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Resources**

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Honourable Derek Bennett, MHA

RESOURCE COMMITTEE

Department of Fisheries, Forestry and Agriculture

Chair: Perry Trimper, MHA

Vice-Chair: Craig Pardy, MHA

Members: Pleaman Forsey, MHA
Sherry Gambin-Walsh, MHA
Jordan Brown, MHA
Jamie Korab, MHA
Lucy Stoyles, MHA

Clerk of the Committee: Jennifer Peckham (A)

Appearing:

Department of Fisheries, Forestry and Agriculture

Gerry Byrne, Minister

Jamie Chippett, Deputy Minister

Blair Adams, Assistant Deputy Minister, Wildlife, Forestry and Resource Enforcement

Steve Balsom, Assistant Deputy Minister, Agriculture, Animal Health, Crown Lands and GIS and Mapping

Scott Jones, Assistant Deputy Minister, Licensing, Seafood/Aquaculture/Sustainable Fisheries

Steven Mercer, Departmental Controller

Kirsten Miller, Director, Policy and Strategic Planning

John Tompkins, Director of Communications

Dr. Daryl Whelan, Director, Aquatic Animal Health

Dave Hamlyn, Ministerial Liaison

Also Present

Hon. Pam Parsons, MHA, Minister Responsible for Women and Gender Equality

Hon. Bernard Davis, MHA, Minister of Justice

James Dinn, MHA

Jim Locke, Government Members' Caucus

Colby Greeley, Official Opposition Caucus

Megan Winter, Official Opposition Caucus

Steven Kent, Third Party Caucus

Pursuant to Standing Order 68, Pam Parsons, MHA for Harbour Grace - Port de Grave, substitutes for Sherry Gambin-Walsh, MHA for Placentia - St. Mary's.

Pursuant to Standing Order 68, Jim Dinn, Member for St. John's Centre, substitutes for Jordan Brown, Member for Labrador West.

Pursuant to Standing Order 68, Bernard Davis, MHA for Virginia Waters - Pleasantville, substitutes for Jamie Korab, MHA for Waterford Valley, for a portion of the meeting.

CHAIR (Trimper): Okay, I can call this meeting to order.

Welcome to the Estimates of the Department of Fisheries, Forestry and Agriculture for the fiscal year 2025-2026.

First of all, over to the Committee and we do have a couple of substitutions. By the way, my name is Perry Trimper. I'm the MHA for Lake Melville and I'll be your Chair.

We have from Bonavista, Mr. Craig Pardy; Exploits, Pleaman Forsey. Substituting for Jordan Brown is Jim Dinn. Thank you, Sir. Lucy Stoyles, MHA for Mount Pearl North. Placentia - St. Mary's is being replaced by Pam Parsons who just sent me a message that said she's on her way. She said one minute. That was a minute ago. Jamie Korab from Waterford Valley.

A couple of housekeeping items for those who are new to Estimates. So we are recording this. The Broadcast Centre is recording the audio at least, so to be recognized, just wave. I will also point out as the conversation is going back and forth, typically, the minister and somebody is engaged and once I introduce, they'll just got back and forth. I don't need to interject but maybe for some of the others, I'll do that so that Broadcast will find you.

They're looking at you on a video screen so sometimes you may just need to wave, but they do have the same seat chart that we had before.

We're going to take probably a 10-minute break about halfway through. We are scheduled for three hours, so at about 10:30 we'll take a 10-minute break, see how we feel.

What else? Oh yes, I'm told not to make any adjustments to your chairs. I don't know, I'm just the messenger on that one.

No unaffiliated Members here today, so we don't need to deal with those folks.

With that, I'm going to ask the Committee Members to please introduce themselves, starting with Mr. Pardy from Bonavista.

C. PARDY: Craig Pardy, MHA for the District of Bonavista.

C. GREELEY: Colby Greeley, Researcher, Office of the Official Opposition.

P. FORSEY: Pleaman Forsey, Exploits.

M. WINTER: Megan Winter, Research and Policy Analyst with the Office of the Official Opposition.

J. DINN: Jim Dinn, MHA for St. John's Centre.

S. KENT: Steven Kent, Research Assistant for the Third Party Caucus.

L. STOYLES: Lucy Stoyles, MHA for Mount Pearl North.

J. KORAB: Jamie Korab, MHA for Waterford Valley.

CHAIR: In the back.

J. LOCKE: Jim Locke, Research Coordinator, Government Members' Office.

CHAIR: We do also have Pam Parsons for Harbour Grace - Port de Grave, who says she's on her way in.

Minister, I'll ask if you could please start with yourself and introduce your team, or introduce themselves.

G. BYRNE: Thank you, Mr. Chair.

I'm Gerry Byrne. I'm the Minister of Fisheries, Forestry and Agriculture, as well as the Minister Responsible for the Public Procurement Agency. I'm delighted to be here. To my immediate left is Mr. Jamie Chippett, esteemed deputy minister. I'll ask Mr. Chippett to proceed with his own introductions and then move with the team.

J. CHIPPETT: Good morning.

Jamie Chippett, Deputy Minister of Fisheries, Forestry and Agriculture.

B. ADAMS: Good morning.

Blair Adams, Assistant Deputy Minister of Forestry and Wildlife Branch.

S. JONES: Good morning.

Scott Jones, Assistant Deputy Minister of Fisheries and Aquaculture.

D. WHELAN: Good morning.

Dr. Daryl Whelan, Department of Fisheries, Forestry and Agriculture. I'm the Chief Aquaculture Veterinarian for the province, and Director of the Aquatic Animal Health Division.

CHAIR: Now over to Kirsten Miller.

K. MILLER: Kirsten Miller, Director of Policy and Planning.

S. MERCER: Stephen Mercer, Departmental Controller.

S. BALSOM: Stephen Balsom, Assistant Deputy Minister, Agriculture and Lands Branch.

J. TOMPKINS: John Tompkins, Communications.

D. HAMLYN: Dave Hamlyn, Ministerial Liaison.

CHAIR: Great, thank you all very much.

Next, we're going to – I always say this, and I'm sure everybody stayed up late last night

looking at the minutes from the previous meeting. I need a mover to approve those previous minutes.

The hon. the Member for Bonavista beat everyone, so thank you, Sir.

All those in favour of those minutes?

SOME HON. MEMBERS: Aye.

CHAIR: Against?

The minutes are approved.

Thank you.

On motion, minutes adopted as circulated.

CHAIR: So I'll now ask the Clerk, we'll go subheading by subheading. We'll try to stay within those confines, and I'll ask Jenny, our Clerk today, to start us off.

CLERK (Peckham): 1.1.01 to 1.2.03 inclusive, Executive and Support Services.

CHAIR: Shall 1.1.01 through to 1.2.03 carry?

Perhaps the minister may like to start with a couple opening remarks, I'll just give him that opportunity.

G. BYRNE: Thank you, Chair, and thank you Committee Members.

Thank you to the team that's assembled behind me and beside me. This is Holy Thursday in the Christian faith and many of the team have come from Corner Brook to attend to Estimates this morning, and we'll be travelling back on Good Friday, so I just wanted to acknowledge and say thank you to those.

This is a department that actually is headquartered from the agriculture and from the Crown lands and from the forestry point of view from Corner Brook, and so the executive team there has travelled out, and I really want to say how much I appreciate their taking leave to accommodate the Committee while this will be a holiday for

them as they travel back to their own families. So thank you very much to the team.

This is, of course, Holy Thursday in the Christian faith. It's the day before the crucifixion, and we could have a crucifixion here today, we might start with a new tradition. Come on, you've got to lighten up over there.

We've had an exceptionally busy department over the last number of months and years, but in particular in the last number of months, we've unveiled remarkable groundbreaking amendments to our lands legislation and our Crown lands administration and program. The House attended to those legislative changes and assented to them.

It was a move that was 50 years, five decades in the making, and has already seen tremendous positive results in terms of the administration of Crown lands, but in particular the ability for individuals get access to Crown lands – to both Crown-owned lands and those lands that were otherwise under possession which they may or may not have had title to under previous statutory requirements.

Under the forestry, in the wake or in the shadow of tariffs, we've really advanced our forestry agenda, making sure that our industry is prepared and capable to be able to weather various storms. While Corner Brook Pulp and Paper, our cornerstone, our keystone within our forestry sector in terms of fibre and fibre exchange and interaction and synergies with the industry itself, we've been working hard to make sure that all interests of the forest sector are accommodated to the best of our ability within our fibre allotments, within a sustainable approach to forestry into the long term.

As it relates to fisheries, perhaps no more so than in the fisheries file have we been able to navigate some pretty choppy waters successfully. This past spring was not the spring of previous years, in the sense that through a lot of hard work, through a lot of

co-operation, and through a lot of seeing things through others' eyes, we were able to establish a regime or a process by which a successful crab harvest fishery prosecution was able to proceed.

This is in no small measure worth accounting because of course this is a \$1-billion industry, \$500 million to the harvesters themselves, spread out over the course of the province. This is a \$1-billion industry in terms of both indirect and direct value. I'll just make one casual note, but it's not so casual. In terms of the price-setting formula that was achieved, or decided by the Price-Setting Panel through binding arbitration, through the FICBA legislation, the difference between \$4.97 a pound versus \$4.50 a pound may not seem like a significant amount to a watcher from afar; that is \$62 million more in the hands of harvesters and their crew – \$62 million more. That is why there is a lot of attention and a lot of pressure to this particular process. The stakes are very, very high.

So, with that said, I won't belabour the point any further, we'll get to questions and answers, and I just want to say how much I appreciate you, Chair, for your attention to this, and to all Committee Members.

CHAIR: Thank you, Minister.

We'll continue the first round with 15 minutes allocated of each and then we'll go to 10 minutes each.

So I'll start with the Member for Bonavista.

C. PARDY: Thank you, Chair.

I just want to put on the record that I'm under a lot of pressure to start, from my colleague from Exploits, that I don't run over on the Fisheries and he gave me a hard cap of 10:30. So I'm going to try to be as succinct as I can with the questions to make sure that I fulfill that.

If we can look at the variance in section 1.1.01 on the Salaries in the Minister's Office.

G. BYRNE: Yes.

C. PARDY: Budgeted \$197,000, revised \$50,200 more and then we drop back \$28,000. Just to explain that variance.

G. BYRNE: As has historically been the decision of the department and within the context of the machinery of government, we added a departmental liaison to support Crown Lands files, in particular. That gentleman is sitting behind me and that is the consequence of that variance.

C. PARDY: Okay, good.

Minister, the consequence of the variance in the Salaries in 1.2.01 – and even though it's only \$25,000 there, and if that's just from the collective bargaining adjustments, then that's fine.

G. BYRNE: That is.

C. PARDY: That is correct.

G. BYRNE: Chair, that is correct.

C. PARDY: Minister, on Tuesday, March 4, you had a media conference and that was with the tariffs that I attended. Outside of the media was myself and a colleague that attended. It was my first one.

You had mentioned about the tariffs but then you also went into an agreement that was a lease agreement with Icewater in Arnold's Cove. I think you went at a pretty extensive time there to explain the value of that lease agreement that began in October of 2004 and it was renewed or – I'm not sure if it was renewed, but I know it was up for renewal in October of 2024.

In that news conference, you had suggested and you referenced Loyola Hearn as being the federal Finance minister and, in his wisdom, or lack thereof, he put in a preferential agreement clause that was in this lease agreement that was almost, I took, to mean that it was binding that you would have to renew.

Now, Loyola Hearn never became Finance minister until 2006. I was off on my timing as to whether 2004, when the agreement was signed, to Loyola Hearn. My question would be: Can you update us on whether the agreement has been signed? Number two was the nature of that preferential clause, and I'm sure you got legal opinion before you engaged. The other one, the third one would be: What would be the value of that groundfish quota lease?

CHAIR: The Minister of Fisheries, Forestry and Agriculture.

G. BYRNE: Thank you, Chair, and thank you for the question.

I appreciated the hon. Member attending that press conference. It was a matter of utmost importance to the industry, and his attendance and his ability to speak not only to what was said at the conference itself, but to the issue at large, the general issue was helpful.

There is a correction that I'd like to make and encourage the hon. Member that maybe a better note taker might be warranted in attending a future press conference. It was not Loyola Hearn that was mentioned; it was Loyola Sullivan.

C. PARDY: Okay.

G. BYRNE: Loyola Sullivan was the Finance minister in 2004 and Quota Holdco, there was a decision that was taken by the government to purchase the enterprise allocations of Nova Scotia company – I'm just drawing a blank here. High Liner Foods, sorry.

C. PARDY: Yes.

G. BYRNE: High Liner Foods to hold those quotas in trust within the provincial government through the Department of Finance. Quota Holdco was a Crown corporation within the Department of Finance and that then was leased under contract to Icewater.

So within the 20-year lease agreement, which formed a binding contract, not only were terms included in terms of what the maximum lease fee would be, but also whether or not the government, at the termination of the lease, was able to significantly modify the lease and whether or not the lease had to be extended to an additional term. Those were all elements that were built into the contract in 2004 by then Finance Minister Loyola Sullivan. The lease actually said it is binding on the Crown that the lease shall be renewed on commercial terms as per the original lease.

So there was a determination that created a legal interpretation of necessity that once the lease had expired in 2024, that Icewater had the right to expect a renewal of the lease.

The lease itself goes beyond 340 tons of northern cod. Because, of course, as we know with an enterprise allocation, the enterprise allocation is a percentage of what is in the water in a particular stock area. The enterprise allocation will change as the quota itself changes for the offshore participants. That is the nature of an enterprise allocation.

With that said, in 2025, the enterprise allocation that Icewater held or in 2024 – well, actually in 2025, once northern cod, just to use that one example, was made available to the offshore by decision of the federal government, Icewater's EA amounted to 340 tons of northern cod.

That is not the full extent of Quota Holdco lease holdings that we leased to Icewater. Icewater has about 6,000 tons of groundfish, which it has access to – 6,000 tons. That's a significant quota. Now what we know is that Icewater is a cod-only plant. It used to process other groundfish species, such as Turbot. It does not anymore, to the best of my knowledge. It could, but it doesn't. What it does is it takes those additional quotas that it leases from the Government of Newfoundland and Labrador, from the people, and it sublets them for a cash return to the company, to Icewater.

So during the course of the press conference, if you sensed a sense of umbrage on my part, it's that we were engaged in discussion at that point in time as to whether or not it was appropriate for the offshore Newfoundland and Labrador, offshore Canada to be engaged in the northern cod fishery.

What I took – and I've made the case quite clear – it is contrary for the offshore to be engaged in the northern cod fishery until such a time as the 115,000 metric ton threshold of overall quota had been met. There was a decision by Canada to grant 1,000 metric tons of the 19,000 total allowable catch of northern cod in the Canadian-managed NAFO stock; 17,000 went to inshore harvesters and 1,000 tons went to the offshore. I did take exception to that, and the Government of Newfoundland and Labrador takes exception to that, on the basis that it is contrary to the long-standing principle and policy that the first 115,000 metric tons of northern cod be allocated exclusively to the inshore.

Now, obviously, the offshore took exception to my exception. On the basis of a question that was presented to me by the media, I did engage in this discussion during the course of the press conference to point out that Icewater should not feel as though they are being left without needing, given the fact that while they have now gained access to 340 tons of northern cod, they still have over 5,500 tons of other species which are available to them.

Mr. Chair.

CHAIR: Thank you.

Back to the Member for Bonavista.

C. PARDY: Again, while I took no notes, I was thinking that you did provide a value to that, at that news conference. Can you recall?

G. BYRNE: Given the public information that is available on the overall value of quotas on a royalty or lease basis, taking that information and extrapolating it to what

is also public information about enterprise allocation, I would suggest to you the value of that is between \$4 million and \$5 million per year. It probably could be higher.

C. PARDY: So you did have your legal team look and gave you parameters as to what you're able to do with that agreement?

G. BYRNE: Thank you, Chair.

Most definitely. I won't speak as to exactly what the advice that was given to me by legal counsel, but what I will report to you is that while we are under a contractual legal obligation, as was interpreted by legal counsel, to maintain the lease and to renew the lease on a commercial basis, that gave very, very, very little flexibility to amend the lease in renewal – very little.

The argument could be made that any amendment in terms of increasing the annual cost of the lease could impact negatively the commercial viability of Icewater. They might be able to bring forward a case to that effect. That would be subject to such a case unfolding, but that might be the interpretation.

What I can report to this Committee is that we were able, within the context of the lease through negotiation with Icewater, to make certain substantial amendments to the lease upon renewal.

C. PARDY: Thank you, Minister.

Just to pivot, you had mentioned about the long-standing agreement, whether principled or not, but a long-standing agreement with regard to the offshore and the first 115,000 allocation to the inshore. But did not government correspond in writing to the federal minister – your government – to allow the commercial fishing offshore and probably even to advocate for?

CHAIR: The hon. the Minister of Fisheries, Forestry and Agriculture.

G. BYRNE: Thanks, Mr. Chair.

I would disagree with such an interpretation. What is evidently clear to us is that in a situation where for any reason the inshore was incapable, unable to catch its full quota, that would put a clear and present danger on Newfoundland and Labrador's and Canada's interest in our quota key within NAFA. Allow me to explain.

This is a Canadian-managed stock. That means that Canada sets the quota levels and Canada sets the management regime, but it is also a NAFO participatory stock, which means that outside – because, of course, we know 3LNO extends beyond the 200-mile limit in the nose and the tail in international waters. Given the coastal state, Canada, is the custodian of this particular stock, it will set the quotas and the management regime, but there is an entitlement under the Northwest Atlantic Fisheries Organization regime for a foreign activity, foreign quotas under a quota key system. While Canada sets the overall quota, once a commercial fishery was invoked by Canada, NAFO took the position that it had an entitlement to resume its fishing activity within the context of the existing quota keys, which then allowed 1,000 tons to be allocated to NAFO contracting parties.

So with that set, while 95 per cent of the quota was Canadian and 5 per cent was international, if ever there was a time that Canada, for whatever reason, any reason whatsoever, was incapable of landing its full quota share, that would create a political argument within NAFO, within the organization, that under the use-it-or-lose-it policy that NAFO has often invoked that the quota key for other contracting parties would be rightfully able to be increased.

As a safeguard against that measure, we took the position that the Government of Canada's harvesting plan should, indeed, allow – should not forbid offshore activity but it should be on a spot basis only. The plan should not be written that it would be ineligible for any offshore activity. Because on a spot basis, a one-time decision that if we were to be in a situation where we could not catch our Canadian Newfoundland and

Labrador quota, that we would allow Canadian offshore interests to harvest it. That was not a preferred position, but it does allow us to maintain 100 per cent landing of our Canadian share.

So not to be confused – this was not a narrative where we said the offshore should be an annual player. That was on a spot basis only the offshore should not be forbidden from participating but only on consultation with the Government of Newfoundland and Labrador, and only for the purpose of maintaining full Canadian-directed landings.

CHAIR: Thank you, Minister.

The Member's time is expired.

The hon. the Member for St. John's Centre.

J. DINN: Thank you, Chair.

Some general questions: How many people are currently employed in the department, and how many positions are currently vacant?

G. BYRNE: More than what you see here this morning, but I'll ask Mr. Chippett if he would be less flippant. I'm not flippant.

J. CHIPPETT: There's about 1,100 PCNs that would be filled on a regular basis. There are two sets of numbers, I guess, in terms of vacancies. Not all of our firefighters, as an example, have been called back or our conservation officers and so on, so there's a large number there.

I do have an individual breakdown of vacancies as we go through each division. I might have the total here, so either we can do it through division by division, or – let me see what I can find here. Sorry about that, it is here somewhere. So there are 159 vacancies right now.

J. DINN: Thank you very much.

These are not just seasonal; these are vacancies that need to be –

J. CHIPPETT: Yes, correct.

J. DINN: What's the timeline for filling them and, I guess, how long have they been vacant?

J. CHIPPETT: I'll speak to some of the areas that have had higher turnovers. As an example, from an enforcement perspective, we often do job ads that are open for some time. For example, there is a competition on the books right now, at the advertisement phase, where we're looking for 20 or 21 positions, I think it is. They're not all vacant in terms of nobody is in the job, but some of them are temporary hires, so the idea is to try to fill them with permanent jobs.

I think the actual number of true vacancies is seven, but because we've got temporary in a number of positions, we're looking to solidify that number of people. So in every section where there are vacancies, and we can certainly provide that data for each heading in the Estimates, a good number – again, depending on division – are out for recruitment now.

J. DINN: Do you do exit interviews with people who are either leaving, resigning, retiring even, too?

J. CHIPPETT: I wouldn't say that we do it all the time. I know, in particular, in positions where we have difficulty filling them and so on – I mentioned some of our vet staff in particular. I know there have been efforts taken to try to understand what some of the factors may be for them leaving the public service.

I won't say it's done in every instance, but if there's a trend or we're losing positions that are specialized and so on, in particular in those instances, we would do them.

J. DINN: Thank you.

Have you collated any of that information in the difficult-to-fill areas? Have you collated or have an understanding of what's driving people out of it, or choosing not to stay? And would it be possible to have access to that information?

J. CHIPPETT: So I don't know that it's done in a systematic fashion, but with vets we know – I'll use that example because there have been some discussions with some of our veterinary folks recently, both people who are still working in those positions and people who have left, about on-call and how that works, and kind of the demand that puts on vets and so on.

Sometimes there are salary considerations around hard-to-fill positions who have technical skills that could be of value in the private sector. In that instance, we've had some discussions recently with vets and in that particular example that's been some of the feedback. Not all of it, but some of the more significant feedback.

J. DINN: Thank you.

Presumably, is the department still using zero-based budgeting?

J. CHIPPETT: Yes, we are.

J. DINN: Since updates in December, are there any further changes coming to the Fish Processing Licensing Policy Manual?

CHAIR: The minister.

G. BYRNE: Thank you, Chair.

Yes, there are. Thank you for the question. I'd like to inform the Committee this morning that, in a matter of hours, maybe less, I'm announcing a new fisheries licensing policy directive that supports balance and fairness in the industry. That supports increased capacity, increased competition and positively reduces corporate concentration.

This morning, I'm announcing a new licensing policy whereby if a group of crab harvesters wish to come together in a collective and form a company, or a co-operative, an incorporated entity of a variety of their choosing, that represents a total amount of crab landings or quota access in 2025 of 4.5 million pounds of crab or more and if they apply for a crab processing licence and meet all of the existing criteria, such as the submission of a business plan

and other measures, they will be awarded a crab processing licence.

This is a proposal, an idea that I've been thinking about for quite some time. As we know in this industry, there are tentacles by processors into the harvesting sector through loan agreements, equity agreements and nefariously through controlling agreements, which are all under the mandate of the Department of Fisheries and Oceans, Canada, to investigate and enforce. But it is clear there are strong tentacles of the processing sector into the harvesting sector. There are no tentacles of the harvesting sector into the processing sector.

The idea really fermented with me when I heard that there was an operation in Glovertown, Terra Vista, whereby there had been a material change in operator that had been reported where one of the operators, the change in operator, included a harvester from Prince Edward Island who is now owning a plant in Newfoundland. That was quite remarkable in my opinion. Wouldn't it be helpful if harvesters had an opportunity to own plants in Newfoundland and Labrador? Harvesters from Newfoundland and Labrador owning plants in Newfoundland and Labrador.

So, with that said, given the elements of the necessity of acting on increased capacity, increased competition and bridging that gap that was otherwise unfulfilled, as of this morning, there will be a policy that will be unveiled that allows a group of crab harvesters that form a collective, that come together and ask for a crab processing licence, under all things being equal, they will be granted a crab processing licence under a co-operative partnership arrangement.

One of the firm criteria that must be met and has to be made accessible and available under evidence is that that company is not under any de facto influence or control by an existing incumbent crab processor, nor is it under any ownership or has any equity interest. Otherwise, that would defeat the purpose of having the additional capacity. It

would still be under the control of the existing processing interests.

So that policy is being unveiled today, and I'm pleased to do so first to this Committee.

CHAIR: Well done. Good to hear. Thank you, Minister.

The Member's time has expired.

The Member for Bonavista.

Ten minutes now and we'll proceed with each session.

C. PARDY: Thank you.

Minister, we don't need to look too far because we can look at the success of the Fogo Island Co-operative and we can look at the Southern Labrador Shrimp Company to know that it can be very successful, and I'm sure that those are two models of which I know you're quite familiar with.

Just to follow up, I know that in relation to the Fish Price-Setting Panel, you are held to be in contravention of the policy at that time, and I know there's an amendment coming that was announced in the House as well.

Can you qualify and look at your thinking when you made that decision? Because I would know that you may have known that you would be in contravention of that when you made your decision to do what you did. So I don't know if you can qualify that.

G. BYRNE: Thank you, Chair. I do appreciate the opportunity to speak to that issue. Thank you to the hon. Member.

No, I did not think that I was in contravention. It was my interpretation that I was acting lawfully when I took that decision. The court did rule differently. As I always say, 50 per cent of all lawyers who enter a courtroom, 50 per cent are wrong. Until the judge rules, you don't know exactly what will come of a particular dispute in interpretation of law.

I felt that I was within my powers under the act and was acting lawfully. The judge did make a determination that under the black-letter law, under the black ink of the statute that I was not. I accept that decision. I also appreciate the learned jurist's words in his written decision where he said – and I'll paraphrase here – the minister was acting what he thought was the best thing to do under the circumstances. That was appreciated that the jurist, that the judge actually said that, because I think he also recognized the incredible tension that was related to the issue.

Allow me to speak to why it was that I felt surprised that the Ocean Choice International, Beothic seafood, Quinlan Brothers took this court action. I say that very deliberately because always remember the Association for Seafood Producers is not some nebulous, ubiquitous organization. It is made up of members. It may be headed or managed by Jeff Loder, as their executive director. Jeff Loder, however, is not the decision-maker here. It is Ocean Choice International. It is Beothic seafoods. It is Quinlan Brothers.

What struck me about this decision to take this matter to court was that what I saw in the evolution of the price-setting process in 2024, leading to 2025, was an incredibly co-operative relationship that had occurred between Jeff Loder and Dwan Street, the chief negotiator and president of the FFAW.

So when the president and chief negotiator took a medical leave, as she has said publicly, not betraying a confidence there, I could understand exactly what the pressures and what the circumstances she was under, and you could have knocked me over with a feather, after seeing this incredibly co-operative relationship unfold in appearance between the ASP and the FFAW, between Jeff Loder and Dwan Street that in the instance of someone, the chief negotiator having, through no fault of her own, by necessity, having to take a temporary leave of absence and leaving that gap where 6,000 harvesters would be put in harms way, for the ASP, for OCI, for Quinlan Brothers, for Beothic seafoods and

all of the other members to simply take the position, I don't care. We don't care. That's their problem.

You could have knocked me over with a feather that that group of companies would take such a dehumanizing, unconcerned position in that particular moment. So when I took the decision that we will accept the fact that the chief negotiator had to take a leave of absence, I felt in my heart of hearts that in the spirit of any decency or humanity, that OCI and Beothic and Quinlan Brothers and others would have simply responded, we understand, and we'll take a pause while the FFAW and the 6,000 harvesters that they represent are better represented. Did they do that?

So I didn't think this would ever go to court because I thought in the spirit of humanity, nobody with any decency would do that, but they did. They took it to court, and they said, not our problem. I feel that reflects upon them more so than any court decision reflects upon me.

C. PARDY: Thank you, Minister.

Just one quick follow-up if I may. I'm assuming that you did consult with them because the legislation was clear that we debated in the House, the government's legislation that brought forth that both parties had to mutually agree. That was clear. That's what we debated in the House, but I'm assuming that you did follow that to check and the response may not have been okay with you.

G. BYRNE: Thank you, Chair.

I would argue there was consultation with them, that there was an ongoing and public discussion about the needs and expectations of both parties. So when the FFAW came forward with this request, I felt it was consistent with the spirit of co-operation and consultation that had already occurred, and as I said in my previous answer, I was absolutely gobstruck that the ASP and its constituent members would have taken such a position. I felt it was

contrary to all that consultation that had already occurred.

C. PARDY: Thank you very much.

Love to engage more but I got to move on before my colleague gets –

G. BYRNE: Understood.

C. PARDY: Last year when we started Estimates, my introductory remarks were that we had one crab fisherperson who went out – and it's in Estimates. On his first day out, he put out 250 pots and he got 12,000 pounds of crab, but before he came back in, he circled back to his initial pots and picked up another 3,200.

I moved on with the questions, I didn't dwell on that piece, but I had a remarkable response of outreach – I'm not sure remarkable now, three people that reached out and said boy, that really would speak that we ought to have a decent quota in that because that was a good measure of the stock, that piece of evidence.

I never really had drawn too much on that when I had stated it, but we have that now from what I hear in 3K, 3K harvesters, and I'm sure that with the e-logs that now that are in place, then they're having a very substantial catch, and we know that they're TAC has been reduced. Wondering if there's any movement or any action or any representation from government in relation to the 3K harvesters with your federal colleagues.

G. BYRNE: Thank you, Chair.

Thank you for this question. Catch per unit of effort is a fundamental, universal method of determining viability, stock size and overall viability of sustainability of a harvest at a catch rate, at a quota. There are other measures, of course, in terms of measures of recruitment, but catch per unit of effort, as the hon. Member just described, is a very tangible, very, very transparent way that we see, many of us, as both scientists and laymen, view what is overall stock health.

Yes, there are ongoing discussions about this issue. This is, however, a federal writ period which means that the federal government is somewhat in – well, it's in what's known as caretaker modes for most decisions. I take exception to that, that the setting of a crab quota cannot be resolved because of a caretaker mode. That is not the case.

What caretaker mode means is that the government cannot engage in new spending and policy initiatives. Managing ongoing activities, however, is expected to occur and that is why ministers retain their executive positions within government to be able to resolve matters of normal administration and the setting of quotas is, I would argue, part of that process.

So the federal government is under no constitutional or conventional bar from amending the 3K decision. That is my interpretation and I feel very strongly that's supported by experts everywhere. Otherwise, if the lobster plan is not released at the time of the writ, that means there could be no lobster fishery, because in caretaker mode, the federal government, the minister, would not be able to actually establish the lobster plan. That's ludicrous.

With that said, the best method here, Mr. Chair, is for joint management. Joint management is the best way for Newfoundland and Labrador harvesters, fishing interests, to have a role, a say in fisheries management decisions.

CHAIR: The Member's time has expired.

The hon. the Member for St. John's Centre.

J. DINN: Thank you, Chair.

Minister, Atlantic salmon are important to Newfoundlanders and Labradorians and the federal government recently released the national strategy for the conservation of the species entitled, Restore, Maintain, Thrive: Canada's national strategy to ensure the future of Atlantic salmon. However, the strategy was released with only \$1 million which pales in comparison to the \$647

million provided to the Pacific salmon strategy.

I'm asking, what steps will your department or this government take to support the implementation of the strategy and what steps to work with other environmental NGOs, Indigenous and community stewardship groups and other stakeholders to lobby the federal government to put funding towards investigating the issues facing wild Atlantic salmon populations?

CHAIR: The minister.

G. BYRNE: Thank you, Chair.

Thank you to the hon. Member for the question. This is of vital importance. As we know, under section 92 of the Constitution Act, management of all sea coast and inland fisheries are a federal jurisdiction. There are certain property rights under 92 that are afforded to the province. Property rights are the reason why we have licensing powers for recreational fisheries, strictly under the provisions of property rights, but that's as far as it goes.

We'd like to have a far more engaging and consultative relationship with the federal government on protection of salmonids, both trout and salmon, in inland waters and in the Maritime environment. I will note to the hon. Member this is a conversation we've had in the past and I'm delighted that it's continuing on in the current and in the future.

What may be remarkable to some Members is that, in all of North America, in terms of the overall range of wild Atlantic salmon habitat, spawning and rearing habitat, which extends from the low Arctic to the State of New York, of all wild Atlantic salmon, recruited and reared from North American rivers, 80 per cent of all of North America's salmon, come from one place, one jurisdiction: Newfoundland and Labrador.

Yet, the federal government prescribes only 25 per cent of Canada's eastern resources to –

J. DINN: Chair, if I may?

G. BYRNE: – habitat protection and enforcement. I have taken the position that Canada should indeed apply a proportionate level of resources to the one place where 80 per cent of all wild Atlantic salmon come from. It should not prescribe 25 per cent of the Canadian resources to the protection of wild Atlantic salmon to the place where 80 per cent come from; it should be proportionate to where the salmon are.

That would mean that 80 per cent of all Canadian resources for wild Atlantic salmon protection and enhancement occur and are dedicated to Newfoundland and Labrador. The federal government refuses to do so.

CHAIR: The hon. the Member for St. John's Centre.

J. DINN: What steps are you taking then to work with the environmental NGOs, Indigenous and community stewardship groups and stakeholders to lobby the federal government to do this?

CHAIR: The minister.

G. BYRNE: Thank you, Mr. Chair.

I thank the hon. Member for the question because, just recently, I re-engaged a discussion with ENGOs, in particular the Atlantic Salmon Federation, to ask for a joint declaration of exactly that. I asked the ASF to join with the Province of Newfoundland and Labrador to formally recognize Newfoundland and Labrador's exceptional role and circumstance in wild Atlantic salmon in this place's place within North America and in Canada and ask the Atlantic Salmon Federation to join with the Government of Newfoundland and Labrador, in a joint declaration, calling on Canada to do as exactly as I have proposed here to the Committee, which is to put commensurate resources in proportion to the overall circumstance of wild Atlantic salmon in Newfoundland and Labrador, which is to apply 80 per cent of Canada's

resources to the place where 80 per cent of the salmon are found.

At this point in time, the Atlantic Salmon Federation has said they're not prepared to do so as proposed.

CHAIR: The hon. the Member for St. John's Centre.

J. DINN: Thank you, Chair.

I'll finish with this. It's the Atlantic Salmon Federation and the North Atlantic Salmon Fund that are, basically, responsible for doing something practical which is the buy-out of the Greenland commercial fishery licences which directly benefits Newfoundland and Labrador.

I guess what I was looking for was something practical, but I'm done with my questions on this section in general.

Thank you.

G. BYRNE: Thank you, Mr. Chair.

I appreciate the hon. Member's comments. The Greenland buy-out has been successful. As we know, Greenland still engages in a commercial salmon fishery, whereas Newfoundland and Labrador no longer participates in a commercial salmon fishery. We have a rightful and strong Indigenous food social and ceremonial harvest where appropriately, where constitutionally valid and where prescribed within the Department of Fisheries and Oceans where that test is still under adjudication. There is an Indigenous fishery here in our province, in particular in Labrador.

I'll also point out to the hon. Member that there is a commercial salmon fishery in Saint-Pierre and Miquelon which, of course, is very impactful as well. There's not much discussion about influencing or mitigating the impact of the commercial salmon fishery off the South Coast that I think should be added to this.

I'll also note that within the Atlantic Salmon Federation's agreement with Canada there are no prescriptive measures within the agreement that ASF signed and holding the pen as to what role Newfoundland and Labrador should be able to expect of that federal ASF agreement.

I think that agreement should never have been signed without the signatory participation by the government and people of Newfoundland and Labrador, but the federal government chose to sign an agreement directly with an ENGO stakeholder without engaging a constitutional government, the Government of Newfoundland and Labrador, which does have influence and responsibilities within wild Atlantic salmon conservation.

CHAIR: No further questions from St. John's Centre.

The hon. the Member for Bonavista.

C. PARDY: I'd like to ask two quick questions on this section before we move on.

I presented a petition in '23 on the 75 per cent rule for harvester certification and licensing. I got a rather aggressive response back that I was off track, but I was only representing the people which the petition came from and the harvesters, stating that they couldn't provide for themselves to move through the levels with the commitment to know that 75 per cent of the income had to come from the fishery.

When it was seven or eight dollars a pound, they could. When it went down, he had to abort and go back to something other. I recall in Estimates, and you were in your previous position and we had the Labour Market Partnership Program, and I cited in the letter that you had, within that department, when you had an application related – and you talked about occupational pluralism and your stand that they probably needed to go back and revisit that, that people ought to be able to work in other. I don't know what the parameters were or what you were thinking, but you issued for

them to go back, review that policy and come back to them.

I think you got the type of letter in return that I received after I presented my petition. So I would ask you, can we have a review of that rule within, you know, it would be under the tentacles of your department?

G. BYRNE: Thank you, Chair.

This is an essential issue. I first want to recognize that the Professional Fish Harvesters Certification Board, its executive and its board of directors, have made advancements in recent years to amend the overall certification process to make it easier to become certified, to go from apprentice to Level 1 to Level 2. We need to recognize that there have been amendments that have been taken.

As Minister of Fisheries, I am still concerned. I'm still concerned that there is a recruitment issue into the fishery. There was a Labour Market Development Agreement application that was brought forward by the FFAW to attract new individuals into the industry.

When I met with former President Greg Pretty on that proposal, I pointed out to him the evidence that had been supplied to me by the Professional Fish Harvesters Certification Board and from the Department of FFA. At the time when I was minister of Immigration, Population Growth and Skills, that created clear evidence there was not a recruitment problem in the fishery. We were getting significant numbers of people entering into the fishery as apprentices, as crewmembers. The issue was retention.

Those new entrants coming in were not being retained. The evidence that I saw was that it's still exceptionally difficult to go from apprentice to Level 1, because of the income thresholds and in particular the occupational pleurisy rule. No other jurisdiction has that.

When you have a seasonal industry, when you put in effective bars that say that you can't work moonlight – let's call it

occupational pleurisy, it might otherwise be called moonlighting. It might otherwise be called just trying to survive, earning an income in the shoulder seasons, within the season itself but within a period that you're not actually working as a crewmember. If this is not resolved, we may find a demographic cliff in our fishery. It ages out.

Now also I'll point out to the hon. Member, that within the *Professional Fish Harvesters Act*, it states that while the Professional Fish Harvesters Certification Board is a statutory creature of this Legislature, in the act that we created the Professional Fish Harvesters Certification Board, any amendments to the program or to the act must originate from the Professional Fish Harvesters Certification Board.

So if there was a consensus that we would want to change the act, I wouldn't be anxious to do that unless there was an absolute unanimous consent of this Legislature to do that. Because otherwise, I could be in court again under the guise of black-letter law.

With that said, if there was unanimous consent, in the absence of Professional Fish Harvesters Certification Board communications saying please, Legislature, please, Minister, amend the act, I'd be reluctant to do so, for that reason.

C. PARDY: Note taken, challenge accepted and we'll talk on that one.

Before I close this one out, I didn't know that Saint-Pierre and Miquelon had a commercial salmon fishery. Yes?

G. BYRNE: Sorry. Yes.

C. PARDY: Just to finish off this section, you can tell me succinctly, if you can. I still have harvesters up in age who, in 1992, hung on to their wild salmon licences here and you know that it passes with them. The only thing being is that they were of the understanding that they'd have five years after 1992. While they were young at that time, they were going to hang on to their licences because they had visioned what

John Crosbie had said that we're looking probably a five year, six year. It wasn't what we have now, that duration. And we'll never see probably the wild salmon fishery again, maybe not.

Would the provincial government be open to making representation on their behalf to the federal government that some modest buy-out of those existing licences in Newfoundland and Labrador would be possible?

G. BYRNE: Short answer is yes.

C. PARDY: Thank you, that's good.

That's all for this section, Chair.

CHAIR: No further questions?

I'll ask the Clerk to recall this section.

CLERK: 1.1.01 to 1.2.03 inclusive, Executive and Support Services.

CHAIR: Shall 1.1.01 through to 1.2.03 carry?

All those in favour, 'aye.'

SOME HON. MEMBERS: Aye.

CHAIR: All those against, 'nay.'

This section is carried.

On motion, subheads 1.1.01 through 1.2.03 carried.

CHAIR: I'll now ask the Clerk to call the next section, please.

CLERK: 2.1.01 to 2.3.01 inclusive, Fisheries and Aquaculture.

CHAIR: Shall 2.1.01 through to 2.3.01 carry?

The hon. the Member for Bonavista.

C. PARDY: Thank you, Chair.

The Harvester Enterprise Loan Program was created, and a good thing. The only thing is that we had harvesters in my district who couldn't get access to it, because the stipulation was that they had first to secure through the banks, I guess, the endorsement that they would loan them the money. That problem was accessing a bank on the bottom of the Peninsula but, at the same time, that problem existed.

I'm not aware of anyone in the Bonavista Peninsula that would have got access to it. Lee Tremblett is a harvester in Bonavista, and Lee Tremblett's father accessed the Fisheries Loan Board and started his enterprise. He wouldn't have got it through the banks. Now the generation continues that Lee is harvesting and doing well with the small quota that he has, but to know that those inshore fishers and the smaller quota fishers in the District of Bonavista can't get access to the program, the question I would have is that it needs to be tweaked. Do you see what I am seeing in my district, as a department? How much of the \$15 million has been expended thus far? Because that would be an indicator as well of the program.

CHAIR: The minister.

G. BYRNE: Thank you, Chair, and thank you to the hon. Member.

I will have to point out that the loan program is within Industry, Energy and Technology; it's not housed within the Department of Fisheries, Forestry and Agrifoods. The reason why, just so that we're clear, is that our department don't necessarily have the resources to actually engage in matters of banking and finance. We've got great controllership within the department. We've got great capacities within our programs but to manage a loan portfolio and a loan guarantee, that's more expertise that's embedded within the Department of IET.

I'm not in a position – I will be able to say, though, to the hon. Member, there is a recognition that the program was, (a), innovative, thoughtful, imaginative and was piloted and is susceptible to improvement,

and improvement and changes are currently being contemplated by the Department of IET and Cabinet.

C. PARDY: So the word from the Minister of IET was the fact that they were just doing the financial portion of it. The logistics part of it and everything else, my understanding was that would rest with your department. That was my understanding and that was –

G. BYRNE: No.

C. PARDY: No.

Anyway, I just stated what my concern would be with that even though, yes, I'm sure it's innovative, the program is great and we all celebrated it, as did the fishers; but if there is that hurdle of getting through those banking institutions in order to get to secure a loan, there's a problem in that transition. Lee's father would never have started if that was the issue back with the previous board.

Minister, you mentioned about controlling the agreements before, and I don't disagree with what you had stated, the controlling agreements, but just say that we had somebody that was involved in the controlling agreement and it was pulled away from them – forget any individual, whatever, but I know the media had portrayed one.

In an exchange that you and I had in the House one time, I had mentioned that, and I don't know what your thinking would be. My thinking was the fact that if we did have somebody ensnared in this controlling agreement, which is under the federal jurisdiction but if we've got the Harvester Enterprise Loan Program, I would have thought that that may have been a program to help those people who are ensnared in the collective agreements with no opportunity for getting out.

What is your view on that?

G. BYRNE: That's exactly the intent of the program. It's to create greater independence. You know, if you have a

crab quota as an enterprise, it's normally not very difficult to get a loan from the bank. It really isn't. It's not the same as getting a loan from a processor, which is often a handshake, sign on the dotted line and I hope you don't read too closely the fine print which says what your interest rate is going to be and what the terms and conditions will be if you land your crab somewhere else.

Let's call a spade a shovel here. Is there a cartel that sort of stops, blocks harvesters from moving from one processor, buyer to the other? What I noted – I'll say it instead of now what I believe to be true, there are processors that would stab each other in the throat to get access to other harvesters' quota. What blocks them, normally, is that if you've got a loan agreement with a particular processor and then you say you're not treating me very well; I'm going to go somewhere else. The processor simply says, yeah, best of luck. Now you owe me \$4.2 million. I want it now.

So let's just call that out for what it is. That's what goes on.

C. PARDY: Minister, when I say accessing, you're right. It depends on the quota he would have. So Lee Tremblett would have 10,000, 11,000 pounds of crab. That's where he would be. Clifford Baker didn't have crab at all; lobster and cod, that was basically what he operated in the Bonavista Bay side. These are the ones in the harvesters that are looking in order to grow but would have the inability. So I'm fully aware of that, and that was a little concerning.

So if you do agree with that, I personally would look at a Jimmy Lee Foss in La Scie. With everything put aside on that particular circumstance, it would be nice to say we've got a pathway for you to continue with the harvesting, and we know the situation you were in to do so. So that's where I was coming with that.

If I may just look at a couple of variances, and I know it's Salaries again, but with the amount, 2.1.01.

G. BYRNE: 2.1.01.

C. PARDY: 2.1.01, on Salaries.

G. BYRNE: Sorry, Mr. Chippett, would you be able to help me out there?

CHAIR: The deputy minister.

J. CHIPPETT: So those would just be due to collective bargaining forecasted adjustments from the \$795,500 to the \$811,400. So there's nothing but just regular increases and step increases there.

C. PARDY: Yeah, \$16,000, but that's just regular step increases?

J. CHIPPETT: Yeah.

C. PARDY: Okay.

I'm assuming we can get the binder or the stick? Instead of going through the Grants and Subsidies, at least that will all be provided.

G. BYRNE: Yes.

C. PARDY: Good, thank you very much.

There was a review of foreign investment in Newfoundland and Labrador, the fish processing sector. That was released in – well, three years ago now. The licence in review, one of four recommendations outlined in a now three-year report, are all those recommendations complete now, what was in that report?

J. CHIPPETT: So I think three of the four are complete. The review of the licensing regime is still ongoing. However, some of the things that were reviewed have already been implemented. At various stages in the process, as an example – and just to be clear, it wasn't just a legislative review. It was also looking at practical things, like how easily can you apply for a fish processing licence, which went from paper and now it's a fillable PDF on the website.

As things like that were reviewed, applications, forms and documentation of

processes for applying for a processing licence, those were implemented, and you'll find a lot of those on our website.

Scott, I don't know if you have anything to add to that.

CHAIR: Scott Jones.

S. JONES: Yeah, as much as the deputy minister said, we are also, as part of the review, in the process of implementing a new system that's more user-friendly for applicants and report generation. That's in process of being worked on now in conjunction with OCIO.

CHAIR: The Member's time is expired.

The hon. the Member for St. John's Centre.

J. DINN: Thank you, Chair.

Under 2.1.03, I'm looking for a percentage breakdown, simply, of where that money went in last year's budget with regard to aquaculture and to other projects. Just if you have that at your fingertips; if not, it can certainly be sent to me.

G. BYRNE: Mr. Chair, the deputy minister does indeed have that in minutia detail.

CHAIR: Deputy Minister Chippett.

J. CHIPPETT: I have it over the life of the AFF project. There were 27 applications approved for aquaculture projects out of 549 and, by value, it was \$9.5 million approved for aquaculture out of the total of \$110.3 million.

Just for context, there were 71 processing projects approved for \$48.4 million and 442 projects approved for harvesting for a total of \$37.3 million.

J. DINN: Thank you, Chair.

Under 2.2.01, and I'm looking here, I have a list of mortality incidents at aquaculture fisheries in the past year, and if you have a list of causes as well.

G. BYRNE: I missed that question, can you just —?

J. DINN: I'm looking for a list of any mortality incidents at aquaculture facilities over the past year, and where possible the causes that were identified.

G. BYRNE: Thank you, Chair.

Our esteemed Dr. Whelan, our chief veterinarian, if I could ask him to take that question, please.

D. WHELAN: Thank you.

You're talking about for '24—'25, so there's one mortality incident. You'll notice that they're actually shown on the portal for NAIA or the Aquaculture Industry Association. So that's part of the requirement that as an incident occurs, a mortality event occurs, the data would then be placed up there. That link can be provided and it's publicly available.

J. DINN: Thank you.

How many escapes have there been reported from open pens, and how many fish escaped in each incident?

D. WHELAN: So this year there was an incident where they looked as suspect, and they determined that there were zero escapes. There was no other incident noted.

J. DINN: No escapes, thank you.

How many inspectors are there as of now for monitoring aquaculture sites, and how often are sites and fish inspected?

CHAIR: Mr. Jones.

S. JONES: Sorry about this; I'm just trying to get my notes together.

The inspections are completed with the Licensing and Quality Assurance Division within the department, so they perform those as part of their ongoing inspections such as overlap between fisheries and

aquaculture as well. I've got the number of inspections here.

J. DINN: And how many inspectors would there be?

S. JONES: I'm sorry, pardon? How many inspectors?

I don't have that information right here with me that are on staff due to turnover and vacancies.

J. DINN: Thank you, and –

S. JONES: 294?

J. DINN: – and I would assume that we have the ratio of inspectors to the number of aquaculture sites.

S. JONES: Yes, there's an inspection plan that's an annual inspection plan that goes out.

There are 294 inspections.

J. DINN: How many?

S. JONES: 294.

J. DINN: With regard to 2.1.01, Marketing and Development, on page 115, it looks like there's an increase in the amount of money budgeted for Marketing and Development. Are there any new initiatives then that would help the fishing industry diversify its dependence on sales to the US?

CHAIR: The minister.

G. BYRNE: Mr. Chair, I'm looking intently, but I do believe that yes, the amount of funds was the marketing diversification initiative that we unveiled for two fiscal years of \$5.7 million. Plus, in addition to that, our other marketing funds.

J. DINN: Okay, thank you.

The Snow Crab Food Safety and Quality report concluded by noting that there is always an opportunity to garner more value from their resource. I'm wondering, what

new initiatives is government exploring to garner more value from their resource?

G. BYRNE: Thank you, Mr. Chair.

In terms of the quality of crab, the keystone to that, to all other elements, to the supply chain, to the quality chain, is in top-quality crab from the deck of the boat to the shipping platform of the plant. If we do not have top-quality crab being processed, we will not have top-quality product going into the marketplace.

So we are adamant and rigid in our application of regulation related to fish quality. Instances of dead crab or less vigorous crab being processed, contrary to regulation, shall be inspected and enforced, and we take no hesitation in that.

In 1996, where our current regime comes from, the genesis of it, comes from a monstrous crab quality issue. When the industry began to advance, quotas really went up and the markets advanced, we were not putting high-quality crab on the marketplace because the quality at the deck of the boat to the shipping garage floor of the plant itself was questionable in some instances, and so we lost tens of millions of dollars in value to that.

That is where our current regime comes from. We'll be rigid to that, and for good reason, because we add value to our harvesters and to our communities; but, in addition to that, we are actively engaged in looking at value-added processing and secondary processing of our crab product while we look to new markets. That's how we do that, Mr. Chair.

J. DINN: Thank you.

That's it, Chair.

CHAIR: Thank you.

At this time, I'm going to propose a 10-minute break. We'll keep in the same subheading. So we'll be back here at 10:38:20; how about that?

Recess

CHAIR: Okay, thank you very much.

I call everyone back to order.

I'll now recognize the hon. the Member for Bonavista to continue in this section, 2.1.01 through to 2.3.01.

C. PARDY: Thank you, Chair.

We know we have free enterprise that we talked a lot about in the House. Can you give me the number of the amount of Northern cod that may have been shipped out of our province unprocessed last year? Further to that, part (b) would be, I'd love to know, was it being sent out directly by the harvester or was it being sent out by the processor?

CHAIR: The hon. the Minister of Fisheries, Forestry and Agriculture.

G. BYRNE: Chair, thank you.

That's a very important question because, of course, we have minimum processing requirements in Newfoundland and Labrador and cod is captured under minimum processing requirements. There are provisions whereby under our outside buyer's licence, the outside buyer, once authorized under the *Fish Inspection Act*, can indeed ship product without having the minimum processing requirements put in place. That is the nature of an outside buyer's licence.

As it relates to cod itself, I don't have that information in front of me at this point in time, but I can supply it. I do know that there was some cod that did go out of the province under the outside buyer's licence. I don't know if it was northern cod, however.

C. PARDY: Okay.

G. BYRNE: Mr. Jones, would you have that data available, or in the interest of time we could just (inaudible)?

C. PARDY: No, no, that's fine.

You can get it to me, Minister, if that's good.

G. BYRNE: Sure.

S. JONES: I have three numbers here I have to add.

G. BYRNE: No.

S. JONES: We're good?

G. BYRNE: We'll get that.

C. PARDY: Fantastic, thank you.

There seems to be, in the public's eye, a lot of discussion on the marine protected areas. Especially the one that would stretch to Burgeo on the South Coast. It was picked up by the aquaculture, and I think in a news release that the aquaculture association put out in December they were thankful of the government for championing with them on the sensitivity of their aquaculture industry and as it related to the marine protected area.

The question asked in Environment and Climate Change last night while filling in for my colleague from Labrador who was ill, I had asked a question, when did you enter into the agreement with the federal government on marine protected areas? The response from the minister was in 2023.

So if you entered into the agreement in 2023 you knew well where the marine protected areas were going to be and there was no championing the cause because you were the architect of where it was set to go.

I just throw that out for clarification and for my thinking.

G. BYRNE: Thank you, Chair.

There was a memorandum of understanding, not a binding agreement. There was an MOU that was signed in June of 2023. I'll highlight section 5.7 of that MOU, which was signed in June of 2023, which commits the Government of Canada

to honouring existing and currently proposed finfish aquaculture sites. That was written into the MOU.

An MOU, of course, is not a binding contract, it's not a final determination, it's a memorandum of understanding, but with specific caveats. Section 5.7 of the MOU commits the Government of Canada to honouring existing and currently proposed finfish aquaculture sites.

So, with that said, I'll add a little further detail. It had been highlighted by our aquaculture proponents in the area, and the aquaculture industry generally is that, given the litigious nature of certain ENGOs and others, that they would like to have legal certainty that unintended consequences may not arise from such a marine conservation area, i.e. unintended, such as the movement of aquaculture vessels to and from the site, but may have to transit through the marine conservation area. They would not want a litigation against that.

You and I might understand that to be innocuous and why would we worry about that. We also know that there are certain groups that are very litigious, and they wanted certainty. I agree with having that certainty before any binding agreement would ever be signed.

C. PARDY: Good.

I think a lot of people speak for and seeking balance in the ecosystem. For so long, we talked about seals being the apex predators that would be in – and our lack of actioning toward the seals. I know the myriad, the marketing concerns, and I know the pitfalls within all of that. I'm fully aware of that. But still they remain.

In Bob Hardy's research, he had looked and said of every type of seal that would be in our oceans – and he looked at about 11 million – using the DFO research papers and what they've had on their accounts and so on is what he had used. Then looking at the DFO results of what the seals would consume, he had thought that harvestable products on our shores, seals would be

consuming 13 million metric tons of harvestable products.

So if we look, since 2002, we've had 12 newsletters related to the sealing industry in this province. Minister, you'd had one. One of those in your previous capacity, and National Sealing Day, and in that release, it talks about the sealing industry is alive and growing. A 22 per cent increase to approximately 81,000 with a value approximately of \$2 million. Employment of 50 processing jobs.

Yours truly had three newsletters on sealing because I do feel strongly that I'd like to see the industry resume, and I'd like to be able to see a plan of action as to us moving forward. So when I looked at The Economy booklet and the Budget Speech and I looked at all the species that would be in the Province of Newfoundland and Labrador, and I looked for seals, but seals weren't there, unless they were subsumed under some heading, but weren't there.

Now that you're back at the helm as minister, what can we expect the department, now, from initiative or planning, going forward that we're going to tackle all of us would say is a concern for the viability of the harvesting potential?

If David Vardy says that he agrees that we had to have a better vision for our fishery, maximal sustainable value, what he's talking about, and that's for a different day, sealing would be a part of that conversation.

G. BYRNE: Thank you, Chair.

I am firmly of the belief that seals and sealing still has a future. It may be a different pathway, but it still has a very solid future.

We have to do two things. We have to be market-orientated and purposeful. We have to recognize that the industry has to be purposeful; it has to meet the needs of the market. We cannot dictate what the market wants. We respond to the market – we can influence the market, but the market is the market. We have to adjust and adapt to that

as it exists, but we can also try to continue to influence it.

I am firmly of the belief that social mores, social values do change. I think there was a reaction to the harvesting of seals which is emotional, which is unfounded. In normal circumstances, our protein industry of the planet depends on the cultivation of animals or the harvesting of animals. I argue that there's no better way to obtain protein than wild harvest in all sorts of different ways. But if we look at seals as a protein source, as a nutrient mineral source, the future of seals and sealing, I believe, are in nutraceuticals, in protein supplements, in exceptionally value-added products.

I don't know if the fur market is going to rebound any time soon. That's a function of global social norms and values. It could very easily if there's an epiphany, a real realization that natural skins and furs are far better alternatives than hydrocarbon-produced garments. That would be, I think, fair minded and it would be appropriate, but right now social norms and values are limiting the value of the marketplace for seals and for fur and skins.

I just recently signed off \$1 million in additional marketing under the Fur Institute of Canada to advance seals and seal marketing. We have applied funds to an Indigenous organization for seal oil caplets. These are the kinds of things that I think we really have to have a sustained effort towards, and I think research and development of new products is absolutely essential. We need to respond to the marketplace. We cannot necessarily change the marketplace. We can influence, but we can't change it. The marketplace is ripe for using this natural product for things which the marketplace demands.

C. PARDY: Thank you.

That'll be my last question.

CHAIR: You're completed?

Okay, I'll ask the Clerk to recall this section, please.

CLERK: 2.1.01 to 2.3.02 inclusive, Fisheries and Aquaculture.

CHAIR: Before I call this, I'd just recognize that the Member for Virginia Waters - Pleasantville is here now to replace the Member for Waterford Valley.

All those in favour, 'aye.'

SOME HON. MEMBERS: Aye.

CHAIR: All those against, 'nay.'

Carried.

On motion, subheads 2.1.01 through 2.3.02 carried.

G. BYRNE: If I may, while we're still on the subject, to answer the question from the hon. Member about cod.

CHAIR: Oh, yes, the previous question.

Go ahead.

G. BYRNE: In the previous year, 381,920 pounds of cod were exported unprocessed under outside buyers and it was largely Ocean Choice International and Quinlan Brothers, along with a company called Rough Water Traps that were the proponents of that export of unprocessed cod. Ocean Choice International, which held an outside buyers' licence and Quinlan Brothers, which also held an outside buyers' licence which is an interesting topic in and of itself.

If you could indulge me for a minute, a small, factual point is that the vast majority of outside buyers were inside buyers. The vast majority of those who held an outside buyer's licence in 2024 were indeed companies already resident in Newfoundland and Labrador and most of them were members of ASP.

They were the ones that were using the outside buyers – this is just factual information, not providing any commentary about it. They were applied for and received an outside buyer's licence and were

deploying that outside licence as a method of exporting fish outside of the province unprocessed to other buyers. That doesn't do a huge amount to competitiveness. It basically just allows us – so one of the reasons why I announced what I announced this morning about harvesters being able to have a crab processing licence is that we should have more inside buyers producing greater value to inside of Newfoundland and Labrador.

CHAIR: I'd ask the Clerk to call the next section, please.

CLERK: 3.1.01 to 3.4.02 inclusive, Forestry and Wildlife.

CHAIR: Shall 3.1.01 through to 3.4.02 carry?

The hon. the Member for Exploits.

P. FORSEY: On 3.1.01, in 2018, government unlocked 280,000 cubic metres in forest management area 10, 11 and 12. Have all those permits been allocated?

G. BYRNE: The allocation has been released. I'll ask assistant deputy minister responsible for Forestry, Steve Balsom, to reply.

B. ADAMS: Blair Adams.

G. BYRNE: Sorry, Blair Adams.

CHAIR: Blair Adams.

B. ADAMS: Yes, all of the allocation in those three districts has been allocated out on permits. They're fully allocated.

P. FORSEY: Okay.

Is it possible that I can get a list, a breakdown of allocations in 10, 11 and 12 for logging for pulp and paper, whatever, get a breakdown of who has the permits and what they're used for?

B. ADAMS: Yes, that should be no problem.

P. FORSEY: In 10, 11 and 12.

B. ADAMS: Yeah.

P. FORSEY: Okay.

How long would that take?

B. ADAMS: We can probably get it to you in a day or two. We have that on hand.

P. FORSEY: All right, thank you.

In 3.2.02, what is the expected timeline for the completion of the Atlantic Wildfire Centre?

CHAIR: The hon. the Minister of Fisheries, Forestry and Agriculture.

G. BYRNE: Thank you, Chair.

The Atlantic Wildfire Centre is a multifaceted project and program that includes both advancement of aerial wildfire suppression, aerial resources and capacity. It includes terrestrial land-based, ground-based wildfire suppression. And includes significant training, science, research and other capacity developments related to wildfire suppression generally.

I'm not trying to be glib and wouldn't want to have it communicated that this is a project that will never, ever end, but this is a project that will never, ever end. There will always be improvements and advancements and we want to apply resources to this initiative to advance our wildfire capacity. We have several contracts being let through RFP for both resource for not only planning, but for capital acquisition of the resources, in particular aerial resources. In particular our bird dog, our spotter aircraft.

We're also waiting on expert planning to help guide us in some of the other decisions that need to be taken. We're advancing planning on such things as recruitment and training for additional resources in terrestrial attack.

P. FORSEY: Still no answer on the timeline.

An RFP was issued November past for the centre, with a closing date of November 22, 2024. What was the result of that RFP?

G. BYRNE: I'll ask Mr. Adams.

CHAIR: Blair Adams.

B. ADAMS: Thank you, Chair.

So that RFP has been awarded to a group called Resource Planning Group. They're a functional design program company. What they do is they come in and look at all the operations we want to do in the centre. Then they provide us recommendations on how we would structure both the infrastructure and the organization itself to be as effective and efficient, as possible as we can, with the delivery of that particular program.

We've met with them a number of times since the contract was awarded. They're in an information gathering phase right now in terms of what we're looking for and related documentation. They'll be visiting the province in May and meeting with some of the stakeholders to gather further information.

P. FORSEY: Okay.

What's the current operational size of our waterbomber fleet?

B. ADAMS: Currently, we have four active tankers.

P. FORSEY: Four active.

Has the department been notified of the actual time of the replacement for the fifth waterbomber?

B. ADAMS: That would be handled by TI, Air Services Division.

P. FORSEY: Have you had any consultation with TI?

B. ADAMS: Yes, we've certainly had discussions with them, and I know the contract with De Havilland for the repair is in

place, but I don't have an exact timeline myself on that.

P. FORSEY: Have they given you any indication –?

CHAIR: The deputy minister.

J. CHIPPETT: The expectation, based on the contract that's been signed, is that the fifth waterbomber will be in service for 2026 fire season.

P. FORSEY: Have you been in contact with the TI Department to know if there's a full complement of pilots for this year's season?

CHAIR: Blair Adams.

B. ADAMS: Thank you, Chair.

Yes, we are in a good place with pilots for this upcoming season.

P. FORSEY: Full complement, do you know?

B. ADAMS: I believe there is a full complement in place.

P. FORSEY: What about a full complement of ground crew for this year's season?

B. ADAMS: Yes, we're well positioned. I can give you some numbers on that if you like.

P. FORSEY: Okay.

B. ADAMS: So we have 68 firefighters who have passed the fitness test, both type one and type two. We have 10 auxiliary firefighters who are in the department, but don't work directly for Forestry who've passed the fitness testing. We have 19 firefighter positions that are vacant that we've done the interviews for and are currently being filled, and then we're bringing on 16 summer students as well who will be trained up.

So in total we'll have – assuming everybody accepts the positions – 103 firefighters

available going into this summer season. We're really happy with that.

P. FORSEY: Okay.

In the past – especially with the four waterbombers and a big territorial responsibility – government has taken the attitude of asserting waterbombers where most need of priority. Has that been working in the past few years? Has that been really doing the job for us in the past, say, four years?

CHAIR: The minister.

G. BYRNE: The answer is yes. When you have the landscape as significant as Newfoundland and Labrador, Labrador and Newfoundland, the best method, what our experts, our wildfire professional experts inform us, is that risk forecasting is an essential component of determining the placement of resources and future needs. It's absolutely essential to rely on the experts as opposed to using a political dynamic as to the dedication of resources.

What we know, wildfire science is an advanced science. It's not perfect, but it does indeed provide us with best practices and best information to make best decisions under the circumstances that we're in. By using risk forecasting and risk measurement, what happens is that more resources are placed in areas where the risk is higher as opposed to having a static, a fixed platform, with fixed resources, which could inevitably result in assets being underutilized when, otherwise, in high demand and assets being unavailable for areas of high demand when required. That's why we use risk forecasting.

P. FORSEY: Thank you.

What's the current status on the spruce budworm situation in the province?

G. BYRNE: The spruce budworm, of course, is a cyclical infestation. It occurred first, had strong evidence, in eastern Ontario, Quebec but as we know, it moves with wind patterns. It hit Newfoundland and

Labrador some years ago, and we are working with our federal counterparts. We have a spruce budworm mitigation strategy and funding envelope in place to be able to aggressively attack spruce budworm.

Like I say, it is a cyclical infestation. You wouldn't have a spruce budworm control program when the spruce budworm is not present in any significant measure, but it is today and that's why we have a sustained attack on spruce budworm to be able to mitigate the damage that it causes.

P. FORSEY: Thank you.

CHAIR: The deputy minister.

J. CHIPPETT: If I could just add to that, there's a strong management or monitoring research regime associated with the program. So we can report there's a 75.4 efficacy mark with respect to the treatment that happens. When budworm populations are assessed after the treatment, there are approximately three-quarters less budworms than before the treatment, so it certainly seems to be working well.

P. FORSEY: Okay, thank you.

CHAIR: The Member for Exploits – oh, I'm sorry, the time is expired.

The Member for St. John's Centre.

J. DINN: Thank you, Chair.

This is for 3.2.02. What will the satellite infrastructure of the Atlantic Wildfire Centre in Wabush consist of?

CHAIR: The minister.

G. BYRNE: Thank you, Chair.

The specifics will be determined by our professional expert who's helping guide us, who's been resourced through our RFP. Those individuals, that firm will provide us with best advice on best practices, but there will definitely be infrastructure in Lab West.

CHAIR: The Member for St. John's Centre.

J. DINN: Thank you.

When can we expect to have the recommendations of this expert and to see what these resources will be?

G. BYRNE: I'll ask Mr. Adams to relate, but allow me, just in terms of the specifics as to what would be expected. In terms of the infrastructure itself, core to all of this would be accommodations as well as communications infrastructure. There would be permanent accommodations for crews; not only flight crews, but as well, depending on to what extent the expert recommendation would be for ground crews as well potentially, if we had to bring those in, but there will also be a communications infrastructure in place.

J. DINN: Thank you.

G. BYRNE: Mr. Adams, if you want to comment on (inaudible).

CHAIR: Blair Adams.

B. ADAMS: Thank you, Chair.

We anticipate the first round of consultation in May, a follow-up round in June and then the final report likely in August.

J. DINN: In August. Thank you.

Under 3.3.01, Wildlife Operations, moose and caribou population surveys were done last year and what information have they revealed regarding population size and health?

G. BYRNE: Mr. Chair, I'll defer to Dr. Adams on this.

CHAIR: Blair, Adams.

B. ADAMS: Thank you, Minister.

In the 2024 season we did a variety of work around moose and caribou on the Island and in Labrador. During the fall of 2024, we did caribou classifications for a number of herds around the Island, from the Avalon all the way up to the Northern Peninsula.

That's when we fly each herd in the province and get estimates of the number of calves and the numbers of males and numbers of females. So that the entire Island was done at that point.

We also did a classification of the George River caribou herd in Labrador. This winter, we did a complete population census of the South Coast caribou herds in Newfoundland, which range from Rose Blanche, southwestern Newfoundland, all the way over to the Bay d'Espoir Highway, that entire southwestern region.

We also did three moose management areas as well. This winter, the moose management survey results were good. Two of the moose management areas show very significant increases. One showed a small decline over a five-year window.

I would say as a general assessment of the caribou status on the Island, it's pretty well status quo. The one bright spot we did see is we saw some good increases in the Avalon herd, especially in the condition of animals and number of calves.

So, on the whole, I think it was a positive year from a survey perspective.

J. DINN: Thank you.

That's it for that section.

CHAIR: Okay, thank you.

Member for Exploits, any further questions?

P. FORSEY: On 3.3.01, the 800-metre distance rule for hunters, has there been any consultation or consideration of having that reviewed, of the 800 metres?

CHAIR: The minister.

G. BYRNE: Thank you, Chair.

There are always consultations that occur in terms of improving our wildlife management, in particular for people with disabilities. One of the considerations is whether it's a participatory hunt versus a fully delegated

hunt. Whether or not it's a proxy hunt, or whether there's an element of some level of participation.

I would always entertain and hear from individuals, both members of the disability community, but as well seniors' advocates, but the hunting community at large as to what extent revisions could be taken to accommodate various needs. I do know that the notion of having a fully proxy hunt with individuals not participating in the hunt themselves, but simply delegate their licence to others, it's not universally supported, but that's not to say that government wouldn't take a decision in that regard depending on the circumstance.

P. FORSEY: Okay, thank you.

I think that will do for that section.

CHAIR: Okay.

I'll ask the Clerk to recall that section, please.

CLERK: 3.1.01 to 3.4.02 inclusive, Forestry and Wildlife.

CHAIR: Shall 3.1.01 through to 3.4.02 carry?

All those in favour, 'aye.'

SOME HON. MEMBERS: Aye.

CHAIR: All those against, 'nay.'

Carried.

On motion, subheads 3.1.01 through 3.4.02 carried.

CHAIR: I'll ask the Clerk to call the final subheading, please.

CLERK: 4.1.01 to 4.5.02 inclusive, Agriculture and Lands.

CHAIR: Shall 4.1.01 through to 4.5.02 inclusive carry?

The Member for Exploits.

P. FORSEY: Thank you.

4.1.01, Land Management: What is the current lands plan? Has there been a lands mapping plan done?

G. BYRNE: Mr. Chair, I'm not completely confident that I understand the question.

CHAIR: We can have it repeated.

G. BYRNE: Yeah.

P. FORSEY: Okay.

The lands plan with regard to the lands we have for Forestry, the lands we have for Agriculture, different sectors, have we got a lands management plan done for that?

CHAIR: The minister.

G. BYRNE: The answer would be yes. Obviously, we have identified agriculture areas of interest. There are areas which are specifically outlined for forest activity. Every five-year forest management plan must undergo an environmental review related to the specifics, the quantifiable area, the designated area for forest activity or forest harvesting within the context of the five-year forest management plan.

In terms of conveyance of property with property rights attached, the land-use atlas obviously is a tool to help assist in determining where Crown conveyances have occurred.

P. FORSEY: Okay.

CHAIR: The Member for Exploits.

P. FORSEY: What is the current rate of food self-sufficiency in the province?

G. BYRNE: Thank you, Chair.

Our measure of food self-sufficiency is hovering at 20 per cent. We've always used the metric, the measure of tilled and productive land base for agriculture to determine food production itself. We're refining that model and moving more and

more to direct inquiry to the farmers themselves, looking at agricultural production instead of just using the metric of volume of productive land. By moving to a more specific farmer by farmer metric, we'll get a better analysis of that, but we've done great growth.

Ten years ago, we were at 10 per cent and, today, we measure at approximately 20 per cent. That's still 80 per cent not enough, but we're moving in the right direction.

CHAIR: The hon. the Member for Exploits.

P. FORSEY: With the reduction of our land base, of course, like through forestry, business aspects, the farm land is getting less and less. How do we consider increasing our food self-sufficiency on less basis of land?

G. BYRNE: I'd have to take disagreement that agricultural land is getting less and less. In fact, by deployment of new forestry areas within agricultural areas of interest, the synergies that get created are opening up more agricultural land, not limiting them.

In order to have productive agricultural land, deforestation is the first step. In order to accommodate certain woodcutters', permit holders' expectations, we've been able to work co-operatively between the Agriculture Branch and the Forestry Branch to issue permits within agricultural areas of interest to be able to create more access to the fibre for harvesters, both at the same time opening up more agricultural areas.

But I do take the Member's interjection seriously in that one of the things that has been said, a criticism that is sometimes being offered to government, is that we only lease agricultural land for 50 years. We don't allow granted land for commercial agricultural production.

What you'll find in the Mainland is that agricultural land is getting less and less and less. It's shrinking because freehold agricultural granted land is now being used for subdivisions and other non-agricultural uses. By maintaining an agricultural lease

title, what we can be assured of is that that land will always and only be eligible for agriculture. Unlike the Mainland, which is constantly reducing their agricultural footprint, ours is expanding, and we have the tools in place to make sure that we don't make the same mistakes that they did on the Mainland.

The only instances where that may differ is that if somebody has an application, in particular in the Northeast Avalon, in the St. John's agricultural development area, some will argue that what land zoned as agricultural, they want to bring it out of agricultural use. That's only available on a case-by-case basis subject to appeal to the board, and subject to final approval by the minister, whoever that is, in my chair.

That's going to be the way it is. There have been people who bought agricultural land on the Northeast Avalon, hoping and speculating that it'll be taken out of agricultural use one day, de-zoned, zoning changed. The year after the St. John's agricultural development area was proclaimed, in 1978, the largest amount of land was removed from that zone for agricultural purposes.

So some may criticize me or the future occupant of this chair of being rigid and not supporting housing developments, just call it out loud, on agricultural land. The answer is that there's a fair bit of land that you can use for housing. Let's use other land for housing. Let's use agricultural land for agriculture. Where someone speculated and bought land hoping that one day, land they bought for \$1,000 an acre and then want to sell it for \$100,000 an acre, too bad. Bad investment.

P. FORSEY: Thank you.

Our meat producers have significant challenges in bringing their products to market, particularly in the national food grocers. This is directly stemming from the federal inspections. Why haven't you invested in a federally regulated slaughterhouse to help diversify and get our meats into the chains? I think this was

maybe brought on by government in 2018 with that thought.

G. BYRNE: In terms of horticulture of fruits and veg, in order to get access to export markets and also to enter into many of the national retail chains, GAP certification is often required. It's not a necessity. Choices can be made by national retailers to bypass GAP certification and deal directly with local farmers.

We have some that do that, but where we have a program in place to encourage and to support GAP certification, on the federal red meat inspection facility, I'll ask Steve Balsom to reply to that as to what investments have already been made and how we're responding to demand.

CHAIR: Steve Balsom, please.

S. BALSOM: Thank you, Minister.

The livestock industry in Newfoundland and Labrador is growing. That's something we can say and we see that from farm-cash receipts. Our hope is there will be demand for a CFIA certified abattoir. Currently, the abattoirs we have, it is something that an individual abattoir would want to seek in order to access those markets but currently they have, I guess, enough markets through our own provincial meat inspection program that they can sell all their livestock.

Our hope is that the day will come when our livestock industry will grow to a large enough size that it will be able to support a CFIA facility. As the minister said, we have funding programs that will help with the infrastructure, the equipment, the business planning to get there. Again, it's a market-driven decision by individual producers and we will help them get there through our programming.

CHAIR: The Member's time has expired.

The hon. the Member for St. John's Centre.

J. DINN: Thank you, Chair.

Would it be possible to have an update on how the Crown Lands application process is working since amendments were passed in the House last fall?

CHAIR: The minister.

G. BYRNE: Thank you, Chair.

Yes, it definitely is. The legislation passed, of course, in early December, I believe was the date. There were decisions that had to be taken in terms of set-up and arrangements in organizations such as the appeal boards and other things.

I'll ask Mr. Balsom to give us an update on some of the uptake, the number of applications received through the portal, the number of applications received for the Primary Residence Land Title Program and other things. We're in the process now of finalizing the appeals board, the section 36 appeals board, and we're also in the process of working with municipalities on the large area quit claim certificates that would basically exempt large areas of municipalities from Crown entitlement.

Mr. Balsom, I'll give you the floor.

S. BALSOM: Thank you, Minister.

I believe the question was specifically on some numbers related to applications since we introduced our new online system, since we've introduced the changes to our section 36, adverse possession regulations and introduction of the new Primary Residence Land Title Program.

So since we launched in December, we've had 560 applications submitted through our new online system. That's in our first quarter, so I'm reporting our April 1 numbers. We've had 80 section 36 applications for adverse possession submitted through there, and to put that in context, for all of 2024, we received 187 applications in total. So for the first quarter, we already have 80 applications submitted there and we have 90 applications submitted for the new Primary Residence Land Title Program.

J. DINN: Thank you.

I'm just wondering what the department is doing to make it easier to find and track claims? We've heard of lawyers and researchers having trouble providing title to Crown land because of improper documentation management or trying to improve it. There are lots of grants on file at the Howley Building, but nobody seems to know where they are because they haven't been marked on the map. Just curious as to make it more efficient, what's being planned?

CHAIR: The minister.

G. BYRNE: Thank you, Chair.

Since drafting, using the materials that were available to us through consultation, using our own internal knowledge, our corporate knowledge, institutional knowledge within the Crown Lands Branch and Land Management office, drafting up the legislation, changing, amending the Crown Lands' program, generally, what we know, Chair, what I've communicated is that our department went beyond what was received during the consultations and actually went even farther in terms of providing opportunities to get good title and to recognize title for long-standing possession.

Our primary residence program is quite innovative and imaginative. It was not contemplated in the consultations per se. The appeal board for section 36, adverse possession or squatter's rights, was not contemplated in any submission during the consultations but using our own institutional knowledge of what users could value, would be valuable to them, we implemented that.

What has been striking in this is a revelation. It's interesting, the Canadian Bar Association - Newfoundland and Labrador Branch came forward with a recommendation that to achieve adverse possession, section 36, squatter's rights, instead of the 10-year window of evidence that we have prescribed and legislated, instead of a 10-year window, they prescribed a requirement for 40 years of

continuous, notorious, exclusive occupation, an open occupation that must be evidenced.

That's really quite remarkable because that would make it harder to get adverse possession, presumably, than easier. We prescribed a statutory period, exemption period of 10 years from 1967 to 1977. They prescribe a 40-year period.

What has struck me, Mr. Chair, is that the legal community, the Canadian Bar Association - Newfoundland and Labrador Branch, have revealed that for the last 50 years, five decades, the legal community have been running a parallel system, one which is, actually, arguably, outside of the law. The legal community have been running a parallel system whereby they provide what is known as – what they pronounce to be – lawyers' certificates.

Now lawyers' certificates are an interesting project in that they have no bearing in law. It's a self-useful tool where one lawyer representing the seller and another lawyer representing the buyer – or it could be one lawyer acting for both parties on mutual consent – but a lawyer representing the seller may offer a lawyer's certificate.

Now what the lawyer's certificate says, if I understand this correctly, this is not any measure in law, or guidance by the law society as to what a lawyer's certificate is, it says: As lawyer for my client, I believe that this will meet the test of law of adverse possession, should someone come forward and claim adverse possession in the future.

Why do lawyers do that? Because they say, well, if we wanted to close a file in 30 days, then it takes a little bit longer than 30 days to get a successful section 36 application in good title pronounced. So what we'll do is we'll avoid that, we won't even communicate to the Crown Lands Branch that this conveyance, this sale is being transacted, and we'll issue instead a lawyer's certificate.

What a lawyer's certificate presumes, I can only imagine, is that in good faith the lawyer is saying that under section 36 of the act

and all of the conventions of common law, the conventions being that property must be possessed, must be occupied for a period of –

J. DINN: Point of order, Chair.

I asked a simple question. This is not answering the question, not by a long shot. I asked a simple question, which is what are we doing, what is the department doing to make it easier to find and track claims? I do not need to know about the whole process, about what lawyers do. I'm just asking for a simple thing how –

CHAIR: Recognize and understand however, the minister is able to respond as he sees fit to the points raised.

J. DINN: Then what is the point of having this? This is not a question period. I'm looking for some information here.

CHAIR: Regardless, that is his prerogative. So to the minister.

G. BYRNE: Thank you, Chair, for enforcing the norms and conventions of our assembly.

So with that said, the lawyer's certificate is a pronouncement that in their belief that the land will indeed meet the test of adverse possession. Then the lawyer kind of – in my opinion – walks away. So the buyer will be then left holding a piece of land, presuming that they have because of the lawyer's certificate, some sort of good title.

What may also be true is that maybe the lawyer who represented them, or the other lawyer, didn't say to them: By the way, you better go and get good title as soon as you possibly can, because, as we know, the title to section 36 in *Lands Act* is abolishment of adverse possession. It has always been the case, for 50 years, for five decades, that squatters' rights against the Crown will be abolished. That's what the Legislature said 50 years ago, that's what every Premier, every administration has always said, right up until the present: that a squatter's rights against the Crown shall be abolished.

So with that said, these lawyers' certificates really, if an application doesn't come forward to the Crown seeking good title, that, and a buck 75, will get you a cup of coffee. They're worthless because eventually squatters' rights will be abolished, and if you don't do this within a prescribed period of time, your lawyer's certificate, for whatever value it was before, is worth less today or worth less than.

What we discovered is that in formal submissions by the Canadian Bar Association - Newfoundland and Labrador Branch, they acknowledge that they've been working totally outside of the Crown Lands Branch to assist people in conveying properties. Now, in large measure, one of the reasons why we're left with this problem of being able to differentiate and designate what is Crown lands versus what is property held in good title by an individual is because of this very circumstance.

Quite frankly, the Law Society and the legal community, the bar association, should be answerable to this. They created a system which is very, very difficult, which produces a lesser result for their client in my opinion, and I will speak about this any time, anywhere.

CHAIR: Thank you, Minister.

The Member's time is expired.

The hon. the Member for Exploits.

P. FORSEY: Thank you.

4.2.03, Limestone Sales, Operating Accounts, Supplies: There's a decrease there from \$431,800 to \$126,200. What's the difference there?

CHAIR: The hon. the minister.

G. BYRNE: Thank you, Chair.

So limestone sales are really contingent upon applications from producers. The applications from producers are driven by soil monitoring, testing. What is the actual pH of the soil and how much lime is

required to be applied? Notwithstanding the fact that soil pH hasn't really changed very much.

What has influenced these sales, I think, is the number of requests from farmers, because that's what's driving this, it's the number of requests from farmers is down. We had an exceptionally lucrative, an appropriate offsetting compensatory program for fertilizer when petroleum-based fertilizers and natural fertilizers went skyrocketing in price, we provided a compensation support program for fertilizer. Most farmers actually put their money into fertilizers through the support program, rather than limestone sales.

CHAIR: Thank you.

The hon. the Member for Exploits.

P. FORSEY: That's a considerable amount. Does that mean there's less land being used by farmers? Would that indicate that?

G. BYRNE: No, as I just explained, farmers themselves put more emphasis on fertilizer, utilizing the fertilizer sales compensation program. The limestone basically is applied, not on an annual basis, it could be applied once every five years, maybe even once every 10 years. We suspect that limestone sales will go back up to normal this year and next.

That's why we earmarked the same amount for this year as we did for last year.

P. FORSEY: Okay.

4.2.03, again, in Revenue - Provincial, there's a difference there of a little over \$100,000, from \$147,500 to \$39,500.

G. BYRNE: Yeah, so under limestone there is a basic requirement. I think only ourselves and Nova Scotia, which also has acidic soils, have a limestone program, if I remember correctly. Our program is – I have no reservation in saying – far more generous than Nova Scotia's in that they have to pay the full freight of trucking and the cost that they pay for limestone is larger

than ours. But there is an expectation that farmers will pay a postage stamp rate for transportation. In other words, the same, no matter where you are, whether East Coast, West Coast, wherever the limestone comes from and a small portion of the limestone itself. That's the source of the revenues.

So when limestone sales went down last year so did the revenue. We expect it will be back up this year. That's why we noted the provincial revenue accordingly.

CHAIR: The Member for Exploits.

P. FORSEY: Thank you.

4.4.01, Animal Health: How many poultry have been culled over the past three years due to avian flu outbreaks?

CHAIR: The minister.

G. BYRNE: Thank you.

From a commercial level, there have been instances where avian flu has resulted in the culling of poultry, of birds in hobby farms, just domestic farms. I'm not aware of any culling on any large-scale commercial farms, instances of avian flu virus on commercial farms in Newfoundland and Labrador.

I will defer now to ADM Steve Balsom to either correct me or to say you're absolutely right, Minister.

CHAIR: Mr. Balsom.

S. BALSOM: Thank you, Minister.

You're absolutely right, Minister. This year, we did have an outbreak in a small flock in the Gander Bay area. Not one of our large commercial producers that you would understand, Country Ribbon, as an example. In that case, there was no culling. The small flock did die of avian influenza and a control zone was put in place. It's a 10-kilometre control zone. There were no other commercial operations inside that area.

There was another non-commercial backyard flock in the Conception Bay South area. But due to the small number of non-commercial birds that were involved there, the CFIA did not put a control zone in. So there have been no large-scale commercial AI culls in our poultry, which, you know, most of us would see here in Newfoundland as our chicken, because that's our largest commodity in terms of poultry.

P. FORSEY: Thank you.

Has the number of soil samples analyzed by the lab increased or decreased?

CHAIR: The minister.

G. BYRNE: Chair, I'll defer to Mr. Balsom on that.

CHAIR: Steve Balsom.

S. BALSOM: Just one second, I'll see if I can find anything in our notes on that. I do not have the specific number of soil samples. I certainly can provide you the number.

P. FORSEY: Okay.

S. BALSOM: One thing I can report, I guess, in that is that we have recently purchased new equipment in our soil, feed and plant laboratory, which will benefit the sector in terms of doing the soil analysis. It also does analysis to determine how much fertilizer would be required for farmers' fields. It also does analysis on the quality of feed for our dairy and livestock.

So it is an active lab, but I don't have the exact number of soil samples that were done.

P. FORSEY: Okay. Yeah, you can get me the numbers when possible. I'd like to have it especially in the last 12 months, how many samples in the last 12 months. When do you think we could get that reply?

S. BALSOM: I think that's a number we should be able to get very quickly, I don't see that being – after we leave here, we'll

put the request in, and considering the holiday weekend, next week.

P. FORSEY: All right, thanks, I appreciate that.

Crown Lands: How many unique individuals have used the online Crown land application portal?

CHAIR: The minister.

G. BYRNE: Thank you.

I believe ADM Balsom has already answered that question, so I'll just ask him if he might repeat it.

S. BALSOM: Thank you, Minister.

As of the launch date in December, we've had 561 applications that have been submitted. I can't tell you right now if a person submitted more than one because you know you can apply for two pieces of Crown land at one time under our current policy. There are a large number of applications submitted, I mean, there's a large number in the system, some are incomplete that we're working on with the client to finalize. We also have some that people started and abandoned the process, but the number that have been submitted and are currently being processed is 561 as of April 1.

P. FORSEY: Okay. I did have a question back here. Where's that to?

Go back to 4.2.02: Has the government considered a centralized storage facility for year-round availability of local produce and root crops?

CHAIR: The minister.

G. BYRNE: Thank you, Mr. Chair.

The hon. Member may not be aware that this was an initiative of the Government of Newfoundland and Labrador from the 1960s to '70s, it was called VMAL. There was a network of cold storage facilities for farmers that was located throughout the province.

VMAL was abandoned by the Peckford administration in the 1980s because there were issues – to be blunt about it, I think a government-operated vegetable cold storage had its issues.

Most farmers operated and provided the highest quality of vegetables for storage and then sale by VMAL, by the co-operative, by the Crown corporation, but others did not, and there were issues around quality of the vegetables entering into the system.

So VMAL was eventually disbanded back in the 1980s, but we recognize that it's essential that vegetable cold storage be in place because, as we have this glut that occurs at the end of our very short season, very punctuated season, very finite season, what we want to be able to do is to be able to (a) instead of everybody going to market at the same time with corners on vegetable stands, being able to spread that out over a period of time, but also one of the expectations of larger retailers, grocery store retailers, is that they can have access on a real-time basis of vegetables without having to produce their own cold storages.

So we have invested a significant amount of money into private farm cold storages, appropriately sized to the production of the farm, and our Sustainable Canadian Agricultural Partnership, our SCAP funding is available to continue those initiatives to create even further cold storages on farms. We are not contemplating a government Crown corporation to do vegetable storage, given the lessons learned from VMAL.

CHAIR: Thank you, Minister.

The Member's time is expired.

The hon. the Member for St. John's Centre.

J. DINN: Thank you, Chair.

We will submit the rest of our questions in writing and hope to get answers that way, but we have no questions at this time.

Thank you.

CHAIR: Okay. Thank you.

The Member for Exploits.

P. FORSEY: 4.2.01, several of our dairy farms have been vocal about their struggles with staying afloat financially, basically, expenses are rising, immensely for the industry. Has government taken any action to help those struggling independent dairy farmers?

CHAIR: The hon. the minister.

G. BYRNE: Thank you for the question.

Our dairy industry has experienced considerable consolidation over the last number of decades. There are now 23 active dairy farms in the Province of Newfoundland and Labrador. There used to be over 100. This consolidation has occurred over decades. One of the reasons why the consolidation has occurred is because of economies of scale.

As we know, the dairy industry is regulated under the *National Products Marketing Act* and the milk scheme that grants dairy farmers of Newfoundland and Labrador significant autonomous authority on all avenues, all measures related to the marketing and the regulation of dairy farms themselves. They actually set the regulations, it's not government. They set the regulations around consolidation of dairy farms, how quota transfers and how it's conveyed and can move from farm to farm.

One of the things we note is that within the dairy sector, when supply management was first established in the mid 1980s, those who were incumbent dairy farmers, that were already in the dairy industry, they were granted quota and they did not pay for that quota. They were incumbent, they were in the industry and so they received a quota.

Over the years, as that quota was conveyed, others had to pay for that quota. So as the dairy farms sold their quota, which is the most valuable asset of the dairy farm, they would buy that quota. So now many of the dairy farms in Newfoundland

and Labrador, who are not originally grandfathered in 1986 or '85, at the inception of supply management, they're holding considerable debt because they bought quota at a very high price.

You may have seen on the news, there was one dairy farmer who actually bought quota and had \$14 million in debt. Government actually supported that farm with some loan guarantees and some support to try to get out from underneath that effect, but we've always been in the business of supporting dairy farmers with reducing cost, whether it be supporting funding for milk robots or automatic milkers, expanding the agricultural base – the base of land to which dairy farmers get access to be able to grow their own forage – all sorts of supports for the industry, generally speaking.

We've also supported the sale of Agropur to dairy farmers. Agropur, of course, is a national cooperative of dairy farmers that did not want to do business anymore in Newfoundland and Labrador. We supported the Dairy Farmers of Newfoundland and Labrador with a \$10 million support to be able to acquire that. So we've done a number of different initiatives, but what I'm closely monitoring is the debt loads of dairy farms working with Dairy Farmers of Newfoundland and Labrador who have ultimate authority that has been delegated to them by this Legislature through the *Natural Products Marketing Act*. We're looking at what the consequences of some of those debt loads are.

None of the farmers that are legacy dairy farmers are having any troubles whatsoever. It's the ones that have very high debt loads because they bought quota at very high prices or market prices, I don't know.

CHAIR: The Member for Exploits.

P. FORSEY: Just as a follow-up to that, when you mentioned debt loads of the young farmers, I'm hearing more and more from young farmers to get involved in the farming. By the time they get their land and get it cleared, the expense, after a couple of

years they just get frustrated and they're gone.

What's government's involvement with young farmers with regard to red tape and initiatives or funding for young farmers to really get involved and excel rather than just up and leave? Any comment on that, Minister?

G. BYRNE: Thank you.

CHAIR: Go ahead.

G. BYRNE: I had the privilege, the honour of addressing young farmers of Newfoundland and Labrador not too long ago where the organization, NL Young Farmers, expressed great confidence and support for their partnership, both as an organization but as a group, a collective, a caucus of young farmers, for the support that the Government of Newfoundland and Labrador was providing to new farm start-ups, new farmers and those young farmers who would be successionists, who would inherit farms in the succession pattern from family members and otherwise.

So let me just kind of quickly wrap up how we support new farms, new farming and new farming activity. It starts with the identification of agricultural areas of interest. We actually pinpoint and strategically locate areas of good farming activity or potential good farming activity. The next thing we do is we support use of that agricultural land for agricultural purposes. You can lease, at a 50-year basis, agricultural land at the equivalent of less than \$2 an acre on an annual basis. That's \$2 a year an acre you can actually acquire land with good title for 50 years.

Then, of course, when it needs to be cleared, we provide up to \$3,000 an acre in subsidy to clear the land. Often that is higher than the actual cost of clearing the land but we provide up to \$3,000 an acre to clear the land. Then, once the land is cleared, we provide resources to limestone and fertilize the land. We also provide resources for the machinery required to

farm the land; we provide up to 75 per cent grant on machinery.

In Newfoundland and Labrador under our Sustainable CAP program – I'll just put this in comparison. In Nova Scotia, maximum funding opportunity is \$10,000 per year and I think \$40,000 per five-year agreement. We provide up to 75 per cent and up to \$400,000 per farm. Nowhere else in Canada does a young farmer have access to the resources that a young farmer has in Newfoundland and Labrador. In PEI, Nova Scotia and New Brunswick, support through the federal-provincial programs is capped. SCAP is capped at \$10,000. Here we have a \$400,000 limit and, subject on my authorization, even higher if warranted.

P. FORSEY: Okay, thank you.

We're good.

CHAIR: Okay, no further questions?

P. FORSEY: No.

CHAIR: Okay.

Seeing no further questions, I'll ask the Clerk to please recall the section.

CLERK: 4.1.01 to 4.5.02 inclusive, Agriculture and Lands.

CHAIR: Shall 4.1.01 through to 4.5.02 carry?

All those in favour, 'aye.'

SOME HON. MEMBERS: Aye.

CHAIR: All those against, 'nay.'

Carried.

On motion, subheads 4.1.01 through 4.5.02 carried.

CHAIR: I'll ask the Clerk to call the total.

CLERK: The total.

CHAIR: Shall the total carry?

All those in favour, 'aye.'

SOME HON. MEMBERS: Aye.

CHAIR: All those against, 'nay.'

The total is carried.

On motion, Department of Fisheries, Forestry and Agriculture, total heads, carried.

CHAIR: Shall I report the Estimates of the Department of Fisheries, Forestry and Agriculture as carried?

All those in favour, 'aye.'

SOME HON. MEMBERS: Aye.

CHAIR: All those against, 'nay.'

Carried.

On motion, Estimates of the Department of Fisheries, Forestry and Agriculture carried without amendment.

CHAIR: I'd like to ask the minister and the department officials if you had any final remarks?

The hon. the Minister of Fisheries, Forestry and Agriculture.

G. BYRNE: Thank you, Chair.

I just want to say thank you to the Committee Members for the excellent questions. We dwelled more on policy than we did on numbers, but this is an excellent opportunity to talk a little bit about some of the things that are happening and to share my interests and concerns with you about some of the issues that we face.

In particular, we talked a little bit about the need to never take our foot off the pedal of increasing capacity, increasing competition and controlling corporate concentration. Your support in that initiative is very important to me because it is contentious. There are those who enjoy certain benefits by limited entry processing, certain

entitlements they would argue by being only the ones that can be involved in buying fish.

We need to balance this out, make it more fair and so your support to the things that we're doing and consulting you in next steps is very important to me. All sorts of things require some bold measures. They haven't been done before for a reason, because they're sometimes difficult to do. I'm just of the view right is right, let's get it done.

With that said, Mr. Chair, thank you.

CHAIR: Thank you.

The Opposition Members, the Member for Exploits.

P. FORSEY: No, I'd just like to thank the minister for the Estimates today.

I would like to thank the department, especially the DMs, the ADMs and all of the departments, of course. I've had some questions being critic and I must say the response times for answers with regard to what I've been looking for today and I appreciate that, I really do. So I just wanted to say thank you for that and what you do. I know you work hard and just continue that relationship. Perfect.

All right, thank you.

CHAIR: Thank you.

No further comments? Thank you.

I'm going to announce the next meeting of the Resource Committee will be on May 5, at 9 a.m. Immigration, Population Growth and Skills will be convening here and I'll be chairing.

I'd ask for a mover to adjourn.

L. STOYLES: So moved.

CHAIR: The Member for Mount Pearl North. She got up there first.

All those in favour, 'aye.'

SOME HON. MEMBERS: Aye.

CHAIR: All those against, 'nay.'

Carried.

Thank you very much. This is adjourned.

Thank you.

On motion, the Committee adjourned.