce Rawson, where it was quickly established that the common goal of our Government and our Department is to create a new relationship between aboriginal and non-aboriginal Canadians based on human dignity, trust, and respect.

Each of the participants was asked to briefly describe his/her involvement with aboriginal issues, and it became readily apparent that this issue impacted on all branches and divisions within DFO in some way.

The participants agreed that DFO's goal at this time is to develop cooperative management of Native Food Fisheries and this is definitely consistent with the Federal Government's stated objective.

In addressing this goal, the following considerations must be taken into account:

- Build on the National Priority of Trust, Dignity, and Respect as stated in PM's address of September 1990.
- Go beyond status quo.

- DFO not to be caught off guard.
- Sparrow has established a foundation of guidelines for a new approach to Aboriginal Fishing Rights
- DFO must now build the structure to address Aboriginal Fishing Rights with full participation by Natives and in consultation with other fishery sectors, provinces, and other federal departments.
- Must not be held back by lack of response/action from these other players.
- Dialogue must be initiated with all native bands.
- Co-management agreements must be developed/continued where possible.
- Resistance to change must be reduced.

Action to be taken:

1. **Must clearly define Who, What, How, and Where.**
 - Who:**
Identify clearly who has an Aboriginal Fishing Right i.e. status Indian, non-status Indian, native band members on reserve, native council members off reserve.
 - What:**
Must clearly define what is to be included in negotiations i.e. species of fish, harvest levels, conservation measures, data gathering, enforcement programs, inspection programs for contaminants, training programs, habitat programs, enhancement programs, harvesting methods, and other economic development alternatives.
 - How:**
Must define how to proceed i.e. pilot projects bringing co-management plans and economic development in line with native culture.
 - Where:**
Must define geographical area of coverage i.e. on/off reserve, adjacent to reserve, traditionalization/non-traditional fishing areas.
2. **Must develop a solid communication package in order to:**
 - enlist support and participation of DFO staff at all levels within the organization;
 - to project a clear and constant message to the general public;
 - to develop and enhance a positive public perception of the relationship between Natives and DFO.
3. **Must establish a dispute resolution mechanism:**
 - to resolve issues of conflict in negotiations;
 - to avoid any delay/blockage of the process.
4. **Must define DFO resource requirements to address native issues and programs by:**
 - reviewing internal resources and refocusing existing programs where possible;
 - reviewing and negotiating other government programs;
 - preparing an integrated package identifying program requirements for Cabinet consideration.

SUCCESS STORIES:

- 1) **Cascapedia - Faunic Reserve:**
 - 50% Native / 50% Non-Native Board of Management for management of salmon resources on a river system.
 - Job creation (20).
 - Partnership on revenue.
 - Written agreement renewed annually.
 - Multi-year management plan being developed.
- 2) **Lake Superior Fisheries:**
 - 1/3 managed by Natives.
 - Entitlements/Allocations were agreed to, then each left to manage their share.
- 3) **Gulf and Scotia/Fundy Regions:**
 - Co-management agreements of salmon resources for years.
 - Job creation.
 - Economic development.

Where from Here:

- 1) **DFO Reform:**
 - Reorganization bringing Atlantic and Pacific together will allow a cross-fertilization of ideas and a uniform approach to native issues.
 - This meeting of DFO Senior Management from all Regions helped to foster communications and understanding.
- 2) **Ensure a long term commitment to develop an integrated approach to Native issues by DFO - not an add-on but a built-in approach.**
 - Initiate recruitment of Natives for key positions within DFO in a way geared for success (provide necessary support).
 - Take part in exchange programs between DFO and Native programs to develop learning and mutual understanding.
 - Establish a clearing house within DFO to accelerate and coordinate the processing and resolution of Native issues from various sectors.
 - Reward staff for new initiatives regarding Native issues by acknowledging their contributions (i.e. joint projects. DFO/Natives).
 - Educate front line staff in new values through training programs and communication updates.
 - At the next meeting of Senior Management in six months' time, review and evaluate our progress from here.

Workshop Report

Subject: Aboriginal Issues - Group B

DFO Senior Managers Conference

October 22, 1991

Aboriginal Issues B

Chairman - Denis Brock
Director
Regulations & Enforcement
Ottawa

Rapporteur - Michelle James
Senior Economist
Planning & Enforcement
Pacific Region

Iola Price, Aquaculture & Resource Development, Ottawa
Ken Broderson, Capital Assets, Ottawa
Paul Lamoureux, Science, Moncton
Bruce Hendsbee, Area Manager, Antiginish
Jim Melansen, Inspection, Halifax
Jean-Guy Beaudoin, Services économique, Québec
Larry Coady, Science, St. John's
Dennis Cauvin, Program Coordinator & Economics, Winnipeg
Earl Brown, Hydrography, Burlington
Dick Carson, Conservation & Protection, Vancouver
James Boland, Personnel, Vancouver
Ed Owen, Communications, Ottawa
Denis Dupré, Directeur de secteur, Longeuil

GOAL:

1. DFO's goal for Aboriginal Issues includes meeting aboriginal and treaty rights to fish, access to economic opportunities, co-management initiatives, and involving the Native community wherever possible in the delivery of the DFO mandate. The Department has the opportunity to develop interim fisheries agreements with the Native community.

ISSUES:

2. A number of issues need to be addressed in these interim measures in order to develop a new social contract with native people. These include:
 - (i) Legal issues, definition of conservation, clarifying existing enforcement policy (need to have a review of how current policy is working on the front line);

(ii) Consultation:

(1) With whom do we consult?:

- (a) All stakeholders including province;
- (b) Must be sensitive to variations in aboriginal issues and needs in different areas: Tribal Councils-Bands-Status-Non-Status; and
- (c) Includes consultations with DFO staff
- need change in corporate culture;

(2) How do we consult?:

- (a) Ask stakeholders how best to proceed;
- (b) Point-out the consequences of various methods of consultations, i.e. Band by Band (could be lengthy process) Tribal Councils-Nations (could expedite and make process more efficient);
- (c) We cannot impose a process; and
- (d) Process will be dynamic and ongoing.

(3) Where to consult?:

On stakeholders ground where their comfort level is likely the highest;
and

(4) When to consult?:

Now, there is a window of opportunity, but consultations must be ongoing;

(iii) Catch sharing - trade-offs - ensuring strong and viable commercial and recreational fisheries while at the same time as meeting Native requirements and aspirations;

(iv) Economic opportunities;

(v) Co-management opportunities;

(vi) Communications - need to involve and educate the public/user groups in co-operation with Native people - get rid of misinformed "fear campaigns";

- (vii) Build on successes - pilot projects, but do not start things we cannot continue one shot projects do not provide stability; and
- (viii) Fundamental fishery management concerns are all associated with Native issues for example: management of Fisheries VS management of individual stocks. Overall Native Communities will be more interested in stock rather than fishery management.

SUCSESSES:

- 3. A. Do an inventory of programs and successes; ie: Nimkish guardian program, pilot Haida co-management agreement, Salmonoid Enhancement Project, Community Economic Development Projects, Community Economic Development Projects & Public Involvement Project, and Student Programs, for example:
 - (i) Cultural awareness;
 - (ii) Arctic hunter/trapper association;
 - (iii) RCMP native officer program; and
 - (iv) Band fishing agreements;
 - (v) Co-management Pilot programs - build on success;
 - (vi) Native extension officers community officers;
- B. Deal with fear of unknown through good communications strategy;
- C. Deal with fear of failure through pilot projects; and
- D. Start small and build confidence and trust.
- 4. Changes to DFO organization or culture:
 - A. Define National and Regional roles;
 - B. Put in place at all levels a process that will ensure good communications;
 - C. Create a National repository for information so progress and ideas can be monitored and shared in all areas (lets not re-invent things);
 - D. Develop Regional negotiating teams and provide them the training and resources needed to conduct meaningful negotiations with the aboriginal community and

other stakeholders;

- E. Need to try and ensure stability of players (negotiators) in order to "build trust", changing players at table does not facilitate good negotiations;
- F. Resourcing/reallocation of resources/pooling opportunities with combined DFO/DIAND/CEIC resources etc;
- G. Recruiting and training of Aboriginal people:
 - (1) DFO's employee profile must be representative of the clients; and
 - (2) DFO's front line staff need to be ambassadors, fully informed and involved in this initiative;
- H. Training:
 - (i) Listening skills;
 - (ii) Negotiating skills;
 - (iii) Cross cultural training;
 - (iv) Consultation skills;
 - (v) Need to change our corporate culture. Agenda should be developed at the table with participants, not be a hidden DFO agenda; and
 - (vi) There is a sense of urgency as indicated by Miles Richardson yesterday, "DFO needs to respond quickly and show good faith by ensuring real positive progress in this area.

Workshop Report

Subject: Habitat/Environment- Group B

DFO Senior Managers Conference

October 22, 1991

Habitat/Environment B

Chairperson - Michelle Chartrand
Directeur
Direction du développement des océans
Ottawa

Rapporteur - Neil Anderson
Director
Planning and Development
Ottawa

Jean Piuze, Science, Ottawa
Jean Chandonnet, Personnel, Ottawa
Aaron Sarna, International, Ottawa
Marshall Moffat, Economic Analysis, Ottawa
maurice Girouard, Ports pour petits bateaux, Moncton
Normand Dugas, Directeur de secteur, Tracadie
Stephen MacPhee, Science, Dartmouth
Bob Prier, Conservation & Protection, Halifax,
Edith Latouch, Personnel, Québec
Doug Tilley, Statistics & Systems, St. John's
Paul Sutherland, RDG, Winnipeg
John Cooley, Science, Burlington
John Davis, Science, Sidney
Dennis Deans, Habiata Management, Vancouver
Maldwyn Crummey, Area Manager, St. John's
Ruth Grealais, Legal Services, Ottawa
Sergé Labonté, Sciences, Mont-Joli

Workshop on Habitat Management
DFO Senior Managers' Meeting
22 November 1991

The workshop participants chose to spend the available time to discuss the four questions in general and not in any order since they are so inter-related. They chose to leave the writing and co-relation of the discussion to the questions to the rapporteur. The following is a summary of those discussions:

1. *Given the availability of resources, public expectations and court decisions, what is DFO's role in habitat/environmental issues? What are DFO's goals?*

The Fish Habitat Management Policy is a good document. It states in a satisfactory way the department's goals and provides the framework for the implementation strategy. ←

The NET GAIN objective is probably not being achieved, there may even be a NET LOSS, however, the overall objective is good.

DFO has a strong legal mandate and responsibility through the Fisheries Act. This responsibility can not be delegated (although this may be disputed), however, the administration can be delegated.

The roles, at least in the public's eye, between DFO and DOE is fuzzy - particularly roles of the "initiating" department and the "lead" department. The provincial governments say "stay out" while the courts say "stay in".

Different issues also exist between the marine and freshwater habitats.

2. *What are the issues that DFO needs to address in this area?*

(2.1) The number one issue identified by the group related to the clarification of the jurisdictional and legal regime between DFO and DOE, as well as between the federal and provincial governments. Obviously the department is already dealing with this issue as a departmental priority; the workshop participants simply confirmed this priority.

(2.2) The second issue deals with **Priorities and Resources**. Currently, the resources allocated to Conservation far exceed the resources allocated to Restoration and/or Development. The estimate was somewhere between 80-90%, less than 10% for Restoration and virtually nothing for Development. The program is essentially reactive to the "Referrals" that the department must deal with for impact assessment regulatory issues.

Over 20,000 Referrals are received per year, with the department often 6-10 months behind schedule. The Habitat Sector requested 900 PY's to address this issue and were allocated 40 PY's. Obviously some new approaches are required.

re-allocation There is risk associated with reducing the allocation of resources to Conservation in order to allocate more resources to Restoration or Development, however, in order to achieve a NET GAIN some re-allocation may be needed. A risk assessment is needed in this area.

An additional approach is to leverage the department's resources with other programs and by involving the public. There are some successes in the department where proactive staff developed multi-participants projects.

(2.3) A third issue identified by the group is the need for a comprehensive information system. This is a common requirement to all of the environmental sciences which are, by definition, multi-disciplinary. Unfortunately, each scientific discipline has evolved with its own processes for collecting and organizing their respective data base. The need, in today's multi-disciplinary environment, is to standardize and network these data bases to support a common information infrastructure for multi-disciplinary research, whether it be for fisheries habitat or other environmental sciences. Geographic Information Systems (GIS) is now recognized as a key technology to build this infrastructure. A considerable amount of work has already been done in developing the plans and structure that are needed to create an ~~infrastructure~~. In particular is the work on the Inland waters, Coastal and Ocean Information Network (ICOIN).

✓ A secondary, but equally important factor, is that science provides much of the basic information for the development of policy and operational plans. The linkages between these three functions (Policy, Operations and Science) must be efficient and effective.

Box *probably also similar*
Furthermore, Habitat issues vary between regions; between Atlantic and Pacific and between marine and fresh water. Therefore, different strategies are needed for each region.

A co-ordinated approach is needed to develop a common information infrastructure in the coastal zone for each region. It is appropriate that DFO lead on this initiative which involves several other departments at the federal and provincial levels.

3. *Have we any success in the past that could be applied to resolve current issues?*

The answer to this question was yes in all regions. Participants in the workshop provided examples and wrote a brief of some examples. They are presented below in the form in which they were provided.

Pacific Region

(i) **Coastal Fish-Forest Guidelines**

Forestry practices in Pacific Region were having a detrimental effect on Fish and Fish Habitat with serious clashes between Federal and Provincial Authorities. In order to reduce the conflict and to create the development ethic that protects Fish and Fish Habitat while gaining benefits from forestry development, the department entered into a process to develop guidelines for the forest industry. These development guidelines took several years to develop and culminated in an extensive training program where DFO staff were brought together with Forest Industry personnel to learn how to apply the guidelines to forestry activities.

(ii) **Bridge Pointing Guidelines**

Regular maintenance of bridges resulted in deleterious substances, (cleaning agents and point chips) entering into the water, impacting on fish and fish habitat. The department carried out a survey that confirmed the negative impacts on fish. In order to provide guidance to the maintenance industry, Pacific Region developed a guideline that when implemented has resulted in a change in cleaning agents and in a collection system used to ensure that the cleaning agent and point chips are collected and not deposited into the water courses.

(iii) Fraser River Estuary Management Program

In the early 1970's it became apparent that the habitats of the Fraser Estuary were being continually and negatively impacted on by development initiatives. Public pressure together with the desire of both Federal and Provincial Governments resulted in the development of a management strategy for the Estuary. This management strategy has resulted in classification of the habitats, an area designation system and a project review process. The key to the program is the participants, federal, provincial and local governments with the major land owners (two Port Authorities) and the project review process. These provide a coordinated review that allows development that does not alienate and ensures no net loss of fish habitats. This process is a forerunner to Environmentally Sustainable Economic Development.

Central & Arctic Region

Despite the fact that DFO's role with respect to fish habitat and the environment in freshwater is un-clear, several past achievements come to mind:

(i) In the summer of 1991 the Stockholm Water Prize was presented to Dr. D. Shindler for the work conducted on eutrophication and acid rain during the past 20 years, at the Experimental Lakes Area, by DFO staff. This work contributed in large measure to the legislation in North America and other parts of the world banning phosphorous in detergents and the reduction in emissions from the burning of carbon fuels.

(ii) The current work in the mobilization of community resources for the clean-up of Hamilton Harbour will probably become a model for similar projects throughout Canada.

(iii) Scientific input by DFO staff to the Alberta-Pacific Pulp Mill (ALPAC), Environmental Assessment and Review Process (EARP), undoubtedly led to the decision not to proceed until impacts are understood. These staff members received a Departmental Merit Award for their work.

(iv) The Land Use Plan developed for Lancaster Sound in the NWT, and others currently being developed, rely on DFO staff input. These plans provide a blueprint for future development.

I feel that these success stories involve:

- a. An interdisciplinary scientific approach**
- b. An ecosystem approach**
- c. A team approach in partnership with stakeholders, other governments, industry and other federal government departments.**
- d. Our power which comes from the Fisheries Act.**

Québec

The St. Lawrence Action Plan is a good example of an integrated effort on the part of Federal (DOE, DFO) and Provincial (MENVIQ, MLCP) departments to try to tackle a major problem - St. Lawrence pollution. As an example, DFO Science works closely with scientists of other departments and universities to carry out a 5-year multi-disciplinary research plan in the St. Lawrence Estuary.

Gulf Region

N.B. Power's building of a new thermal power plant in Belledune, N.B. on the shore of Baie des Chaleurs.

Through the EARP process, with DFO involved at the outset in the planning of the project, it has been possible to foster co-operation with the province, Transport Canada, Brunswick Mining and Smelting and Environment Canada with the following results:

- N.B. Power compensating fishermen for the loss of revenue in lobster fishery because of the construction of the project.
- Creation of a new lobster habitat.
- Alteration of the course of the Belledune River thus creating a new fish habitat.
- Creation of a salmon aquaculture facility using the heated water of the plant.
- Compelling the company to install an air anti-polluting device at the cost of \$30 Million.

Normand J.R. Dugas - Area Manager, Eastern N.B.

Scotia Fundy

In 1987 there was a mussel toxin crisis on the East Coast which caused a number of deaths. Through an interdepartmental program involving NRC, NHW and DFO, the harmful toxin was singled out as domoic acid and the source of the domoic acid was identified. As a result of this crisis, an inter-regional phycotoxin research coordinating committee has been established and effective integrated research progress are now in place to study the sources of marine toxins and to develop predictive capability. This has resulted in an increase in co-operation within the regions, the aquaculture industry, inter-regionally, and has resulted in partnerships with agencies such as NRC and NHW.

National

(i) DFO, together with other federal and provincial agencies, and numerous other stakeholders is part of a process that will eventually lead to the restoration of the 17 most polluted areas in the Canadian Great Lakes. In particular, DFO is playing a significant role in the restoration and rehabilitation of fish habitat in Hamilton Harbour, Thunder Bay and Niagara Bay. Funds outside government have been raised and plans are being finalized to restore or create fish habitat that will increase production capacity in Hamilton Harbour alone. Millions of non-government restoration dollars have been raised as a direct result of the efforts of DFO and other agencies and staff in a unique partnership that involves over 30 stakeholders and continues to grow.

(ii) A national program to assess the dioxin and furans contamination of fish and shellfish near pulp and paper mills that use chlorine bleaching, has been constructed over the last three years. The data obtained have been assessed by Health and Welfare with regards to human health and all results have been released publicly.

The effects of this program have been closures of some fisheries and health advisories to protect human health, but also to apply public pressure on regulatory agencies for tighter control on effluents, and on industry for cleaning up. Such a program has allowed government to prepare a revised pulp and paper effluent regulatory package soon to go to gazetting.

Jean Piuze.

4. *Are there any Changes DFO should make to its internal organization or culture that might facilitate the resolution of outstanding issues?*

The obvious points were made with respect to the need for increased consultation with clients or stakeholders. More specifically this means a more outward looking department.

Here are some of the points that were made:

- Partnerships, Joint Ventures and Alliances are important to improve communication, education and co-operation. They are also important for fund raising and may be useful where there needs to be shared responsibility. The department needs to be proactive on forming these alliances. The new Procurement Brokerage Service provided by DSS can facilitate this process.
- Leverage funding. Most issues dealing with Habitat are multi-disciplinary and multi-agency. More efficient and effective mechanisms are needed to facilitate co-funding, as well as, government and private sector teams that can address multi-disciplinary issues.
- One-Stop Shopping. The public is confused about who in the government is responsible, or at least, who they should go to for information and advice. Clearly there is a lead role for DFO to play, but in order to provide a central focus, DFO staff must be current in the activities and responsibilities of other departments.

DFO needs to be proactive in developing partnerships and alliances to co-fund projects and to develop cooperative projects that involve stakeholders both in the government and private sectors and in communities.

Workshop Report

Subject: International

DFO Senior Managers Conference

October 22, 1991

International

Chairperson - Liseanne Forand
A/Director
Atlantic Division
International
Ottawa

Rapporteur - David Bevan
Director
Inspection
Ottawa

Dave Monahan, Marine Cartography, Ottawa
Bruce MacDonald, Corporate Practices, Ottawa
Nelson Strang, Program Evaluation, Ottawa
Dick Roberts, P&PP, Ottawa
Bryson Guptill, P&PP, Ottawa
David Balfour, Sector Program Management, Ottawa
Maurice Levesque, Gestion des Ressources, Moncton
John Angel, Fisheries & Habitat Management, Halifax
Cal Whalen, Fisheries & Habitat Management, St. John's
Gemma Giovannini, Exec. Initiatives, St. John's
Mike McMullen, Science, Winnipeg
Pat Chamut, RDG, Vancouver
Tony O'Connor, Hydrography, Vancouver

The assigned task was to discuss the present impact international issues have on the Department of Fisheries and Oceans (DFO) and industry, and to identify the anticipated international environment. Changes to DFO in response to international issues are recommended.

To facilitate discussions international issues were sub-divided into the following broad categories:

- 1) Harvest, resource competition issues
- 2) Trade and competitiveness issues
- 3) Scientific and environmental issues

Present and Anticipated impacts of international issues:

1) Harvest, resource competition

One harvest issue presently impacting on industry and DFO is related to foreign overfishing of transboundary stocks at a time when resource constraints are causing hardships to Canadian fishermen. Examples of this are the pressures on east coast groundfish stocks on the "Nose and Tail of the Bank" and interception of Canadian salmon by high seas drift net fisheries in the Pacific. The present efforts to use existing

international institutions to limit foreign impacts on Canadian stocks have had only limited success.

Present international agreements also mean that foreign vessels are legally permitted into the Canadian Zone. This presents a very difficult communications challenge to explain why foreign vessels are allowed into the zone at a time when Canadian fishermen are being arrested as a result of resource constraints. In addition, there is a perception that foreign overfishing outside the Zone and illegal foreign fishing inside the Zone are responsible for much of the resource problems.

Another harvest competition issue relates to boundary issues. Several boundary disputes are presently being resolved but contribute to uncertainty in the industry as it is not yet possible to anticipate the future impact of these disputes. In addition, those boundary disputes that have been resolved continue to create enforcement problems that divert DFO resources from other priorities.

2) Trade and Competitiveness issues

While Canada exports 85% of its Fishery products, there has been a tendency in the past to manage fishing resources to achieve both social and economic goals. DFO has managed fisheries to encourage processing plants to stay open, limit processing at sea, maximize UIC benefits and achieve other social goals.

Through the Free Trade Agreement and GATT, the government has moved to maintain market access but has also exposed the industry to more competition for domestic and international markets and, more significantly, for unprocessed Canadian fish. While the

industry has been exposed to this competition, few steps have yet been implemented by DFO, industry, and provincial governments to restructure the Canadian fisheries management and industry processing practices to allow Canada to better compete. DFO has still not clearly established its mission with respect to competitiveness and has not defined the acceptable balance between social and economic goals.

3) Scientific and Environmental Issues

Contamination of Canadian fish stocks and habitat from international sources will continue to be an issue. Present international institutions are focusing on a number of contamination issues that have impacts in Central and Arctic Canada as well as on both coasts. Risks due to shipping accidents will need to be managed.

While the issues of contamination and shipping can be dealt with, a more difficult issue relates to global warming. There is no way of stopping the warming of the Planet and even dramatic action will only slow the rates of warming and reducing the ultimate impact.

RECOMMENDATIONS

Harvest, Resource competition issues

The Department should review the existing international institutions that are now used to try to modify the behaviour of foreign fleets. There should be a review of the "levers" presently used to modify the behaviour of foreign fleets with a view to seeking better ways to use existing levers or to find new ones.

Work should continue on boundary disputes resolution and should include consideration of enforcement issues with a view to establishing the cooperation of the other country in the enforcement process.

The Department should immediately develop a communications plan to better explain why foreign vessels are allowed in the Canadian Zone. The plan should also explain what steps the government is taking to modify legal foreign activities such as overfishing transboundary stocks outside the Zone. Enforcement activities to control foreign fleets should also be explained.

Trade and Competitive Issues

There is an urgent need to define the balance between economic and social goals of fisheries management and other DFO programs. It is possible to improve competitiveness, but this could have a short term social cost. Maintaining management practices for social reasons will lead to reduced competitiveness in the long term with large potential costs for industry and government.

Once the social/economic balance has been defined as a matter of public policy, DFO officials will be in a position to implement programs appropriately. Without this, DFO will continue to be unfocused in its approach and industry will continue to be constrained in its attempts to be competitive.

Scientific and Environmental Issues

The department should focus on those issues that can be managed and work within existing international structures to deal with them.

Workshop Report

Subject: Adjustment

DFO Senior Managers Conference

October 22, 1991

Adjustment

Chairperson -

Christine Nymark
Director
Strategic Planning
Ottawa

Rapporteur -

Steven Wright
Planning & Economics
Vancouver

Jim Beckett, Science, Ottawa
Ken Bond, Finance, Ottawa
Pierre Boulé, Service techniques et sécurité, Ottawa
Aimé Chevaier, Ressources Humaines, Ottawa
Bob Applebaum, International, Ottawa
Barry Rashotte, Resource Allocation, Ottawa
Regis Bourque, Inspection, Moncton
Jim Jones, Coordination & Moncton
Jim Elliott, Sciences, Dartmouth
Joe Gough, Communications, Halifax
Caroline Crowe, Information Systems, Halifax
Marc Briand, Directeur de secteur, Sept Îles
Eric Dunne, RDG, St. John's
Jack Hall, Small Craft Harbours, Burlington
Al Wood, Planning & Economics, Vancouver

Is DFO's fundamental role to manage fish or fishermen? Minister Crosbie's statement that he wants to "promote the strength and interests of the fishing industry" clearly indicates the answer is that DFO has a responsibility to both the resource and fishermen.

Given our responsibility to fishermen, what objectives should be pursued? The committee felt that for fishing employment to be meaningful and humane that income must be adequate and stable.

To achieve the goals of adequacy and stability the group recommended two general strategies; fishery management changes and special programs.

Fishery management options refer to those actions intended to address problems associated with common property resources. These actions include such things as buy-outs, ITQs, limited entry licensing, non-transferability of licenses, and the elimination of direct and indirect subsidies. These options have been extensively reviewed by Pearse and Kirby. Also, other countries such as Iceland, Alaska and Australia have considerable experience with these approaches.

However, resolving the common property problems in fisheries is not sufficient to ensure income stability. Fishing is an extremely risky business. First of all, the fish have to show up - something which no one seems to be able to predict with great accuracy in many of the most important fisheries. Secondly, there has to be a market where fish can be sold at a good price. Markets can collapse unexpectedly due to such factors as botulism or exchange rate changes. Even if catches are great, fishermen may lose money due to low prices.

Catches and prices are not the only things that can destroy fishermen's efforts to make money. To remain competitive, fishermen must invest in state-of-the-art vessels and gear. All this takes money which must often be borrowed from banks or processing companies. Swings in interest rates or changes in lending policy can ruin a fisherman. Sometimes these economic forces go wrong all at the same time.

Given the risk inherent in the fishing business, the group discussed several income stabilization programs including; Unemployment Insurance, Professionlization, Catch Insurance and Guaranteed Annual Income. While the group agreed that special programs should be designed by DFO they suggested that a separate agency should deliver the program.

The group felt that an agency would help to depoliticize these programs. Also, it would remove a considerable amount of the administrative burden from DFO. Finally, the agency would help eliminate the conflict of interests that arises between fishery managers who must ultimately make management decisions on the basis of a fundamental conservation concern and the pressure they come under to allow fishermen to maximize their catch.

There are a number of other important issues that must be addressed in designing income stabilization programs. For instance, will participation be compulsory or voluntary. If participation is voluntary, it is likely that high income earners would opt out. This would increase the financial burden on the remaining fishermen.

The degree of financial subsidization is another critical issue. If the program was required to be self-funding it would likely fail in those areas where it is most needed. A final consideration is whether this program would be applied nationally or regionally. If the intent is to ensure "adequate" incomes the term adequate will have to be clearly defined. The definition of this term will likely vary significantly from coast to coast and likely by region.

In regards to the cultural change that might be required to undertake such a program, the Department will have to acknowledge the trade-off between harvesting jobs and income levels. There can be a large number of poor paying jobs or a smaller number of well paying jobs.