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CANADA

FOREIGN OWNERSHIP AND CORPORATE CONCENTRATION OF FISHING LICENSES AND QUOTA

**Report of the Standing Committee on Fisheries and
Oceans**

Ken McDonald, Chair

**DECEMBER 2023
44th PARLIAMENT, 1st SESSION**

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Chair**

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NOTICE TO READER

Reports from committees presented to the House of Commons

Presenting a report to the House is the way a committee makes public its findings and recommendations on a particular topic. Substantive reports on a subject-matter study usually contain a synopsis of the testimony heard, the recommendations made by the committee, as well as the reasons for those recommendations.

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THE STANDING COMMITTEE ON FISHERIES AND OCEANS

has the honour to present its

THIRTEENTH REPORT

Pursuant to its mandate under Standing Order 108(2), the committee has studied foreign ownership and corporate concentration of fishing licenses and quota and has agreed to report the following:

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GLOSSARY

Beneficial owners: Individuals “who directly or indirectly own or control (in whole or in part) a [fishing] corporation or an entity. Beneficial owners are not the corporations or entities.”¹

Beneficial Ownership Survey: Mandatory online survey conducted by Fisheries and Oceans Canada for certain commercial fishing licence holders completed between 31 January 2022 and 30 April 2022. The survey aimed to “gather information about who is benefitting from having access to commercial fishing across Canada, including the amount of access allocated to small and medium sized businesses, concentration of access, and foreign ownership.”²

Commercial communal fishery: A type of commercial fishery where the fishing licence is issued to an Indigenous organization instead of an individual or enterprise. The sale of the catch is permitted for these fisheries, similar to commercial fisheries. Communal commercial licences are issued by Fisheries and Oceans Canada pursuant to the *Aboriginal Communal Fishing Licences Regulations*. Programs allocating commercial communal licences include the Allocation Transfer Program, the Pacific Integrated Commercial Fisheries Initiative and the Atlantic Integrated Commercial Fisheries Initiative.

TERMINOLOGY SPECIFIC TO THE WEST COAST

Individual Transferable Quota (ITQ): The proportion of the total allowable catch (TAC) of a specific fishery that is allocated to a licence holder for a specified fishing season.³ On Canada’s West Coast, owners of individual transferable quotas (ITQs), or quota licences, can sell or lease them on the open market and are not required to fish the quota themselves.

Licence-holder: A person who has leased access to a fishery from a licence owner.

Licence stacking: On the West Coast, a situation where “[m]ore than one licence of the same species category has been placed/designated to the same vessel at the same time.

1 Fisheries and Oceans Canada (DFO), [Beneficial Ownership Survey](#).

2 *Ibid.*

3 DFO, [Regional Guidelines for the Management Of Individual Transferable Quota Programs](#).

In some fisheries, once licences have been stacked, they then become married and take on the overall length of the vessel upon which they are held. Some fisheries have applicable deadlines and special stacking provisions; such as a vessel may not hold more than one licence for the same area.”⁴

Party-based licence: An individual, a company or a First Nation are all eligible to hold a party-based licence. Examples of fisheries eligible for party-based licences include Herring, Rockfish, Clam, Sea Cucumber and Sea Urchin.⁵

Pacific Integrated Commercial Fisheries Initiative (PICFI): A Fisheries and Oceans Canada program designed to “increase First Nations’ access to commercial fisheries in British Columbia and Yukon”. The program seeks to build First Nations communities’ capacity to fish and operate commercial fishing enterprises, to improve business and operational capacities and strengthen community economic self-sufficiency. PICFI investments include “support for new business and training opportunities and increased fisheries access” for eligible First Nations commercial fishing enterprises.⁶

Vessel-based licence: A licence “issued ‘in respect of a vessel’ as the licence eligibility must be attached to a vessel. The reported vessel owner(s) may apply for the licence and have control over licensing transactions for that licence. Vessel based licence eligibilities include Salmon, Schedule II Species, Geoduck and Horseclam, Halibut, Sablefish, Shrimp by trawl, Groundfish Trawl, and Prawn and Shrimp by trap.”⁷

TERMINOLOGY SPECIFIC TO THE EAST COAST

Controlling Agreement: An agreement “between a licence holder and a person, corporation or other entity that permits anyone other than the licence holder to control or influence the licence holder’s decision to submit a request to DFO for re-issuance of the licence to another fish harvester.” Controlling agreements can compromise “the

4 DFO, “[Pacific region licence terminology](#),” *Commercial fisheries licensing rules and policies reference document Pacific region*.

5 *Ibid.*

6 DFO, [Pacific Integrated Commercial Fisheries Initiative](#).

7 DFO, “[Pacific region licence terminology](#),” *Commercial fisheries licensing rules and policies reference document Pacific region*.

independence of fishing licence holders” by moving “the rights and privileges conferred under the licence away from the licence holder” towards third parties.⁸

Elver fishery: A fishery with a restricted number of commercial and communal commercial licences executed in parts of New Brunswick and Nova Scotia. Elvers are young American eels less than 10 cm in length. Licences are river-specific, and harvesting is carried out without the use of vessels in most cases, often using dip nets.⁹

Exempted fleet: A fleet fishing one or more of 12 specific licences granted an exemption from inshore policies by the Minister of Fisheries, Oceans and the Canadian Coast Guard. Exempted fleets include those fishing for herring using a purse seine, groundfish using mobile gear and a vessel with an overall length of less than 65 feet or groundfish using fixed gear and a vessel with an overall length between 45 and 65 feet.

Fleet Separation Policy: Fisheries and Oceans Canada policy introduced in 1979 in Atlantic Canada for inshore fisheries and eventually applied to the coastal sector establishing that licences “could only be issued in the name of an individual fish harvester. It was intended to promote locally owned, independent fishing enterprises and to support and grow fishery-dependent communities. It was also intended to prevent corporate concentration of inshore licences by aiming to ensure that inshore licences were not issued to corporations, in particular those involved in the processing sector, and to curtail any potential advantage given to fish processing corporations through the control over both the price and supply of catch.”¹⁰

Inshore fleet: Licence holders are restricted to using vessels that are 65 feet length over all (LOA) or less. In Newfoundland and Labrador, licence holders may be permitted to use vessels 90’ LOA under specific conditions.¹¹

Midshore fleet: Licence holders are permitted to use vessels that are 100’ LOA or less.¹²

8 [*Regulations Amending Certain Regulations Made Under the Fisheries Act*](#), 6 July 2019, in *Canada Gazette*, Part I, 6 July 2019.

9 DFO, [*Elver integrated fisheries management plan \(evergreen\) Maritimes Region*](#).

10 [*Regulations Amending Certain Regulations Made Under the Fisheries Act*](#), 6 July 2019, in *Canada Gazette*, Part I, 6 July 2019.

11 DFO, [*“Terminology,” Fisheries Licensing Policy Newfoundland and Labrador Region*](#).

12 *Ibid.*

Offshore fleet: Licence holders are permitted to use vessels that are longer than 100' LOA.¹³

Owner-Operator Policy: Fisheries and Oceans Canada policy “formally implemented across Atlantic Canada and Quebec in 1989 for inshore fisheries and eventually to the coastal sector as well. It established rules requiring the licence holder to be on board the vessel while a licence was being fished. The Owner-Operator policy limited the horizontal integration of the sector by requiring that a licence holder fish the licence issued to them personally (i.e. be on board the vessel authorized to fish) and limiting licence holders to holding only one licence per given species. The policy’s intention was to ensure that the individual who holds the licence is the one carrying out the activities authorized under the licence, and is the one who benefits from the fishing activity.”¹⁴

Policy for Preserving the Independence of the Inshore Fleet in Canada's Atlantic Fisheries (PIIFCAF): Fisheries and Oceans Canada policy introduced in 2007 which aimed “to strengthen the Owner-Operator policy and the Fleet Separation policy with the goal that inshore fish harvesters remain independent, and that the benefits associated to fishing licences flow to the licence holder and to coastal communities.”¹⁵ Under the PIIFCAF policy, the Independent Core (IC) licence holder category was created and requires licence holders to sign a declaration stating they are not party to a Controlling Agreement. A seven-year implementation period, ending in April 2014, allowed IC licence holders to terminate or amend agreements to bring them in-line with the PIIFCAF policy.

13 *Ibid.*

14 [*Regulations Amending Certain Regulations Made Under the Fisheries Act*](#), 6 July 2019, in *Canada Gazette*, Part I, 6 July 2019.

15 *Ibid.*

LIST OF RECOMMENDATIONS

As a result of their deliberations committees may make recommendations which they include in their reports for the consideration of the House of Commons or the Government. Recommendations related to this study are listed below.

Recommendation 1

That the Government of Canada immediately accelerate the implementation of the recommendations made in the 2019 report by the House of Commons Standing Committee on Fisheries and Oceans *West Coast Fisheries: Sharing Risks and Benefits* by prioritizing the adequate allocations of resources to ensure staffing and work required to move forward with the recommendations. 13

Recommendation 2

That the Minister of Fisheries, Oceans and the Canadian Coast Guard make it a condition of licence that the licence and quota holder be the licence owner with “boots on the deck” and that, before such licence is issued, it is proven that the licence holder is a Canadian citizen and/or a 100% Canadian-owned entity; that the proof of beneficial ownership be the responsibility of the licence holder in full, and that this policy be fully implemented within two years of the establishment of an independent fishery finance agency. 16

Recommendation 3

That, given the flaws in Fisheries and Oceans Canada’s Beneficial Ownership Survey, Fisheries and Oceans Canada provide a detailed update and projected timeline for establishing the Canadian ownership criteria for holders of licences and quota. The timeline for the full transition to Canadian ownership should be seven years or less, as recommended in the 2021 Gardner Pinfold Consultants Inc. report entitled *Comparative analysis of commercial fisheries policies and regulations on Canada’s Atlantic and Pacific coasts*. 16

Recommendation 4

That an independent consultation and support office for fishers be established so that owner-operators have a forum where they can speak freely and consult, sheltered from pressures placed on them by markets and by foreign companies..... 17

Recommendation 5

That Fisheries and Oceans Canada suspend licences that are found to be used in contravention of current and new Owner-Operator policies until such infraction is remedied. 22

Recommendation 6

That Fisheries and Oceans Canada prohibit the transfer and sale of snow crab fishing licences outside the provinces where they were issued, and that residency criteria be standardized between provinces and set at a number of years of residency that will make it possible to stop the acquisition of these licences, so that they remain within the respective communities and provinces..... 22

Recommendation 7

That, in relation to sales and purchases of vessels, licences and quota, transactions involving lawyers’ trust accounts be subject to oversight from the Financial Transactions and Reports Analysis Centre of Canada (FINTRAC) in order to facilitate the identification of money laundering operations..... 28

Recommendation 8

That any acquisition with an individual or a cumulative market share of 20% or more by a corporation or beneficial owner trigger a review by the Competition Bureau. 28

Recommendation 9

That Fisheries and Oceans Canada recognize, affirm, and incorporate the guiding principle that Canada’s fisheries are a public good, and that the benefit from those fisheries should first and foremost support the people of Canada and the communities which rely on the fisheries. 31

Recommendation 10

That Fisheries and Oceans Canada implement an ecosystemic approach involving integrated management to ensure that it is not always reacting rather than acting..... 31

Recommendation 11

That Fisheries and Oceans Canada develop a regulatory framework making access easier for the next generation of fishers and guaranteeing healthy management and intergenerational transfers by considering the socio-economic impacts experienced by communities. 31

Recommendation 12

That Fisheries and Oceans Canada recognize that it is imperative to favour food sovereignty in fisheries in Canada and that the various departments involved collaborate more with each other in order to prioritize food security and sovereignty and to preserve the culture and identity of coastal communities, while acting with full transparency. 32

Recommendation 13

That the Government of Canada immediately initiate the implementation processes described in Sections 3.4 and 3.5 in the 2021 Gardner Pinfold Consultants Inc. report. 34

Recommendation 14

That Fisheries and Oceans Canada meaningfully engage and work alongside Indigenous peoples through the process of the implementation of a made-in-BC owner-operator policy..... 34

Recommendation 15

That the Minister of Fisheries, Oceans and the Canadian Coast Guard declare that the department’s agenda is to evolve a “fair share” of risks and benefits model for the distribution between stakeholders of the total gross revenue of each West Coast fishery. 34

Recommendation 16

That, regarding West Coast fisheries, Fisheries and Oceans Canada permit the ‘unstacking’ of licences and establish a licence exchange board to allow licence trading that contributes to Canadian beneficial ownership. 34

Recommendation 17

That Fisheries and Oceans Canada call for expressions of interest from a limited number of communities willing to engage in a pilot program to test the viability of a community-based licence. The community-specific pilot project should target a specific area and a specific species in an emerging fishery..... 35

Recommendation 18

That the Government of Canada establish, within five years, an independent fishery financing agency, similar to Farm Credit Canada, with sufficient risk tolerance to finance and mentor new entrants to acquire licences and quota and to refinance existing licence holders to become independent of illegal trust and supply agreements with fish processors. 35

Recommendation 19

That the Minister of Fisheries, Oceans and the Canadian Coast Guard develop a strategy with their provincial counterparts, while respecting provincial jurisdiction, to reduce foreign ownership and corporate concentration at both levels of responsibility..... 36



FOREIGN OWNERSHIP AND CORPORATE CONCENTRATION OF FISHING LICENCES AND QUOTA

INTRODUCTION AND CONTEXT

On 20 January 2022, the House of Commons Standing Committee on Fisheries and Oceans (the Committee) adopted a motion to

undertake a study on foreign ownership and corporate concentration of fishing licences and quota through transactional agreements and review the Department of Fisheries and Oceans' process for allocating and transferring commercial fishing licences and quota.¹

Between 8 May 2023 and 5 June 2023, the Committee heard from 37 witnesses representing fisher associations, fish processors, Indigenous organizations, Fisheries and Oceans Canada (DFO), Global Affairs Canada (GAC), Innovation, Science and Economic Development Canada (ISED) and the Competition Bureau. The Committee heard from witnesses at an in-camera meeting. This witness testimony is presented anonymously due to fears of reprisal in response to their testimony.

In 2019, commercial fishers in Atlantic Canada landed, or brought to shore, 624,454 metric tonnes of fish and seafood with a landed value of over \$3.5 billion. That same year, commercial fishers in British Columbia landed 182,749 metric tonnes of fish and seafood with a landed value of approximately \$404 million.² The socio-economic outcomes of the fishing industries are different on the East and West coasts. Richard Williams, Research Director at the Canadian Council of Professional Fish Harvesters, shared that, in 2019, the average income from fishing jobs was \$23,900 in British Columbia, \$37,500 in the Maritimes and \$27,400 in Newfoundland and Labrador.³ Between 2010 and 2019, the average incomes for fishing jobs increased by 32% after

1 House of Commons, Standing Committee on Fisheries and Oceans, *Minutes of Proceedings*, 20 January 2022.

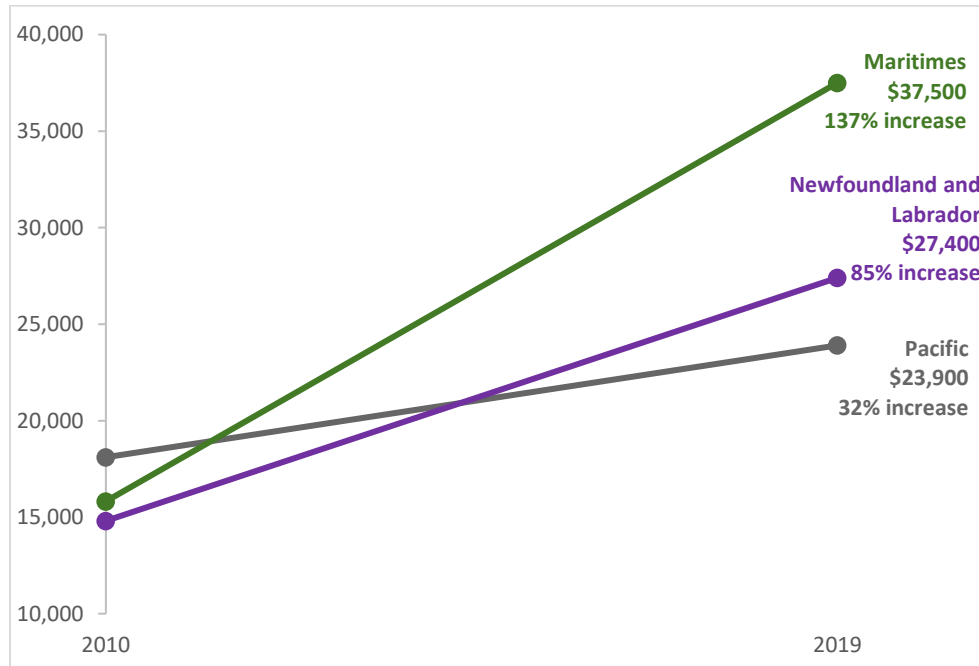
2 Fisheries and Oceans Canada (DFO), *Seafisheries landed quantity by province, 2019*; and DFO, *Seafisheries landed value by province, 2019*.

3 Richard Williams, Research Director, Canadian Council of Professional Fish Harvesters, *Evidence*, 29 May 2023.



inflation in the Pacific region, by 85% after inflation in Newfoundland and Labrador and by 137% after inflation in the Maritimes(Figure 1).

Figure 1—After-inflation Change in Average Incomes for Fishing Jobs in the Maritimes, Newfoundland and Labrador and the Pacific Region, 2010 to 2019



Source: Prepared by the Committee based on information in Richard Williams, [“Licencing Policy, Foreign Ownership, and Enterprise Viability DFO Pacific Region,”](#) Written submission to the House of Commons Standing Committee on Fisheries and Oceans, 18 May 2023.

In 2020, the average employment income was \$72,000 for fishing masters and officers; \$31,560 for fishermen/women and \$29,360 for fishing vessel deckhands across Canada.⁴

4 Statistics Canada, [“Table 98-10-0412-01 Employment income statistics by occupation, major field of study and highest level of education: Canada,”](#) Database, accessed 24 October 2023.

Under the National Occupational Classification (NOC) used by Statistics Canada in 2021, fishing masters and officers (NOC 83120) “manage and operate saltwater and freshwater fishing vessels greater than 100 gross tonnes to pursue and land fish and other marine life. They are employed by establishments engaged in operating commercial fishing vessels.” Examples include offshore fishing vessel captains, fishing vessel deck officers and trawler captains. Fishermen/women (NOC 83121) “operate fishing vessels less than 100 gross tonnes to pursue and land fish and other marine life. They are usually self-employed owner-operators of fishing vessels.” Examples include lobster fishers, inshore fishers, fishing vessel skippers and seiner fishers. Fishing vessel deckhands (NOC 84121) “perform a variety of manual tasks on commercial fishing voyages, and maintain fishing vessels. They are employed by establishments that operate commercial fishing vessels and by self-employed fishermen/women.” Examples include fishing vessel crew, fishing vessel deckhands and fishing vessel icers. See: Statistics Canada, [National Occupational Classification \(NOC\) 2021 Version 1.0.](#)

Figure 2 shows the average and median employment income of fishing vessel masters and fishers in 2020 by province in Atlantic Canada and in British Columbia.

Figure 2—Average and Median Employment Income for Fishing Vessel Masters and Fishers in 2020 by Province



Note: The average and median income presented are for both fishing masters and fishermen/women. According to the description of the occupation by Statistics Canada, they are usually self-employed owner-operators of fishing vessels. They may also be employed by establishments engaged in operating commercial fishing vessels.

Source: Created by the Committee based on information obtained from Statistics Canada, [“Table 98-10-0587-01 Employment income statistics by occupation minor group, Indigenous identity, highest level of education, work activity during the reference year, age and gender: Canada, provinces and territories and census metropolitan areas with parts,”](#) Database, accessed 24 October 2023.

Witnesses told the Committee that a proportionate share of the benefits stemming from the public resource that are fish stocks and the fishing industry that relies on it should stay in the hands of Canadian harvesters and their communities, not foreign entities. Greg Pretty, President of the Fish, Food and Allied Workers Union, believed it was



important to “protect this public resource and ensure it is the people of Canada who enjoy the economic and societal benefits that come from our waters.”⁵

Tasha Sutcliffe, Senior Policy Advisor, Fisheries at Ecotrust Canada, told the Committee that licensing policy is “one of the key things” affecting Canada’s ability to manage fisheries as a renewable resource for “environmental, social, cultural and economic objectives.”⁶ According to Colin Sproul, President of the Bay of Fundy Inshore Fishermen’s Association,

[c]orporate concentration and foreign ownership are two sides of the same problem facing Canada’s coastal communities. This is the clash between, on the one hand, medium-sized to large corporations that are solely focused on reaping ever-increasing profits from public resources and, on the other hand, the duty of government to protect the interests of fishing families, families that are existentially dependent on those same resources.⁷

This report provides an overview of the current licensing regimes on the East and West Coasts. It then describes the progress made on some of the recommendations found in the 2019 report published by this Committee, *West Coast Fisheries: Sharing Risks and Benefits*, including the Beneficial Ownership Survey. Next, the report describes problems related to corporate concentration and foreign ownership in British Columbia and in Atlantic Canada including for the coastal communities that rely on this public resource and for Canada’s food sovereignty and security. Finally, it presents calls to actions proposed by witnesses. This report makes 19 recommendations to the federal government to reduce the negative impacts of corporate concentration and foreign ownership on Canadian fishers and their coastal communities.

Current Licensing Policies on the East Coast

Mark Waddell, Director General of Fisheries Policy at DFO, outlined current DFO licensing policies in Atlantic Canada that “explicitly require that the fisheries resources remain available to Canadians.”⁸ In Atlantic inshore fisheries, DFO “regulates who can hold inshore commercial fishing licences via the inshore regulations, which require

5 Greg Pretty, President, Fish, Food and Allied Workers Union, [Evidence](#), 8 May 2023.

6 Tasha Sutcliffe, Senior Policy Advisor, Fisheries, Ecotrust Canada, [Evidence](#), 11 May 2023.

7 Colin Sproul, President, Bay of Fundy Inshore Fishermen’s Association, [Evidence](#), 15 May 2023.

8 Mark Waddell, Director General, Fisheries Policy, DFO, [Evidence](#), 8 May 2023.

licence-holders to be independent owner-operators who meet regional residency requirements.”⁹ In Atlantic midshore and offshore fisheries, corporations

that hold licences are required by current policy to be at least 51% Canadian owned. This requirement has been in place for over 35 years. It was instituted to ensure that effective control of commercial access is retained by Canadian companies, while still allowing for investment in emerging fisheries or fisheries lacking capital.¹⁰

The proportion of inshore, midshore or offshore fleets varies between Atlantic provinces.

Until the 1960s, Canada’s East Coast fisheries had no restrictions on who could hold a licence, no limitations on the number of licences and no significant restrictions on catch levels. In the late 1970s, inshore harvesters in Atlantic Canada and Quebec became concerned that fish processing plants were “acquiring vessels and registering them for the inshore fishery, which had the effect of increasing the overall concentration of inshore licences into corporate hands and forcing the individual independent licence holder out of the fishery.”¹¹ The Fleet Separation policy came into effect in Atlantic Canada in 1979 and established that only inshore fishers could own inshore licences, not processing companies or other corporate entities. The Owner–Operator policy came into effect in Atlantic Canada in 1989 and established the requirement that licence holders must be on board when the licence is being fished.

In 2007, the *Policy for Preserving the Independence of the Inshore Fleet in Canada’s Atlantic Fisheries* (PIIFCAF) came into effect. The PIIFCAF gave licence holders the “Independent Core” status, made the status a requirement to hold a fishing licence and prohibited Independent Core fishers from entering into controlling agreements in which licence holders give control and use of the licence to processing companies or other third parties. The PIIFCAF had a seven-year implementation period, giving licence holders until 2014 to terminate controlling agreements or bring them in-line with the new policy. In 2011, the Policy on issuing licences to companies was established, allowing licences to be issued to a corporation if the licence holder wholly owned the company and controlled all the shares.¹²

9 Ibid.

10 Ibid.

11 [*Regulations Amending Certain Regulations Made Under the Fisheries Act*](#), 6 July 2019, in Canada Gazette, Part I, 6 July 2019.

12 In 2020, the Policy on the Issuance of Licences to Companies was integrated into the Commercial Fisheries Licencing Policy for Eastern Canada (now section 15.3).



In 2019, amendments to the *Fisheries Act* enshrined these policies for inshore and coastal fisheries into law. The resulting regulatory changes amending the *Atlantic Fisheries Regulations, 1985* and the *Maritime Provinces Fishery Regulations* came into force in December 2020 and April 2021. According to Doug Wentzell, Regional Director General of the Maritimes Region at DFO, DFO “benefits from the fact that these measures are in regulation” because of the clarity around the involvement required of inshore licence-holders.¹³ As described in an upcoming section, the Committee heard that some harvesters are still not following these policies and regulations and that DFO is being too lenient by guiding them into compliance rather than imposing penalties.

Current Licensing Policies on the West Coast

Mark Waddell described the fisheries management licensing policies in British Columbia as “built around conservation objectives,” as are all DFO policies, and explained that:

The licensing system that governs most Pacific fisheries allows licence-holders to exchange fisheries access, which further promotes the economic viability of fishing operations and limits stress on stocks. The intent of Pacific commercial licensing policies is to facilitate responsible management and conservation of fisheries resources. In Pacific fisheries, DFO employs both party-based and vessel-based fishing licences. For party-based fisheries, the department requires that all corporations that are issued licences be registered in Canada. The department does not have a policy on the citizenship of individuals who apply for Pacific licences. In Pacific vessel-based fisheries, licences are instead issued directly to vessels, which must already be registered with Transport Canada. Transport Canada requires that all registered vessels be owned by either a Canadian resident or corporation, or a foreign-registered corporation with a Canadian subsidiary or representative entity. Transport Canada does not restrict the foreign ownership of a Canadian-registered fishing vessel.¹⁴

In British Columbia, DFO has adopted individual transferable quotas (ITQs), also known as quota licences, to manage several commercial marine fisheries. Owners of ITQs have exclusive and transferable rights to harvest a given portion of the total allowable catch (TAC) of a particular fish stock.¹⁵ Individual active and non-active fishers, non-fishing investors, vessels or enterprises can own ITQs and can sell, buy and lease them. Fishers who do not own a licence may still gain access to the resource by leasing a licence at a set price, thereby becoming licence holders. The Committee heard that for “many commercial fishing licences and quota categories, long-standing corporate and investor

13 Doug Wentzell, Regional Director General, Maritimes Region, DFO, [Evidence](#), 8 May 2023.

14 Mark Waddell, Director General, Fisheries Policy, DFO, [Evidence](#), 8 May 2023.

15 Rashid Sumaila, “[How to Make Individual Transferable Quotas Work Economically, Socially, and Environmentally](#),” *Oxford Research Encyclopedia of Environmental Science*, 20 November 2018.

concentration, combined with growing offshore ownership and investment of B. C. licences and quota, have driven up prices and continue to do so.”¹⁶

PROGRESS ON RECOMMENDATIONS IN THE 2019 REPORT *WEST COAST FISHERIES: SHARING RISKS AND BENEFITS*

In May 2019, the Committee tabled its report, *West Coast Fisheries: Sharing Risks and Benefits*, in the House of Commons. The report made 20 recommendations to the government including restricting the sale of fishing quota and/or licences to non-Canadian beneficial owners, the creation of an online database of beneficial holders of fishing quota and licences as well as sales and leasing of quota and licence holdings, and the development of a new policy framework after authentic and transparent engagement with all key stakeholders. The 20 recommendations are presented in Appendix A. Witnesses including Paul Kariya, Senior Policy Advisor for the Coastal First Nations Great Bear Initiative; Villy Christensen, Professor (appearing as an individual); and Sonia Strobel, Co-Founder and Chief Executive Officer of Skipper Otto Community Supported Fishery, supported the recommendations in the 2019 report.¹⁷ Christina Burridge, Executive Director of the BC Seafood Alliance, was pleased to hear that DFO is moving towards a public licence and quota registry.¹⁸

Neil Davis, Regional Director of the Fisheries Management Branch for the Pacific Region at DFO, told the Committee that DFO has been working “quite actively” to respond to the recommendations since the report’s tabling and explained that the approach is a staged one since the recommendations were numerous and some were quite “complex and complicated” to address. Some immediate steps have been taken and DFO has set itself up for engagement with stakeholders on the outstanding recommendations. Neil Davis reported that, as of June 2023, DFO had:

- conducted a comparative analysis of the fisheries policies and regulations on the West and East coasts;
- taken steps towards the development of a public licence and quota ownership registry;

16 Paul Kariya, Senior Policy Advisor, Coastal First Nations Great Bear Initiative, [Evidence](#), 8 May 2023.

17 Paul Kariya, Senior Policy Advisor, Coastal First Nations Great Bear Initiative, [Evidence](#), 8 May 2023; Sonia Strobel, Co-Founder and Chief Executive Officer, Skipper Otto Community Supported Fishery, [Evidence](#), 18 May 2023; and Villy Christensen, Professor, As an individual, [Evidence](#), 18 May 2023.

18 Christina Burridge, Executive Director, BC Seafood Alliance, [Evidence](#), 8 May 2023.



- sent out the Beneficial Ownership Survey to identify the domestic and foreign entities benefitting directly or indirectly from commercial fishing licences and quotas and was finalizing the analysis of the responses received;
- sent out surveys to collect socio-economic data on commercial and recreational fisheries and was developing public dashboards to display these data;
- drafted changes to the policy and terms of reference for commercial fishery advisory boards for consultation; and
- engaged with stakeholders on the 2019 report and on the work done so far by DFO to address the recommendations.¹⁹

Neil Davis told the Committee there is one manager at DFO who oversees the progress on implementing the government’s response to the 2019 recommendations; they in turn “have a staff person whose sole responsibilities relate to the work on this file.”²⁰ As the work on the recommendations advances, staff across a variety of implicated fisheries management groups and teams will be called upon to contribute analysis or participate in engagement with particular stakeholders.²¹

Witnesses believed DFO’s response to the 2019 recommendations has been slow or nonexistent.²² One witness suggested this slow response is due to DFO’s heavy focus on conservation and lack of interest in advancing socio-economic considerations.²³ Duncan Cameron, Director of the British Columbia Crab Fishermen’s Association, believed there is “basically no staff capacity put towards potential changes to licensing or towards realizing socio-economic protections that were put into the recent changes to the *Fisheries Act*.”²⁴ Paul Kariya acknowledged that the issues to be addressed are complex but wondered if part of the slowness of the response could be attributed to DFO “ducking” necessary

19 Neil Davis, Regional Director, Fisheries Management Branch, Pacific Region, DFO, [Evidence](#), 5 June 2023.

20 Ibid.

21 Ibid.

22 Emily Orr, Business Agent, United Fishermen and Allied Workers’ Union–Unifor, [Evidence](#), 11 May 2023; Sonia Strobel, Co-Founder and Chief Executive Officer, Skipper Otto Community Supported Fishery, [Evidence](#), 18 May 2023; and Villy Christensen, Professor, As an individual, [Evidence](#), 18 May 2023.

23 Witness 1, 15 May 2023.

24 Duncan Cameron, Director, British Columbia Crab Fishermen’s Association, [Evidence](#), 1 June 2023.

efforts.²⁵ Emily Orr, Business Agent for United Fishermen and Allied Workers' Union–Unifor, relayed to the Committee that DFO had informed her that the reason for minimal progress on the 2019 recommendations was a “capacity issue.”²⁶

Villy Christensen told the Committee that if the 20 report recommendations were to be followed the situation would change “drastically.”²⁷ Villy Christensen and Richard Williams believed the most important recommendations yet to be addressed focused on the development of owner-operator and fleet separation policies on the West Coast.²⁸ Melissa Collier, Fish Harvester for West Coast Wild Scallops, was aware of studies or research begun by DFO but not of anything “tangible that is actually translating to anything on the fishing grounds.” The Beneficial Ownership Survey was the only action stemming from the 2019 report of which Melissa Collier was aware, but she told the Committee that the survey “seemed flawed.”²⁹ The testimony heard by the Committee about the Beneficial Ownership Survey is described in the following section.

Based on witness testimony, the Committee is concerned with, and disappointed in, the slow response by DFO to the recommendations in the 2019 report and to the lack of importance given to the issue, as indicated by the slow progress and the low number of employees allocated to solving this issue.

Recommendation 1

That the Government of Canada immediately accelerate the implementation of the recommendations made in the 2019 report by the House of Commons Standing Committee on Fisheries and Oceans *West Coast Fisheries: Sharing Risks and Benefits* by prioritizing the adequate allocations of resources to ensure staffing and work required to move forward with the recommendations.

Beneficial Ownership

Witnesses spoke to the Committee about the Beneficial Ownership Survey, which is meant to “identify the domestic and foreign entities that are benefiting directly or

25 Paul Kariya, Senior Policy Advisor, Coastal First Nations Great Bear Initiative, [Evidence](#), 8 May 2023.

26 Emily Orr, Business Agent, United Fishermen and Allied Workers' Union–Unifor, [Evidence](#), 11 May 2023.

27 Villy Christensen, Professor, As an individual, [Evidence](#), 18 May 2023.

28 Villy Christensen, Professor, As an individual, [Evidence](#), 18 May 2023; and Richard Williams, Research Director, Canadian Council of Professional Fish Harvesters, [Evidence](#), 29 May 2023.

29 Melissa Collier, Fish Harvester, West Coast Wild Scallops, [Evidence](#), 29 May 2023.



indirectly from commercial fishing licences and quota.”³⁰ DFO launched the Beneficial Ownership Survey in February 2022. The Beneficial Ownership Survey

sought information on the identification, citizenship and/or country of registration for all direct and indirect owners of commercial licences. The survey also sought broad information on the licence-holder’s debts, ongoing fishing agreements and executive-level employees. Ultimately, the survey will identify the beneficial owners—the individual people who directly or indirectly control fisheries access.³¹

Mark Waddell told the Committee that the Beneficial Ownership Survey was developed with the input of the forensic auditors at Public Services and Procurement Canada (PSPC) and fishing industry stakeholders. The intent of the survey was to “gain as much information as possible on beneficial ownership structures with the lightest administrative touch on respondents, recognizing that most of our respondents are not accountants and are not practised forensic experts.”³² The forensic accounting experts at PSPC also studied publicly available sources such as domestic and foreign business registries. The results of the survey are meant to form a “common information base” that will allow an “informed public discussion.”³³ Mark Waddell explained that DFO will “engage stakeholders to discuss the findings and evaluate whether policy solutions are warranted.”³⁴

The overall response rate of the over 2,500 commercial licence-holders from Pacific party-based and vessel-based fisheries and from Atlantic midshore, offshore, exempted fleet and elver fisheries who were required to complete the Beneficial Ownership survey was 80%. Inshore licence-holders in Atlantic Canada and commercial communal licence-holder entities were not required to complete the Beneficial Ownership Survey since their corporate structures are already regulated.³⁵

In Atlantic Canada, 83% of enterprises completed the survey, accounting for 90% of Atlantic midshore, offshore and exempted fleet commercial licences. At the time of the Committee’s study, preliminary results for Atlantic Canada showed that “98% of Canadian offshore, midshore and exempted fleet licences are held by Canadian individuals or Canadian corporations. Fewer than 2% are held by foreign entities.”³⁶ In

30 Neil Davis, Regional Director, Fisheries Management Branch, Pacific Region, DFO, [Evidence](#), 5 June 2023.

31 Mark Waddell, Director General, Fisheries Policy, DFO, [Evidence](#), 8 May 2023.

32 Mark Waddell, Director General, Fisheries Policy, DFO, [Evidence](#), 5 June 2023.

33 Ibid.

34 Mark Waddell, Director General, Fisheries Policy, DFO, [Evidence](#), 8 May 2023.

35 Ibid.

36 Ibid.

British Columbia, 79% of enterprises completed the survey, accounting for a combined total of 88% of implicated commercial licences. At the time of this study, preliminary results for British Columbia were not yet available.³⁷

DFO will use information in its own databases to determine whether to follow up with licence-holders who chose not to respond to the Beneficial Ownership Survey on a case-by-case basis. A witness was surprised that DFO was not pursuing all those who had not submitted a response. They wondered if those who had not submitted a response were less likely to be following requirements regarding foreign ownership and had avoided sending in a response to hide this situation from DFO.³⁸

Witnesses agreed that the information about ownership that is supposed to be collected by the Beneficial Ownership Survey is important.³⁹ However, the majority of the witnesses who spoke about the Beneficial Ownership Survey, expressed concerns about the survey.⁴⁰ As Sonia Strobel told the Committee, there is

confusion around that language in the Beneficial Ownership Survey. It asks for the licence-holder, and the licence-holder may be a person who is operating that lease, who may be leasing it. Licence-holder is not the same as licence owner. If a large company, for example, owns a lot of licences, they may not report that way and they might not be forced to report that way because they're not holding the licence. When someone is fishing, it's transferred to their boat and if it's transferred to their boat, then they're holding that licence.⁴¹

Since the Beneficial Ownership Survey was directed towards licence-holders rather than licence owners, Emily Orr believed that this should “effectively nullify” the results of the survey, since the licence-holder and the licence owner are not necessarily the same person, “which is central to the overall problem.”⁴² Andrew Olson, Chief Executive

37 Ibid. In September 2023, DFO published the results of the Beneficial Ownership Survey. See : DFO, [2022 Beneficial Ownership Survey results](#).

38 Witness 3, 15 May 2023.

39 Paul Kariya, Senior Policy Advisor, Coastal First Nations Great Bear Initiative, [Evidence](#), 8 May 2023; and Brad Mirau, President and Chief Executive Officer, Aero Trading Co. Ltd., [Evidence](#), 18 May 2023.

40 Emily Orr, Business Agent, United Fishermen and Allied Workers' Union–Unifor, [Evidence](#), 11 May 2023; and Tasha Sutcliffe, Senior Policy Advisor, Fisheries, Ecotrust Canada, [Evidence](#), 11 May 2023; Andrew Olson, Chief Executive Officer, Nuu-chah-nulth Seafood Limited Partnership, [Evidence](#), 11 May 2023; Sonia Strobel, Co-Founder and Chief Executive Officer, Skipper Otto Community Supported Fishery, [Evidence](#), 18 May 2023; Melissa Collier, Fish Harvester, West Coast Wild Scallops, [Evidence](#), 29 May 2023; and Richard Williams, Research Director, Canadian Council of Professional Fish Harvesters, [Evidence](#), 29 May 2023.

41 Sonia Strobel, Co-Founder and Chief Executive Officer, Skipper Otto Community Supported Fishery, [Evidence](#), 18 May 2023.

42 Emily Orr, Business Agent, United Fishermen and Allied Workers' Union–Unifor, [Evidence](#), 11 May 2023.



Officer of Nuu-chah-nulth Seafood Limited Partnership, told the Committee that the Beneficial Ownership Survey “was a complete failure at anything but pointing out that Canada knows nothing about who owns or controls licences in the Pacific region.”⁴³

Mark Waddell explained that the leasing of quota in the Pacific region would have been a “very complex issue to ascertain” through a survey meant to be easy to fill out so the decision was made to “set it aside for the time being, recognizing that it would require additional work.”⁴⁴ He assured the Committee that DFO still has a “very keen interest in better understanding the licensing and leasing arrangements that are practised in the Pacific region.”⁴⁵

Recommendation 2

That the Minister of Fisheries, Oceans and the Canadian Coast Guard make it a condition of licence that the licence and quota holder be the licence owner with “boots on the deck” and that, before such licence is issued, it is proven that the licence holder is a Canadian citizen and/or a 100% Canadian-owned entity; that the proof of beneficial ownership be the responsibility of the licence holder in full, and that this policy be fully implemented within two years of the establishment of an independent fishery finance agency.

DFO is also working on developing a public-facing licence and quota registry. According to an evaluation of the technical requirements to draw existing DFO systems into a public-facing registry, such a registry is technically feasible.⁴⁶ At the time of the study, the completion date for the public registry was unknown. An upcoming request for proposals from potential database builders would consider the time required to develop the public registry.⁴⁷

Recommendation 3

That, given the flaws in Fisheries and Oceans Canada’s Beneficial Ownership Survey, Fisheries and Oceans Canada provide a detailed update and projected timeline for establishing the Canadian ownership criteria for holders of licences and quota. The

43 Andrew Olson, Chief Executive Officer, Nuu-chah-nulth Seafood Limited Partnership, [Evidence](#), 11 May 2023.

44 Mark Waddell, Director General, Fisheries Policy, DFO, [Evidence](#), 5 June 2023.

45 Ibid.

46 Neil Davis, Regional Director, Fisheries Management Branch, Pacific Region, DFO, [Evidence](#), 8 May 2023.

47 Neil Davis, Regional Director, Fisheries Management Branch, Pacific Region, DFO, [Evidence](#), 5 June 2023.

timeline for the full transition to Canadian ownership should be seven years or less, as recommended in the 2021 Gardner Pinfold Consultants Inc. report entitled *Comparative analysis of commercial fisheries policies and regulations on Canada’s Atlantic and Pacific coasts*.

WITNESSES’ FEARS OF REPERCUSSIONS

While testifying, witnesses told the Committee they were choosing their words carefully to avoid potential repercussions or retribution. Witnesses even requested to appear at an in-camera meeting to be able to speak more freely without fear of being blacklisted.⁴⁸ One witness shared that some witnesses’ appearances at the Committee’s meetings in 2018 about the regulation of West Coast fisheries had impacted their ability to lease licences.⁴⁹

When asked if he was aware of licences or quota being bought on the West Coast by non-Canadians, Paul Kariya answered: “Yes. I’m careful in how I say it, because [the First Nations represented by his organization] are still trying to work in the marketplace, and it’s a fairly small world out there.”⁵⁰ Greg Pretty believed there could be repercussions for fishers from the company with which they have financial agreements if they spoke out and that people might not want to publicly admit that they have such agreements.⁵¹ Tasha Sutcliffe shared that it can be dangerous for “those in the industry to provide details for fear of punitive action.”⁵² Sonia Strobel said it was “uncomfortable to elaborate on repercussions that harvesters face” which could include being declined services by large companies that control a lot of quota, including the use of off-load facilities, or the availability of ice to conserve catch.⁵³

Recommendation 4

That an independent consultation and support office for fishers be established so that owner-operators have a forum where they can speak freely and consult, sheltered from pressures placed on them by markets and by foreign companies.

48 Witness 1, 15 May 2023.

49 Ibid.

50 Paul Kariya, Senior Policy Advisor, Coastal First Nations Great Bear Initiative, [Evidence](#), 8 May 2023.

51 Greg Pretty, President, Fish, Food and Allied Workers Union, [Evidence](#), 8 May 2023.

52 Tasha Sutcliffe, Senior Policy Advisor, Fisheries, Ecotrust Canada, [Evidence](#), 11 May 2023.

53 Sonia Strobel, Co-Founder and Chief Executive Officer, Skipper Otto Community Supported Fishery, [Evidence](#), 18 May 2023.



FOREIGN OWNERSHIP

The Committee heard that DFO’s “foreign ownership restrictions on commercial fisheries access are established through its licensing policies and guide the minister’s discretionary authority to issue licences.”⁵⁴ Witnesses were careful to differentiate foreign investment from foreign ownership. According to Emily Orr, the problem is when the bulk of licences and quotas are controlled by foreign-owned companies or when high levels of vertical integration make it difficult for owner-operators to compete.⁵⁵ Paul Lansbergen, President of the Fisheries Council of Canada, gave the example of foreign financial institutions being an attractive option for companies making large investments, noting that the seafood sector “certainly [isn’t] the only sector in Canada that has to look outside our borders for financial capital, and [it needs] to continue to invest, to compete and to meet customer expectations.”⁵⁶ Speaking about West Coast fisheries, Christina Burridge believed speculation should be discouraged, not investment.⁵⁷

Dr. Jennifer Silver, Associate Professor at the University of Guelph (appearing as an individual), told the Committee that foreign financing and ownership “shape industrial fisheries and seafood value chains” and shared results of a publication that found that 13 private transnationals had a “disproportionate size and international reach,” controlling “11% to 13% of all marine catch and 19% to 40% of catch from the largest and most valuable stocks.”⁵⁸

Under the *Investment Canada Act*, a “net benefit review is triggered by a monetary threshold, which ranges this year from \$512 million for state-owned enterprises up to \$1.9 billion for private sector investors from countries with which Canada has a free trade agreement.”⁵⁹ Committee members agree that the threshold limits on individual transactions set out in the *Investment Canada Act* are too high to be effective in deterring foreign ownership and corporate concentration of licences and quota. The Committee notes the importance of also considering cumulative transactions in this sector.

54 Mark Waddell, Director General, Fisheries Policy, DFO, [Evidence](#), 8 May 2023.

55 Emily Orr, Business Agent, United Fishermen and Allied Workers’ Union–Unifor, [Evidence](#), 11 May 2023; and Tasha Sutcliffe, Senior Policy Advisor, Fisheries, Ecotrust Canada, [Evidence](#), 11 May 2023.

56 Paul Lansbergen, President, Fisheries Council of Canada, [Evidence](#), 11 May 2023.

57 Christina Burridge, Executive Director, BC Seafood Alliance, [Evidence](#), 8 May 2023.

58 Jennifer Silver, Associate Professor, University of Guelph, Appearing as an individual, [Evidence](#), 11 May 2023.

59 James Burns, Senior Director, Policy, Innovation, Science and Economic Development Canada (ISED), [Evidence](#), 1 June 2023.

The impacts of foreign ownership on the East and West Coasts are detailed in upcoming sections.

CORPORATE CONCENTRATION

Corporate concentration affects the East and West Coasts differently because of the different policy and legal frameworks. Witnesses told the Committee that corporate concentration in fish and seafood processing by Canadian- or foreign-owned companies on either coast can undermine the independence and profitability of harvesters by limiting their options to purchase supplies and their access to sales points for their harvest. On the West Coast, companies can also own licences directly and can afford higher licence prices than independent harvesters.

Paul Lansbergen believed wild-capture processors who have been able to grow their business from one fish plant to more or beyond one vessel should be applauded and that “being successful ... should be celebrated and not seen as a negative outcome.”⁶⁰ Witness 3 agreed that there are some honourable companies but warned that for venture capital firms or other big companies “business is business” and their interests are “to maximize profits and get out” since they are “not in for the long term.” This negatively impacts local communities.⁶¹

The Competition Bureau has two “safe harbour thresholds” that give indications to stakeholders as to “when a merger, for instance, can raise competition issues. One is if a single firm holds more than 35% in a given market, and the other is if the top four firms hold 65%.”⁶² The Competition Bureau must also be notified when two financial thresholds are exceeded: “the first one is that all parties to a merger must have more than \$400 million in assets or revenues generated from those assets. The second threshold [...] is that the assets being acquired must generate more than \$93 million in sales, or the value of those assets themselves is \$93 million.”⁶³ Ian MacPherson believed that the trigger threshold for seafood company acquisitions, domestic and foreign, is too high since “only large acquisitions” are currently investigated by the Competition Bureau.⁶⁴ The Competition Bureau can also select merger transactions of any size to

60 Paul Lansbergen, President, Fisheries Council of Canada, [Evidence](#), 11 May 2023.

61 Witness 3, 15 May 2023.

62 Anthony Durocher, Deputy Commissioner, Competition Promotion Branch, Competition Bureau, [Evidence](#), 1 June 2023.

63 Ibid.

64 Ian MacPherson, Senior Advisor, Prince Edward Island Fishermen’s Association, [Evidence](#), 15 May 2023.



review. On the West Coast over the last four years, the Competition Bureau has completed competition reviews for roughly a half dozen mergers, mostly on the processing side.⁶⁵

The impacts of corporate concentration on the East and West Coasts are detailed in upcoming sections.

IMPACTS OF FOREIGN OWNERSHIP AND CORPORATE CONCENTRATION ON THE EAST COAST

Greg Pretty described the “cartel-like” behaviour of Royal Greenland, a corporation wholly owned by the government of Denmark, stating that “the interests of harvesters and plant workers in Greenland compete with the interests of harvesters and plant workers in Newfoundland” and that “Royal Greenland will purchase seafood from wherever has the greatest benefit for Greenland.”⁶⁶ Colin Sproul told the Committee that, by making large acquisitions in the processing sector, Royal Greenland is “taking from the people of Newfoundland and Nova Scotia and creating profit for a foreign government.”⁶⁷ According to Greg Pretty:

Royal Greenland secures conditions to control all aspects of the fishery, including ensuring subsidiaries have privileged access to quotas or landings, despite such practices not being permitted in the inshore fishery. To circumvent Canadian federal regulations, Royal Greenland has created its own form of vertical integration through the acquisition of contracts that place it illegally in control of harvester licences.⁶⁸

On the other hand, Carey Bonnell, Vice-President of Sustainability and Engagement for Ocean Choice International L.P., believed there is “free and open competition between harvesters and processors in Newfoundland and Labrador” and that the corporate concentration is much higher in other industries in Canada, such as the beef sector or the dairy sector.⁶⁹

65 Anthony Durocher, Deputy Commissioner, Competition Promotion Branch, Competition Bureau, [Evidence](#), 1 June 2023.

66 Greg Pretty, President, Fish, Food and Allied Workers Union, [Evidence](#), 8 May 2023.

67 Colin Sproul, President, Bay of Fundy Inshore Fishermen’s Association, [Evidence](#), 15 May 2023.

68 Greg Pretty, President, Fish, Food and Allied Workers Union, [Evidence](#), 8 May 2023.

69 Carey Bonnell, Vice-President, Sustainability and Engagement, Ocean Choice International L.P., [Evidence](#), 15 May 2023.

Greg Pretty believed that corporate concentration “has inflated the cost of licences, and in many cases an inshore harvester does not have access to that level of capital.”⁷⁰ Colin Sproul told the Committee that controlling agreements, which were supposed to be terminated by 2014 under the PIIFCFAF, still exist in Nova Scotia.⁷¹ Jennifer Mooney, Director of National Licensing Operations at DFO, told the Committee that regional licensing staff do verify that loan agreements from non-registered financial institutions such as processors, known as supply agreements, accessed by harvesters are being paid down so that harvesters “are not beholden to those broader interests over the long term.”⁷²

Mark Waddell shared that

in February 2021, the minister approved a measure to increase scrutiny of potential foreign investments in the Atlantic midshore, offshore, and exempted fleet commercial fisheries. The revised measure applies the existing foreign ownership limit to the full corporate structure for all future licence applicants as well as existing licence-holders that wish to acquire additional access.⁷³

Although owner-operator and fleet separation have been enshrined in legislation, Greg Pretty believed that DFO has been unequipped to enforce the law. For example, it has not moved forward with “any penalty in the over 30 files it has investigated since the policy became enshrined in 2021. Instead, the reaction has been to gently guide corporations back to compliance.”⁷⁴ Claudio Bernatchez, General Manager of the Association des capitaines-propriétaires de la Gaspésie, also believed it is important to ensure sufficient resources are available to enforce regulations since there is “no point in creating a series of measures if there’s no one on the ground to enforce the regulations. Before new laws or regulations are passed, care must be taken to ensure that existing regulations are enforced.”⁷⁵

70 Greg Pretty, President, Fish, Food and Allied Workers Union, [Evidence](#), 8 May 2023.

71 Colin Sproul, President, Bay of Fundy Inshore Fishermen’s Association, [Evidence](#), 15 May 2023.

72 Jennifer Mooney, Director, National Licensing Operations, DFO, [Evidence](#), 8 May 2023.

73 Mark Waddell, Director General, Fisheries Policy, DFO, [Evidence](#), 8 May 2023.

74 Greg Pretty, President, Fish, Food and Allied Workers Union, [Evidence](#), 8 May 2023.

75 Claudio Bernatchez, General Manager, Association des capitaines-propriétaires de la Gaspésie, [Evidence](#), 15 May 2023.



Recommendation 5

That Fisheries and Oceans Canada suspend licences that are found to be used in contravention of current and new Owner-Operator policies until such infraction is remedied.

Claudio Bernatchez questioned why there were differences in policies or regulations between regions, such as a residency requirement of six months in New Brunswick and two years in Quebec before being eligible to buy a licence. According to him if “the regulations put in place by DFO applied uniformly across the country, even in the different regions of the same province, there wouldn't be such surprises.”⁷⁶

Recommendation 6

That Fisheries and Oceans Canada prohibit the transfer and sale of snow crab fishing licences outside the provinces where they were issued, and that residency criteria be standardized between provinces and set at a number of years of residency that will make it possible to stop the acquisition of these licences, so that they remain within the respective communities and provinces.

Lobster

Witnesses spoke specifically about the impacts of both foreign ownership and corporate concentration on lobster fishing on the East Coast. In 2021, more than 105 metric tonnes of lobster worth more than 2 billion dollars were landed by Atlantic fishers. This was the largest amount and highest value of any harvested fish or seafood species.⁷⁷

One company, Clearwater, harvests the entire TAC of 720 tonnes of lobster in Lobster Fishing Areas (LFA) 41, an area three times the size of Nova Scotia. Clearwater has requested a 10% increase to the TAC. Colin Sproul believed that “the impact of any increase in lobster TAC that’s given to a mega-corporation fishing on one vessel would be out of the back pockets of inshore fishermen” including through creating a downward price pressure by putting more lobster on the market before the opening of the winter lobster fishery in southwest Nova Scotia.⁷⁸ In a brief to the Committee, Clearwater wrote that the lobster catch in LFA 41 is 1% of the total lobster fishery landings in Canada and

76 Ibid.

77 DFO, [Seafisheries landed quantity by province, 2021](#); and DFO, [Seafisheries landed value by province, 2021](#).

78 Colin Sproul, President, Bay of Fundy Inshore Fishermen’s Association, [Evidence](#), 15 May 2023.

that “this fishery clearly does not exhibit any of the characteristics of a monopoly.”⁷⁹ Colin Sproul told the Committee there is:

[O]ne lobster resource in the Gulf of Maine, and there's no science to support that those areas are separate or that a fishery take in LFA 41 won't have an effect in the adjacent LFAs. It's also important to point out that a vast majority—80% or 90%—of Clearwater's landings come from the most important place for lobsters in Canada, which is the lobster box of Brown's Bank, which is adjacent to the closed area. They fish intensely right up to the border of that. There are really serious implications for us.⁸⁰

Colin Sproul described “the unlawful purchasing of lobster licences by corporations” through illegal trust agreements “which are used to purchase lobster licences in different LFAs with a nominal owner. These allow vertically integrated companies that want to buy, process and export lobster to own trap-to-table access.”⁸¹ He called the acquisition of bait dealers, bait freezers and packers in Atlantic Canada by domestic companies, including equity firms, “very concerning” since it indicates an “intent move into trying to control the bait supply to ensnare fishermen in the future.”⁸²

Atlantic ChiCan, a Chinese-owned company in southwest Nova Scotia, has bought at least six of its local competitors in the last few years. Colin Sproul said this “shows that attempt to consolidate.”⁸³ He described the impacts of “the conglomeration of lobster processing capacity into fewer and fewer hands” including potential collusion to fix the prices offered for lobster across Nova Scotia and believed that “there needs to be some mechanism put in place to deter companies from owning more than a certain amount of lobster processing or exporting ability.”⁸⁴

79 Clearwater Seafoods, *Study of Issues Relating to Foreign Ownership and Concentration of Fishing Licences and Quota*, Brief submitted to the House of Commons Standing Committee on Fisheries and Oceans, 24 May 2023.

80 Colin Sproul, President, Bay of Fundy Inshore Fishermen's Association, *Evidence*, 15 May 2023.

81 Ibid.

82 Ibid.

83 Ibid.

84 Ibid.



IMPACTS OF FOREIGN OWNERSHIP AND CORPORATE CONCENTRATION ON THE WEST COAST

On the West Coast, DFO's stated focus has been to achieve conservation and economic viability objectives.⁸⁵ Contrary to the East Coast, the foreign, corporate or processor ownership of licences is not limited in B.C.⁸⁶ Dr. Jennifer Silver shared the results of research on all West Coast licences registered in 2019: that year, 6,563 licences were registered to 2,377 unique holders. Some 38 holding entities, be they fishers or speculative investors, processors, or companies, held 20 or more licences and controlled 26% of all West Coast licences. This proportion was comparable to the 36% of licences controlled by the 1,357 licence holders with only one licence and 499 with two licences.⁸⁷

Tasha Sutcliffe suggested that “the issue we are having around the control of access to our fisheries does not negate our ability to meet our conservation objectives” since it is possible to

put limits and controls around who gets to be eligible to own licences and quota, still meet all of those conservation objectives and still meet all of that flexibility around trading for bycatch and all of the other aspects that people talk about, such as very good monitoring systems. None of those things [have] to be affected by saying that we don't want corporate concentration of our licences and quota.⁸⁸

Sonia Strobel shared a “very, very common example” of how independent owner-operators may not be operating in an independent way:

Fishing families may have inherited some quota from their parents, for example 5,000 pounds of quota. That's not enough quota to make a living for the year, so they have to lease some additional quota from somewhere else in order to make a living for the year. They will usually go to a company that owns quota, a company that they need to lease from. The company will lease it to them under the condition that they sell back their fish, that 10,000 pounds, for example, at the price that the company sets, but they must also sell the 5,000 pounds of quota that they own to that company in order to get that additional 10,000 pounds.⁸⁹

85 Neil Davis, Regional Director, Fisheries Management Branch, Pacific Region, DFO, [Evidence](#), 8 May 2023.

86 Tasha Sutcliffe, Senior Policy Advisor, Fisheries, Ecotrust Canada, [Evidence](#), 11 May 2023.

87 Jennifer Silver, Associate Professor, University of Guelph, Appearing as an individual, [Evidence](#), 11 May 2023.

88 Tasha Sutcliffe, Senior Policy Advisor, Fisheries, Ecotrust Canada, [Evidence](#), 11 May 2023.

89 Sonia Strobel, Co-Founder and Chief Executive Officer, Skipper Otto Community Supported Fishery, [Evidence](#), 18 May 2023.

The Committee heard examples of high licence costs preventing West Coast fishers from gaining access to fisheries. Sonia Strobel shared that “[u]ncertainty around whether or not you’ll even be able to fish is something that our friends and colleagues on the East Coast inshore fleet never even have to think about.”⁹⁰ Tasha Sutcliffe proposed that a working fishery would be “benefiting those who are on the deck of the boat and the communities of the coast, rebuilding First Nations’ access, revitalizing their fishing fleets and supporting societal values for B. C. and Canada” but that the current regime is doing the opposite.⁹¹

Witnesses shared examples of difficulties acquiring access to quota or licences. Kyle Louis, Vice President of the United Fishermen and Allied Workers’ Union–Unifor, described his inability to purchase a prawn licence “through a process whereby, when you’re outbid, you’re able to do a counter-bid. Not only was I outbid by 140%, but the sudden interest was from an overseas investor who was looking to secure as many licences and as much product as possible.”⁹² A second-generation fisher was unable to compete to buy her parent’s fishing licence which was ultimately sold to a processor in Vancouver.⁹³

A commercial fishery enterprise subject to the Fisheries Resources Reconciliation Agreement (FRRRA) was unable to purchase a dive fishing licence for sea cucumber despite an offer based on fair market valuation because the broker selling the licence had a “blank cheque from an offshore buyer who was already offering 25% more than the current market value.”⁹⁴ Paul Kariya explained that through the FRRRA, Canada provided “significant funds” to the eight participating Coastal First Nations to “support increased commercial fishing opportunities. However, this access is based on a willing-seller and willing-buyer transaction, whereby we must buy all the licences and quota from the marketplace and compete with every other interested party.”⁹⁵ He explained that the settlements funds received to enter the market would not have much buying power and that if the Coastal First Nations could not successfully purchase licences at a

90 Ibid.

91 Tasha Sutcliffe, Senior Policy Advisor, Fisheries, Ecotrust Canada, [Evidence](#), 11 May 2023.

92 Kyle Louis, Vice President, United Fishermen and Allied Workers’ Union–Unifor, [Evidence](#), 11 May 2023.

93 Emily Orr, Business Agent, United Fishermen and Allied Workers’ Union–Unifor, [Evidence](#), 11 May 2023.

94 Paul Kariya, Senior Policy Advisor, Coastal First Nations Great Bear Initiative, [Evidence](#), 8 May 2023.

95 Ibid.



reasonable price, the FRRA allows for the Government of Canada to take the money back and expropriate licences in order to get First Nations people fishing again.⁹⁶

Emily Orr described her experience tendering licences and quotas for First Nations involved in the Pacific Integrated Commercial Fisheries Initiative (PICFI), meant to increase First Nations' access to commercial fisheries in British Columbia and Yukon. She relayed that "10 times out of 10 that the companies outbid the independent harvesters."⁹⁷

When fishers cannot afford to buy a licence, they might lease one. Leasers are price-takers, accepting to pay a certain amount to access quota from a licence-owner before knowing what the landed value of the catch will be. Some witnesses told the Committee that harvesters who lease licences can take on more financial risk than the licence owners.⁹⁸ Up to 75% of the landed value can go to the licence owner, and leasers have ended up owing money to licence owners at the end of a season.⁹⁹ A fisher who is "indentured to holders and owners of quota licences" is often "barely eking out a living, maybe not eking out a living."¹⁰⁰ Leasing a licence does not easily lead to licence ownership. For example, a sea cucumber licence can cost 1.5 million, having doubled in price since 2015. Most skippers lease and only get \$2.25 a pound while an owner-operator gets \$9.25. After expenses, the average skipper would make about \$40,000 of a boat share. It would therefore take them at least 36 years to pay off the licence even if they had all the capital and did not have any financing costs.¹⁰¹

Contrary to other witnesses, Christina Burrridge did not believe that foreign ownership or corporate concentration are challenging the success of West Coast fisheries. She believed that reduced access, including the reduction of access to key species by 25% to 45% in the Northern Shelf Bioregion Marine Protected Area, is "the main impediment."¹⁰²

96 Ibid.

97 Emily Orr, Business Agent, United Fishermen and Allied Workers' Union–Unifor, [Evidence](#), 11 May 2023.

98 Sonia Strobel, Co-Founder and Chief Executive Officer, Skipper Otto Community Supported Fishery, [Evidence](#), 18 May 2023; and Melissa Collier, Fish Harvester, West Coast Wild Scallops, [Evidence](#), 29 May 2023.

99 Villy Christensen, Professor, As an individual, [Evidence](#), 18 May 2023; and Sonia Strobel, Co-Founder and Chief Executive Officer, Skipper Otto Community Supported Fishery, [Evidence](#), 18 May 2023.

100 Paul Kariya, Senior Policy Advisor, Coastal First Nations Great Bear Initiative, [Evidence](#), 8 May 2023.

101 Tasha Sutcliffe, Senior Policy Advisor, Fisheries, Ecotrust Canada, [Evidence](#), 11 May 2023.

102 Christina Burrridge, Executive Director, BC Seafood Alliance, [Evidence](#), 8 May 2023.

ILLEGAL ACTIVITIES AND MONEY LAUNDERING

Wherever cash transactions are possible within an industry, such as the fishing industry, there is the potential for illegal activities, money laundering and organized crime. The presence of organized crime within the fishing industry is not unique to Canada. The link between “fisheries, organized crime and money laundering is a subject that has been studied internationally, including by the UN Office on Drugs and Crime.”¹⁰³ The Committee heard that money laundering is a greater risk on the West Coast since licence owners do not need to fish the licence. Tasha Sutcliffe relayed to the Committee that “many, many people” had told them laundered money is being used to purchase licences in B.C.¹⁰⁴

Dirty Money Report - Part Two, produced for the Attorney General of British Columbia in 2019, detailed how commercial fisheries in British Columbia could be used to launder money. Neil Davis had “read small sections of it that were relevant to fisheries” and “received very short briefings on some of its key findings.” He was unsure if the Minister of Fisheries, Oceans and the Canadian Coast Guard had read or been briefed on the report.¹⁰⁵

Dr. Peter German, Chair of the Advisory Committee at the Vancouver Anti-Corruption Institute, told the Committee that, depending on where the organized crime group is from, the laundering of proceeds of both domestic and foreign crimes may be happening in the fishing industry. He described Canadian efforts to stop money laundering as “whack-a-mole” since regulating one industry to deal with money-laundering simply moves the issue from one industry to another—for example, from casinos to luxury goods or cannabis sales. He proposed that a “universal system, such as the one they have in the United States, where all cash transactions over a certain amount have to be reported to their financial intelligence agency” would be a good solution to this issue. According to Peter German, another issue is the fact that Canadian lawyers are not required to report suspicious transactions, contrary to many countries in the European Union.¹⁰⁶

Colin Sproul described “a concerted effort” to control lobster pricing at the dock and proposed that this could be considered cartel-like behaviour. Pierre-Yves Guay, Associate Deputy Commissioner of the Cartels Directorate at the Competition Bureau, explained

103 Peter German, Chair of the Advisory Committee, Vancouver Anti-Corruption Institute, [Evidence](#), 29 May 2023.

104 Tasha Sutcliffe, Senior Policy Advisor, Fisheries, Ecotrust Canada, [Evidence](#), 11 May 2023.

105 Neil Davis, Regional Director, Fisheries Management Branch, Pacific Region, DFO, [Evidence](#), 5 June 2023.

106 Peter German, Chair of the Advisory Committee, Vancouver Anti-Corruption Institute, [Evidence](#), 29 May 2023.



that the *Competition Act* limits the possibility for buy-side agreements to be considered under a criminal track but that civil provisions do exist under the act.¹⁰⁷ Anthony Durocher, Deputy Commissioner of the Competition Promotion Branch at the Competition Bureau, added that ongoing consultations on the *Competition Act* are dealing with issues including buy-side cartels.¹⁰⁸

Witness 3 believed that the threshold for involvement of the Competition Bureau is too high since many smaller fishing operations can be bought for less than the trigger amount of \$1.2 billion.¹⁰⁹

Recommendation 7

That, in relation to sales and purchases of vessels, licences and quota, transactions involving lawyers' trust accounts be subject to oversight from the Financial Transactions and Reports Analysis Centre of Canada (FINTRAC) in order to facilitate the identification of money laundering operations.

Recommendation 8

That any acquisition with an individual or a cumulative market share of 20% or more by a corporation or beneficial owner trigger a review by the Competition Bureau.

IMPACTS ON COASTAL COMMUNITIES

Paul Kariya explained that “in general, coastal communities have become increasingly disenfranchised from the resources that originally built them.”¹¹⁰ Tasha Sutcliffe believed foreign ownership is “definitely instrumental” in the decline of benefits from fisheries to coastal communities. She described the impacts of the current West Coast licensing policies as follows:

Fishing enterprises are failing; good fishing crews are extremely hard to find; skippers have a huge amount of risk and work to secure a viable season if they even can; and new fishermen can't afford to buy into the fishery—new fishermen are rare, period. We

107 Pierre-Yves Guay, Associate Deputy Commissioner, Cartels Directorate, Competition Bureau, [Evidence](#), 1 June 2023.

108 Anthony Durocher, Deputy Commissioner, Competition Promotion Branch, Competition Bureau, [Evidence](#), 1 June 2023.

109 Witness 3, 15 May 2023.

110 Paul Kariya, Senior Policy Advisor, Coastal First Nations Great Bear Initiative, [Evidence](#), 8 May 2023.

are losing our fleets and we are losing the benefits of the fish being pulled out of the water, and it is in large part because we're losing control of access.¹¹¹

Melissa Collier described the reductions in services for fishers in Prince Rupert due to the reduction in fishing activities, including closed shower and laundry facilities, the closure of the marine electronics store and the local fishing gear store switching its stock from commercial to sports fishing gear. She believed that “having the resources of fishers and fishing income go elsewhere is clearly not bringing funds and resources into the community, so much so that the entire community has changed and is no longer supporting fishers in its infrastructure the way it once did.”¹¹²

Witnesses spoke about the difficulties in entering the market encountered by the next generation of fishers and new entrants due to the high costs of licences.¹¹³ This is important to highlight given the aging fisher population nearing retirement. In 2019, 40% of the harvester workforce in British Columbia, 31% of the harvester workforce in the Maritimes and 45% of the harvester workforce in Newfoundland was 55 years old or older.¹¹⁴

Paul Kariya described the importance of access to fisheries for Indigenous communities in areas of British Columbia where First Nations peoples represent 50% of the population but hold less than 6% of the of the commercial fishing access in the region:

For all our communities, fishing has been integral to our economies. However, licensing regimes have led to the conglomeration of licences into investor and corporate hands without regard for the coastal people. Most of our Coastal First Nations members and communities have limited economic opportunities other than fisheries. This coastal region does not have the advantage of the diversity of economic opportunities, services or amenities enjoyed in urban settings. Given the remoteness of the communities, fish are fundamental to First Nations as a source of economic, cultural and social well-being. As such, meaningful economic development for First Nations in this region must include restoring our access to fisheries as a foundation of our local economies.¹¹⁵

111 Tasha Sutcliffe, Senior Policy Advisor, Fisheries, Ecotrust Canada, [Evidence](#), 11 May 2023.

112 Melissa Collier, Fish Harvester, West Coast Wild Scallops, [Evidence](#), 29 May 2023.

113 Greg Pretty, President, Fish, Food and Allied Workers Union, [Evidence](#), 8 May 2023; Tasha Sutcliffe, Senior Policy Advisor, Fisheries, Ecotrust Canada, [Evidence](#), 11 May 2023; Claudio Bernatchez, General Manager, Association des capitaines-propriétaires de la Gaspésie, [Evidence](#), 15 May 2023; and Villy Christensen, Professor, As an individual, [Evidence](#), 18 May 2023.

114 Richard Williams, Research Director, Canadian Council of Professional Fish Harvesters, [Evidence](#), 29 May 2023.

115 Paul Kariya, Senior Policy Advisor, Coastal First Nations Great Bear Initiative, [Evidence](#), 8 May 2023.



Andrew Olson told the Committee that

programs like the Blue Economy, PICFI [Pacific Integrated Commercial Fisheries Initiative], NICFI [Northern Integrated Commercial Fisheries Initiative], AICFI [Atlantic Integrated Commercial Fisheries Initiative] and the Ocean Supercluster should be growing the whole Canadian economy and supporting locally-owned, [I]ndigenous-owned and coastal community businesses and people

and described the impact of increasing licence costs as follows:

As programs like AICFI, NICFI and PICFI are trying to support Indigenous people engaging in commercial fisheries, they are forced to compete with foreign interests and investor speculation while spending Canadian taxpayers' money. As funds are committed to the budgets, the prices continue to rise, outpacing the funding and leaving Indigenous groups behind. They are left to find ways to bridge the gap.¹¹⁶

The Committee notes that increased foreign ownership and corporate concentration of fisheries are incompatible with the objective of reconciliation with Indigenous peoples and impact the intergenerational transfer of knowledge, skills, culture and traditions; as well as Indigenous fishers' livelihoods.

Since rebuilding fish stocks is intensive and expensive work carried out by Indigenous and non-Indigenous coastal communities and the federal government, Dr. Jennifer Silver believed that "access and benefits must be seen to be squarely under the purview of fisheries management policy and not left entirely to market forces," since science "tells us that investment pays off for ecosystems, people and pocketbooks."¹¹⁷

The Committee feels it important to highlight the concerns brought forward by witnesses regarding DFO's failure to consider the socio-economic outcomes of its decisions, particularly as related to licensing and quota ownership. When fisheries are operated and maintained by communities, social and cultural value is created; there are local economic benefits to communities; and the intergenerational transfer of knowledge, skills and culture is possible. The Owner-Operator policy finds a balance between socio-economic impacts and conservation objectives since, under this policy, access to fisheries remains in the hands of local independent harvesters who are invested in the sustainability of the public resource they fish.

116 Andrew Olson, Chief Executive Officer, Nuu-chah-nulth Seafood Limited Partnership, [Evidence](#), 11 May 2023.

117 Jennifer Silver, Associate Professor, University of Guelph, Appearing as an individual, [Evidence](#), 11 May 2023.

Recommendation 9

That Fisheries and Oceans Canada recognize, affirm, and incorporate the guiding principle that Canada’s fisheries are a public good, and that the benefit from those fisheries should first and foremost support the people of Canada and the communities which rely on the fisheries.

Recommendation 10

That Fisheries and Oceans Canada implement an ecosystemic approach involving integrated management to ensure that it is not always reacting rather than acting.

Recommendation 11

That Fisheries and Oceans Canada develop a regulatory framework making access easier for the next generation of fishers and guaranteeing healthy management and intergenerational transfers by considering the socio-economic impacts experienced by communities.

FOOD SOVEREIGNTY AND FOOD SECURITY

Witnesses discussed the importance of fish and seafood as it relates to food sovereignty and food security. Melissa Collier shared that 90% of the fish and seafood caught in Canada is exported while about 80% of the fish and seafood Canadians consume is imported and might not even be what the label reads¹¹⁸. According to Sonia Strobel,

[t]he pandemic and subsequent supply chain shocks laid bare just how vulnerable our food system is. It’s a simple fact that the average Canadian can scarcely access Canadian seafood, and the seafood they can buy often comes from fisheries with far worse environmental and human rights track records than Canadian seafood. Concentration of licences and quotas into fewer and fewer export-oriented hands is a big part of the problem.¹¹⁹

118 Melissa Collier, Fish Harvester, West Coast Wild Scallops, *Evidence*, 29 May 2023.

119 Sonia Strobel, Co-Founder and Chief Executive Officer, Skipper Otto Community Supported Fishery, *Evidence*, 18 May 2023.



Witnesses called for fish and seafood to be declared a strategic or critical resource.¹²⁰ Colin Sproul proposed that the sovereignty of the logistics chain should also be ensured.¹²¹ Ian MacPherson, Senior Advisor at the Prince Edward Island Fishermen’s Association, warned that

companies and countries are after our resources, and this pressure will only increase. As dead zones become larger in the oceans, the seafood that feeds the world will come from more concentrated areas. The Government of Canada must make food sovereignty and food security a top priority. Once we lose control of our resources, it will not easily be regained, if at all.¹²²

Recommendation 12

That Fisheries and Oceans Canada recognize that it is imperative to favour food sovereignty in fisheries in Canada and that the various departments involved collaborate more with each other in order to prioritize food security and sovereignty and to preserve the culture and identity of coastal communities, while acting with full transparency.

CALLS TO ACTION

A “Made-in-BC” Solution

Paul Kariya acknowledged that changing the system on the West Coast would not be easy and believed “thoughtful, complex thinking” would be required to determine what elements need to change.¹²³ Brad Mirau, President and Chief Executive Officer of Aero Trading Co. Ltd., hoped for “good data and evidence and meaningful consultation with all the affected parties, so that any changes won’t continue to harm the various participant groups in the Pacific region.”¹²⁴

Witnesses including Emily Orr, Sonia Strobel and Tasha Sutcliffe favoured limiting future foreign ownership and investment in licences and quota and the development of an

120 Jennifer Silver, Associate Professor, University of Guelph, Appearing as an individual, [Evidence](#), 11 May 2023; Andrew Olson, Chief Executive Officer, Nuu-chah-nulth Seafood Limited Partnership, [Evidence](#), 11 May 2023; Molly Aylward, Executive Director, Prince Edward Island Fishermen’s Association, [Evidence](#), 15 May 2023; Witness 2, 15 May 2023; and Ian MacPherson, Senior Advisor, Prince Edward Island Fishermen’s Association, [Evidence](#), 15 May 2023.

121 Colin Sproul, President, Bay of Fundy Inshore Fishermen’s Association, [Evidence](#), 15 May 2023

122 Ian MacPherson, Senior Advisor, Prince Edward Island Fishermen’s Association, [Evidence](#), 15 May 2023.

123 Paul Kariya, Senior Policy Advisor, Coastal First Nations Great Bear Initiative, [Evidence](#), 8 May 2023.

124 Brad Mirau, President and Chief Executive Officer, Aero Trading Co. Ltd., [Evidence](#), 18 May 2023.

owner-operator policy and a fleet separation policy.¹²⁵ Witnesses agreed that a timeframe of an appropriate length for a transition allowing investors to divest, like the seven years for the implementation of the PIIFCAF, would be required.¹²⁶ Duncan Cameron believed that a transition to a regime with owner-operators and fleet separation would be unlikely to have negative impacts on divesting owners who don't fish because "the demand is so strong."¹²⁷

Witnesses including Christina Burridge and Sonia Strobel supported an approach that would share the risks and benefits of fishing and establish predetermined percentages of the value of the catch for the licence owners and licence holders.¹²⁸ Melissa Collier spoke favourably of the separation of married licences since this could allow new entrants into the fishery to afford a licence.¹²⁹ DFO has attempted to permit the separation of stacked licences in several fisheries but encountered "very divided views among fishery participants in terms of support for those changes" because "people may have invested and benefited from those restrictions or spent money to acquire a licence based on something like its vessel length or the other licences that it has married with it."¹³⁰ DFO is interested in pursuing the removal of licence stacking in a number of instances "where those could be removed without compromising the conservation performance of the fishery."¹³¹

When discussing the implementation of a ban on further licence and quota transfers to foreign beneficial owners, Shendra Melia, Director General of Trade in Services, Intellectual Property and Investment at GAC, told the Committee that some flexibility has been negotiated into trade agreements that would allow the Government of Canada "to take some decisions with respect to offering preferential access to Canadian investors and

125 Tasha Sutcliffe, Senior Policy Advisor, Fisheries, Ecotrust Canada, [Evidence](#), 11 May 2023; Emily Orr, Business Agent, United Fishermen and Allied Workers' Union–Unifor, [Evidence](#), 11 May 2023; and Sonia Strobel, Co-Founder and Chief Executive Officer, Skipper Otto Community Supported Fishery, [Evidence](#), 18 May 2023.

126 Emily Orr, Business Agent, United Fishermen and Allied Workers' Union–Unifor, [Evidence](#), 11 May 2023; and Melissa Collier, Fish Harvester, West Coast Wild Scallops, [Evidence](#), 29 May 2023.

127 Duncan Cameron, Director, British Columbia Crab Fishermen's Association, [Evidence](#), 1 June 2023.

128 Christina Burridge, Executive Director, BC Seafood Alliance, [Evidence](#), 8 May 2023; and Sonia Strobel, Co-Founder and Chief Executive Officer, Skipper Otto Community Supported Fishery, [Evidence](#), 18 May 2023.

129 Melissa Collier, Fish Harvester, West Coast Wild Scallops, [Evidence](#), 29 May 2023.

130 Neil Davis, Regional Director, Fisheries Management Branch, Pacific Region, DFO, [Evidence](#), 5 June 2023.

131 Ibid.



investments.”¹³² James Burns, Senior Director of Policy at ISED, cautioned that “with the introduction of a wholesale approach to block certain types of investment, there would be reputational risks to Canada as a location for inbound foreign investment across multiple sectors.”¹³³

Recommendation 13

That the Government of Canada immediately initiate the implementation processes described in Sections 3.4 and 3.5 in the 2021 Gardner Pinfold Consultants Inc. report.

Recommendation 14

That Fisheries and Oceans Canada meaningfully engage and work alongside Indigenous peoples through the process of the implementation of a made-in-BC owner-operator policy.

Recommendation 15

That the Minister of Fisheries, Oceans and the Canadian Coast Guard declare that the department’s agenda is to evolve a “fair share” of risks and benefits model for the distribution between stakeholders of the total gross revenue of each West Coast fishery.

Recommendation 16

That, regarding West Coast fisheries, Fisheries and Oceans Canada permit the ‘unstacking’ of licences and establish a licence exchange board to allow licence trading that contributes to Canadian beneficial ownership.

Community Licences

Gabriel Bourgault-Faucher, Researcher at the Institut de recherche en économie contemporaine, proposed that DFO develop a pilot program for community fishing licences for non-Indigenous communities, explaining that

new licences should ideally be issued for emerging species or species on the move, such as lobster in Quebec, rather than targeting existing licences. This would avoid too much disruption to existing fleets. Also, the management of these community licences should be strictly regulated to avoid abuses, whether in terms of awarding contracts between

132 Shendra Melia, Director General, Trade in Services, Intellectual Property and Investment, Global Affairs Canada, [Evidence](#), 1 June 2023.

133 James Burns, Senior Director, Policy, ISED, [Evidence](#), 1 June 2023.

fishers or marketing catches. Sound management must be ensured if the system is to function properly.¹³⁴

In such a pilot program for community fishing licences for non-Indigenous communities, “the fishers would be hired by contract by the community. The profits would be shared fairly according to the terms of the contract between the two parties, that is, the community and the fishers. The community would then decide where to invest its share of the profits. It could be in the development of its fishing activities” or in other areas such as transportation infrastructure, housing or public services.¹³⁵

Recommendation 17

That Fisheries and Oceans Canada call for expressions of interest from a limited number of communities willing to engage in a pilot program to test the viability of a community-based licence. The community-specific pilot project should target a specific area and a specific species in an emerging fishery.

Fisheries Loan Board

Melissa Collier believed a fisheries loan board could contribute to maintaining the independence of owner-operators.¹³⁶ Richard Williams proposed that a national loan board similar to Agriculture and Agri-Food Canada’s board, Farm Credit Canada, could support fishers in purchasing or accessing fishing licences.¹³⁷

Recommendation 18

That the Government of Canada establish, within five years, an independent fishery financing agency, similar to Farm Credit Canada, with sufficient risk tolerance to finance and mentor new entrants to acquire licences and quota and to refinance existing licence holders to become independent of illegal trust and supply agreements with fish processors.

134 Gabriel Bourgault-Faucher, Researcher, Institut de recherche en économie contemporaine, [Evidence](#), 29 May 2023.

135 Ibid.

136 Melissa Collier, Fish Harvester, West Coast Wild Scallops, [Evidence](#), 29 May 2023.

137 Richard Williams, Research Director, Canadian Council of Professional Fish Harvesters, [Evidence](#), 29 May 2023.



Collaboration with Provinces

Provinces license fish buyers and fish and seafood processing facilities. Each province has its own legislation in this regard.¹³⁸ Greg Pretty believed that provincial licensing policies should be conducive to an orderly fishery that prevents the shift of control to foreign-controlled interests and allow for the negotiation of a proper price with harvesters.¹³⁹ Claudio Bernatchez described the foreign ownership already present in two shrimp processing plants in Eastern Quebec as well as their attempts to obtain permits to process various species and told the Committee that the foreign-owned plants “can expand [their] operations on Canadian soil, especially since processing is under provincial jurisdiction.”¹⁴⁰ Colin Sproul acknowledged that the licensing of fish buyers and processors in Nova Scotia is a provincial matter but believed “there is a role for the federal government to play, especially when it comes to foreign ownership. It seems to me that the onus switches at that point to the federal government to stand up for Canadians and to stand up for the Atlantic provinces.”¹⁴¹

Recommendation 19

That the Minister of Fisheries, Oceans and the Canadian Coast Guard develop a strategy with their provincial counterparts, while respecting provincial jurisdiction, to reduce foreign ownership and corporate concentration at both levels of responsibility.

CONCLUSION

The Committee highlights the risks of inaction on foreign ownership and corporate concentration, as summarized by Greg Pretty:

Will the future of our fishery be vibrant and sustainable—composed of thousands of small businesses in the water that continue to contribute to the rich fabric of culture and our country’s economy—or will it be controlled by a small handful of companies, processed offshore or internationally, removing the wealth of our sustainable resources from the adjacent communities that depend on them, in order to serve another country’s bottom line?¹⁴²

138 Mark Waddell, Director General, Fisheries Policy, DFO, [Evidence](#), 8 May 2023.

139 Greg Pretty, President, Fish, Food and Allied Workers Union, [Evidence](#), 8 May 2023.

140 Claudio Bernatchez, General Manager, Association des capitaines-propriétaires de la Gaspésie, [Evidence](#), 15 May 2023.

141 Colin Sproul, President, Bay of Fundy Inshore Fishermen’s Association, [Evidence](#), 15 May 2023.

142 Greg Pretty, President, Fish, Food and Allied Workers Union, [Evidence](#), 8 May 2023.

The Committee heard about the impacts of foreign ownership and corporate concentration on fishers' livelihoods, coastal communities and Canadian food sovereignty. The Committee believes that the resources in Canada's oceans should benefit first and foremost the Canadian coastal communities that depend on them. Attention must be given to the growing impact of foreign ownership and corporate concentration before access to Canada's fish and seafood is controlled from boardrooms in Canada or abroad rather than by Canadian fishers.

APPENDIX A: RECOMMENDATIONS FROM *WEST COAST FISHERIES: SHARING RISKS AND BENEFITS*, A 2019 REPORT BY THE HOUSE OF COMMONS STANDING COMMITTEE OF FISHERIES AND OCEANS

Recommendation 1

That Fisheries and Oceans Canada maintain the limited transferability for non-directed catch, which is a widely supported system for ensuring that non-targeted groundfish that is caught can be sold and tracked for conservation purposes.

Recommendation 2

That based on the principle that fish in Canadian waters are a resource for Canadians (i.e. common property), no future sales of fishing quota and/or licences be to non Canadian beneficial owners based on the consideration of issues of legal authority, and international agreement/trade impacts.

Recommendation 3

That Fisheries and Oceans Canada permit the separation of stacked (or “married”) licences for sale by the licence owner to divest some or all of their licences in the sole intent of facilitating existing harvesters and new entrants to become owner-operators.

Recommendation 4

That, to increase the transparency of quota licence ownership and transactions, Fisheries and Oceans Canada determine and publish, in an easily accessible and readable format, a public online database that includes the following:

- **The beneficial holder of all fishing quota and licences in British Columbia, including penalties for failing to accurately disclose the holder of fishing quota and/or licences, and that Fisheries and Oceans Canada work with Finance Canada to achieve this goal.**

- **All sales or leasing of quota and licence holdings be reported and made public by Fisheries and Oceans Canada, including buyer, seller and sale/leasing price.**

Recommendation 5

That Fisheries and Oceans Canada prioritize the collection of socio-economic data for past and future regulatory changes and make this information publicly available.

Recommendation 6

That Fisheries and Oceans Canada develop a comparative analysis of the East Coast and West Coast fisheries in regard to regulations with a view to devising policy that would level the playing field for independent British Columbian fishers.

Recommendation 7

That Fisheries and Oceans Canada undertake discussions with the Province of British Columbia to explore the establishment of a model for a loan board to support harvesters' intent on purchasing licences and/or quota, to maintain or modernize existing vessels or to purchase new ones.

Recommendation 8

That Fisheries and Oceans Canada, with regard to West Coast commercial fisheries, provide financial incentives to independent ownership of licences and quota vs. corporate, overseas or absentee ownership. This could include: tax incentives; a shared risks and benefits program; and/or the creation of community licence and quota banks.

Recommendation 9

That Fisheries and Oceans Canada create a loan and mentorship program to help independent harvesters enter the industry.

Recommendation 10

That Fisheries and Oceans Canada work with the Government of British Columbia to develop strategies to expand value-added fish processing in British Columbia and the recapture of benefits from processing in adjacent communities.

Recommendation 11

That Fisheries and Oceans Canada, with regard to West Coast commercial fisheries, establish an open public auction process to allow fishers to lease licence and quota.

Recommendation 12

That Fisheries and Oceans Canada, with regard to West Coast commercial fisheries, establish a licence exchange board to allow the trading of licences between owners.

Recommendation 13

That Fisheries and Oceans Canada reconstitute the membership of advisory boards to ensure equitable representation by fishers, processors and quota owners.

Recommendation 14

That Fisheries and Oceans Canada develop a new policy framework through a process of authentic and transparent engagement with all key stakeholders:

- **Active fish harvesters (or where they exist, organizations that represent them) in all fisheries and fleets including owner-operators, non-owner-operators, and crew;**
- **First Nations commercial fish harvesters (or where they exist, organizations that represent them);**
- **Organizations representing licence and quota holders that are not active fish harvesters, including fish processing companies;**
- **Organizations representing First Nations that hold licences and quotas for commercial fisheries;**
- **The Minister responsible for fisheries in the British Columbia government;**
- **Fisheries policy experts from academic institutions and non-governmental organizations; and**
- **Representatives of municipal governments and socio-economic development, health and cultural agencies in coastal communities.**

Recommendation 15

That, with regard to West Coast commercial fisheries, the Minister of Fisheries and Oceans establish an independent commission to:

- **Develop a concept for a ‘fair-share’ system to equitably allocate the proceeds from the fishery of individual species between the quota/licence holder, the processor and the harvester, based on the average wholesale price earned by the processor over a three month period.**
- **Work with Fisheries and Oceans Canada to explore the feasibility of set limits on the amount of quota or number of licences for an individual species that can be owned by an individual or entity and ensure that comprehensive consultations are undertaken.**
- **Devise a policy of current market buy back from fishers looking to exit the industry and to prioritize that quota and licence sale to emerging young or independent fishers through a student/mentorship/apprenticeship program as has been done successfully in other regions for the country and other jurisdictions (Maine, Alaska, Norway) who have testified before this committee.**
- **Prepare a concept through comprehensive consultations that could transition the West Coast fishery to a “made-in-BC” owner-operator model.**

Recommendation 16

That the development of Fisheries and Oceans Canada’s new policy framework should be undertaken by a working group chaired by a senior National Headquarters official and comprised of appropriate officials from National Headquarters and Pacific Region.

Recommendation 17

That the Minister of Fisheries and Oceans direct the Department to develop an implementation framework for transition with time limits and phased approaches similar to the Policy for Preserving the Independence of the Inshore Fleet in Canada’s Atlantic Fisheries (PIIFCAF), but appropriate to particular fleets and/or fisheries.

Recommendation 18

That transition strategies should take account of the recommendations, needs, rights and capacities of First Nations and the framework for reconciliation.

Recommendation 19

That the Minister of Fisheries and Oceans initiate immediate steps to regulate quota licence leasing costs to allow for a fair return for vessel owners and adequate incomes for fish harvesters during the transition to owner-operator. Such measures should continue after transition to guarantee crews fair wages under the new regime.

Recommendation 20

That Fisheries and Oceans Canada develop a plan to achieve its five-objective fisheries management regime, which includes conservation outcomes: compliance with legal obligations; promoting the stability and economic viability of fishing operations; encouraging the equitable distribution of benefits; and facilitating data collection for administration, enforcement and planning purposes.

APPENDIX B: LIST OF WITNESSES

The following table lists the witnesses who appeared before the committee at its meetings related to this report. Transcripts of all public meetings related to this report are available on the committee’s [webpage for this study](#).

Organizations and Individuals	Date	Meeting
BC Seafood Alliance Christina Burrige, Executive Director	2023/05/08	66
Coastal First Nations Great Bear Initiative Paul Kariya, Senior Policy Advisor	2023/05/08	66
Department of Fisheries and Oceans Neil Davis, Regional Director, Fisheries Management Branch, Pacific Region Maryse Lemire, Regional Director, Fisheries Management Jennifer Mooney, Director, National Licensing Operations Mark Waddell, Director General, Fisheries Policy Doug Wentzell, Regional Director General, Maritimes Region	2023/05/08	66
Fish, Food and Allied Workers Union Greg Pretty, President	2023/05/08	66
As an individual Jennifer Silver, Associate Professor, University of Guelph	2023/05/11	67
Ecotrust Canada Tasha Sutcliffe, Senior Policy Advisor, Fisheries	2023/05/11	67
Fisheries Council of Canada Paul Lansbergen, President	2023/05/11	67

Organizations and Individuals	Date	Meeting
Nuu-chah-nulth Seafood Limited Partnership Andrew Olson, Chief Executive Officer	2023/05/11	67
United Fishermen and Allied Workers' Union – Unifor Kyle Louis, Vice President Emily Orr, Business Agent	2023/05/11	67
Association des capitaines-propriétaires de la Gaspésie Claudio Bernatchez, General Manager	2023/05/15	68
Bay of Fundy Inshore Fishermen's Association Colin Sproul, President	2023/05/15	68
Canadian Independent Fish Harvester's Federation Witness-Témoin 1 Witness-Témoin 2 Witness-Témoin 3	2023/05/15	68
Ocean Choice International Carey Bonnell, Vice-President, Sustainability and Engagement	2023/05/15	68
Prince Edward Island Fishermen's Association Molly Aylward, Executive Director Ian MacPherson, Senior Advisor	2023/05/15	68
As an individual Villy Christensen, Professor	2023/05/18	69
Aero Trading Co. Ltd. Brad Mirau, President and Chief Executive Officer	2023/05/18	69
Skipper Otto Community Supported Fishery Sonia Strobel, Co-Founder and Chief Executive Officer	2023/05/18	69
Canadian Council of Professional Fish Harvesters Richard Williams, Research Director	2023/05/29	70
Institut de recherche en économie contemporaine Gabriel Bourgault-Faucher, Researcher	2023/05/29	70

Organizations and Individuals	Date	Meeting
Vancouver Anti-Corruption Institute Peter German, Chair of the Advisory Committee	2023/05/29	70
West Coast Wild Scallops Melissa Collier, Fish Harvester	2023/05/29	70
British Columbia Crab Fishermen's Association Duncan Cameron, Director	2023/06/01	71
Competition Bureau Brad Callaghan, Associate Deputy Commissioner, Policy, Planning and Advocacy Directorate Anthony Durocher, Deputy Commissioner, Competition Promotion Branch Pierre-Yves Guay, Associate Deputy Commissioner, Cartels Directorate	2023/06/01	71
Department of Foreign Affairs, Trade and Development Shendra Melia, Director General, Trade in Services, Intellectual Property and Investment Callie Stewart, Executive Director, Investment Trade Policy Karl Van Kessel, Deputy Director, Investment Trade Policy	2023/06/01	71
Department of Industry James Burns, Senior Director, Investment Review Branch	2023/06/01	71

APPENDIX C: LIST OF BRIEFS

The following is an alphabetical list of organizations and individuals who submitted briefs to the committee related to this report. For more information, please consult the committee's [webpage for this study](#).

BC Seafood Alliance

Christensen, Villy

Clearwater Seafoods Limited Partnership

United Fishermen and Allied Workers' Union – Unifor

REQUEST FOR GOVERNMENT RESPONSE

Pursuant to Standing Order 109, the committee requests that the government table a comprehensive response to this report.

A copy of the relevant *Minutes of Proceedings* ([Meetings Nos. 66 to 71, 74, 80 to 82, 87 and 88](#)) is tabled.

Respectfully submitted,

Ken McDonald
Chair

CPC Supplementary Opinion

Canada's fisheries are public resources belonging to Canadians who have historically been able to achieve livelihoods supporting their coastal communities with economic benefits of their labours and investments in commercial marine fisheries. Today, fewer and fewer independent Canadian fish harvesters can have viable access to commercial marine fisheries because failed federal management and regulation of commercial marine fisheries have allowed foreign ownership and corporate concentration to push Canadian harvesters out of the fisheries.

The Government of Canada holds authority and responsibility for management and regulation of commercial marine fisheries.¹ Beyond the objective of conserving and sustaining fisheries resources to ensure their biological perpetuity, the Government is also supposed to manage these public resources to sustain the economic benefits that Canadians may draw from them.

In 2002, the Supreme Court of Canada's (SCC) decision in *Ward v. Canada* stated that "federal power over fisheries is not confined to conserving fish stocks, but extends to the management of the fisheries as a public resource. This resource has many aspects, one of which is to yield economic benefits to its participants and more generally to all Canadians."²

The Department of Fisheries and Oceans (DFO) publicly presents their mandate as including management of Canada's fisheries by "working with fishers, coastal and Indigenous communities to enable their continued prosperity from fish and seafood."³

Despite the SCC's statement on economic benefits from fisheries and the DFO's mandate to promote continued prosperity from fisheries, failures of the Government and the DFO to enforce laws and regulations and deliver commitments made to Canadians years ago have only pushed economic benefits and prosperity of fisheries further out of reach for many harvesters and the coastal and Indigenous communities they support.

Despite 2019 changes to the federal *Fisheries Act* and resulting 2021 amendments to regulations, both meant to preserve and protect the independence of licence holders in commercial inshore fisheries in Atlantic Canada and Quebec, harvesters in those regions continue to have their independence and benefits repressed by corporate concentration and foreign ownership that the 2019 and 2021 changes were supposed to eliminate.

Witness testimony described how despite new federal regulations, corporate control is increasing and depressing competitive prices at wharves for harvesters, limiting the ability of harvesters to seek new buyers and forcing labour relations into a binding system of arbitration that favours processors.⁴ Testimony stated that corporate concentration inflates costs of

¹ [Constitution Act](#), 1982, being Schedule B to the *Canada Act 1982* (UK), 1982, c 11.

² [Ward v. Canada \(Attorney General\)](#), [2002] 1 SCR 569.

³ DFO, "[Mandate and role](#)."

⁴ Greg Pretty, President, Fish, Food and Allied Workers Union, [Evidence](#), 8 May 2023.

licences to the points where inshore harvesters cannot afford them or access such levels of financing.⁵

Witness testimony detailed the effects of increasing foreign ownership stating that “coastal economies are suffering visible economic drain as those benefits instead go increasingly and unchecked to offshore investors.”⁶

Testimony likewise stated that a corporation owned by a foreign government has been allowed to conclude agreements in Atlantic Canada that include conditions giving the corporation broad control in the fishery, including guaranteeing their subsidiaries have privileged access to quotas or landings despite such practices being prohibited by the federal regulations.⁷ The Committee was told federal regulations are circumvented by this foreign corporation’s creation of a form of vertical integration established through acquisition of contracts that deliver the corporation control of harvester licences- control prohibited by federal laws and regulations.⁸

Conservative Members are very concerned by such circumstances and illegal practices described by witnesses that are the result of failures of the Government and the DFO to enforce the very laws and regulations specifically designed to prevent such practices that disadvantage Canadian harvesters and coastal communities. Since the 2021 regulations came into force, the Committee was told, the DFO has initiated at least 30 investigations of noncompliance but, but no charges have been laid as the DFO has rather elected to “gently guide corporations back to compliance.”⁹

While the 2019 *Fisheries Act* changes and ensuing new regulations of 2021 were undertaken to preserve and protect the independence of harvesters in commercial inshore fisheries in Atlantic Canada and Quebec, the Government has provided no such protection for harvesters and coastal communities in British Columbia.

In 2019, the Committee tabled its report titled “*West Coast Fisheries: Sharing Risks and Benefits*” that presented 20 recommendations for the Government to initiate protections for B.C. harvesters and coastal communities comparable to those established in Atlantic Canada and Quebec.¹⁰ The Government response to this report failed to reflect the urgency expressed by the Committee in its report and recommendations. The response stated the Government had performed some assessment of the recommendations and, where feasible, had begun collecting information and data to inform their next steps, and would be consulting with the Government of British Columbia, Indigenous groups, harvesters, and others.¹¹

⁵ Greg Pretty, President, Fish, Food and Allied Workers Union, [Evidence](#), 8 May 2023.

⁶ Emily Orr, Business Agent, United Fishermen and Allied Workers’ Union – Unifor, [Evidence](#), 11 May 2023.

⁷ Greg Pretty, President, Fish, Food and Allied Workers Union, [Evidence](#), 8 May 2023.

⁸ Ibid.

⁹ Ibid.

¹⁰ FOPO, “[West Coast Fisheries: Sharing Risks and Benefits](#),” 7 May 2019.

¹¹ [Government Response to FOPO Report](#), 30 June 2020.

Two recommendations in the Committee’s 2019 report touched on concepts of a fisheries loan board and program in British Columbia to support existing and new entrant harvesters in their abilities to buy licenses, quotas, and contend with expenses related to fishing vessels. In the course of the Committee’s current study, witnesses spoke of the benefits that could be afforded by a federal loan financing mechanism and one witness stated that such a proposal should be modelled on Farm Credit Canada that operates as a Crown corporation and reports to the Minister of Agriculture and Agri-Food.¹²

On June 5, 2023, DFO officials provided the Committee a briefing to update Members on the Government’s response to the 2019 report on B.C. licensing. Prior to this update, the Committee received testimony describing DFO’s limited capacity for progressing the Government’s supposed response to the 2019 report and that the department had botched a survey intended to identify the domestic and foreign entities that are benefiting directly or indirectly from commercial fishing licences and quotas.¹³ At the June 5, 2023 update briefing, DFO’s Regional Director was asked how many of the 2019 report recommendations that DFO had completed and he did not identify a single recommendation.¹⁴

Summary

The Government of Canada and DFO are failing to enforce regulations meant to protect Canadian harvesters and coastal communities in Quebec and Atlantic Canada while they also fail to progress the development of comparable protections for the harvesters and coastal communities of British Columbia. In the four years since the Committee tabled its report and recommendations aimed at confronting increasing foreign ownership and corporate concentration on the West Coast, the Government and DFO have failed to complete one of the report’s 20 recommendations.

The apparent absence of allocated resources for enforcement in Atlantic and Quebec and development of protections for British Columbia is a clear dereliction of duty on the part of the Government of Canada and Department of Fisheries and Oceans who continue to fail to ensure that the economic benefits and prosperity available in the public resources of Canadian fisheries are available to Canadians and the coastal communities they support.

¹² Richard Williams, Research Director, Canadian Council of Professional Fish Harvesters, [Evidence](#), 29 May 2023.

¹³ Emily Orr, Business Agent, United Fishermen and Allied Workers’ Union – Unifor, [Evidence](#), 11 May 2023.

¹⁴ Mr. Neil Davis, DFO Regional Director, Fisheries Management Branch, Pacific Region, [Evidence](#), 5 June 2023.

Recommendations

- 1) That the Minister of Fisheries, Oceans and the Canadian Coast Guard start work immediately with provincial and territorial counterparts to create a financing mechanism with sufficient risk tolerance to finance or re-finance existing fishers and new entrants, in all provinces and territories to replace fish processors as co-signees in existing and new financing arrangements and that this mechanism be implemented expeditiously.
- 2) That the Minister of Fisheries, Oceans and the Canadian Coast Guard immediately direct her departmental officials to prioritize actions and align resources required to enable identification of beneficial owners of commercial licenses and quota in east and west coast fisheries.
- 3) That the Minister of Fisheries, Oceans and the Canadian Coast Guard immediately initiate development of two strategies for commercial marine fisheries, one for the Department of Fisheries and Oceans' Quebec, Gulf, Maritimes, and Newfoundland & Labrador Regions and one for Pacific Region, for the purposes of conserving and increasing beneficial ownership of commercial licenses and quotas for independent Canadian fish harvesters.

SUPPLEMENTARY OPINION

Ms. Caroline Desbiens – Bloc Québécois

Further to the agreement of Committee members to adopt the report on Foreign Ownership and Corporate Concentration of Fishing Licenses and Quota, we would like to suggest that Recommendation 17 of the report be rephrased as follows: “That DFO call for expressions of interest from a limited number of communities willing to engage in an exploratory pilot program to test the viability of a community-based licence. The community-specific pilot project should target a specific area and a specific species by every type of fishing that is of interest to a particular coastal sector, within a previously established time frame.”

