Commission of Inquiry into the Decline of Sockeye Salmon in the Fraser River



Commission d'enquête sur le déclin des populations de saumon rouge du fleuve Fraser

Public Hearings

Audience publique

Commissioner

L'Honorable juge / The Honourable Justice Bruce Cohen

Commissaire

Held at:

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Room 801 Federal Courthouse 701 West Georgia Street Vancouver, B.C. Salle 801 Cour fédérale 701, rue West Georgia Vancouver (C.-B.)

Monday, April 4, 2011

le lundi 4 avril 2011



Commission d'enquête sur le déclin des populations de saumon rouge du fleuve Fraser

Errata for the Transcript of Hearings on April 4, 2011

Page	Line	Error	Correction
29	44 and 46	map	MAP
29	2	accumulative	cumulative
35	33	changed	change
47	45	CCFAN	CCFAM
48	11 and 13	CCFAN	CCFAM
48	20	CEFD	CESD

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No appearance Pacific Salmon Commission ("PSC")

Chris Buchanan B.C. Public Service Alliance of Canada

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("BCPSAC")

No appearance Rio Tinto Alcan Inc. ("RTAI")

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No appearance Seafood Producers Association of B.C.

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of Drift Fishers ("WFFDF")

No appearance Maa-nulth Treaty Society; Tsawwassen

First Nation; Musqueam First Nation

("MTM")

No appearance Western Central Coast Salish First

Nations:

Cowichan Tribes and Chemainus First

Nation

Hwlitsum First Nation and Penelakut Tribe Te'mexw Treaty Association ("WCCSFN")

Leah Pence First Nations Coalition: First Nations
Anja Brown Fisheries Council; Aboriginal Caucus

Fisheries Council; Aboriginal Caucus of the Fraser River; Aboriginal Fisheries Secretariat; Fraser Valley Aboriginal

Fisheries Society; Northern Shuswap Tribal

Council; Chehalis Indian Band;

Secwepemc Fisheries Commission of the Shuswap Nation Tribal Council; Upper Fraser Fisheries Conservation Alliance; Other Douglas Treaty First Nations who applied together (the Snuneymuxw, Tsartlip and Tsawout); Adams Lake Indian Band; Carrier Sekani Tribal

Council; Council of Haida Nation ("FNC")

No appearance Métis Nation British Columbia ("MNBC")

APPEARANCES / COMPARUTIONS, cont'd.

No appearance Sto:lo Tribal Council

Cheam Indian Band ("STCCIB")

No appearance Laich-kwil-tach Treaty Society

Chief Harold Sewid, Aboriginal Aquaculture Association ("LJHAH")

Krista Robertson Musgamagw Tsawataineuk Tribal

Council ("MTTC")

No appearance Heiltsuk Tribal Council ("HTC")

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Vancouver, B.C. /Vancouver (C.-B.)
April 4, 2011/le 4 avril 2011

THE REGISTRAR: Order. The hearing is now resumed.

MR. MARTLAND: Thank you. Mr. Commissioner, Brock
Martland, M-a-r-t-l-a-n-d, and I am appearing
along with Lara Tessaro, T-e-s-s-a-r-o, and Micah
Carmody, C-a-r-m-o-d-y, and the first name is M-ic-a-h. This is with respect to the hearings that
begin today on Habitat Management. I will perhaps
take a few moments at the outset to offer you some
comments about the hearings that are coming, and
then we'll begin with our panel today.

We are leading evidence in these hearings, Mr. Commissioner, really at an overview level with respect to Habitat Management by the Department of fisheries and Oceans. We will be following -- we have two days with this panel, one day with the second, with the witness who is testifying alone on Wednesday, Dave Carter, and then on Thursday, Friday, and concluding on Monday, we turn to Habitat Enforcement.

These are not hearings that focus on particular habitat impacts. As I say, they are general and they are at an overview level. And I say that simply to alert participants to the fact that there may well be questions that arise in the context of a particular habitat issue, for example, gravel extraction or aquaculture, which do tie to the management or overview part of this, and I think that's appropriate. On the other hand, once we veer more and more into detail on particular habitat topics, and especially those for which we have dedicated hearing time planned ahead, I may be looking to object or at least try to curtail us departing from the management overview approach, if you will.

I should also say that I'm heartened by the response from participants' counsel with respects to their estimates and approach from the estimates I've received. This is a panel where, without trying very hard, I could spend three days covering points in direct. No doubt participants could spend a great many hours or days with their questions, as well. And the simple fact is we need to conclude this evidence in the two days

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that we have.

As a result of that imperative, I have cut down my questions and certainly the number of documents that I'll be referring to. I'll be asking participants to follow the same course. Again, I will make myself somewhat of a pest in reminding people of the remaining time for their questions. As I say, though, from the estimates that have been provided, Mr. Taylor, for example, for Canada indicating in the range of an hour, I think we're in good shape and I'm optimistic that if my questions and Mr. Taylor's, and perhaps those of one other or two other participants conclude today, we should be in good shape to conclude this.

As a procedural matter at the outset, I would like to have the Policy and Practice Report that has been prepared in relation to these hearings and is before you on the screen. It's the Department of Fisheries and Oceans Habitat Management Policies and Practices dated March 8, 2011. I would ask that please be filed as a PPR in these proceedings.

THE REGISTRAR: That will be marked as PPR number 8.

PPR8: Department of Fisheries and Oceans Habitat Management Policies and Practices dated March 8, 2011

MR. MARTLAND: In terms of the exhibit list that's been provided to participants, I'll be making reference to that exhibit list and the numbers on it as I go to particular documents. As I say, I don't intend to mark even half of those documents as exhibits.

Mr. Commissioner, that said, I am in position to begin with the evidence of the first panel, comprised of Patrice LeBlanc, Rebecca Reid, and Jason Hwang. If they could be affirmed, please, Mr. Registrar.

PATRICE LeBLANC, affirmed.

REBECCA REID, affirmed.

JASON HWANG, affirmed.

THE REGISTRAR: State your name, please.

MR. HWANG: Jason Hwang. 1 MR. MARTLAND: I'm sorry, the microphone. 3 THE REGISTRAR: Oh, I'm sorry, we'll do this again. 4 State your name, please. 5 MR. HWANG: Jason Hwang. 6 MS. REID: Rebecca Reid. 7 Patrice LeBlanc. MR. LeBLANC: 8 THE REGISTRAR: Thank you. Counsel. 9 MR. MARTLAND: Thank you. 10 11 EXAMINATION IN CHIEF BY MR. MARTLAND: 12 13 I will begin simply with biographies, and, Mr. 14 Bisset, if you could please bring up number 2 on 15 the exhibit list. Mr. LeBlanc, I'll ask this of you. 16 17 you recognize your c.v. on the screen there; is 18 that correct? 19 MR. LeBLANC: Yes. 20 MR. MARTLAND: I would ask that be marked as an 21 exhibit, please. 22 THE REGISTRAR: Exhibit 645. 2.3 24 EXHIBIT 645: Curriculum vitae of Patrice 25 LeBlanc 26 27 MR. MARTLAND: 28 And I will ask a remarkably awkward and long 29 question, but I think it's an efficient way for me 30 to try and cover your background. I would ask you 31 to please alert me if I've got anything wrong. 32 And I should indicate these are descriptions that 33 are from the witness summaries. The witness 34 summaries, Mr. Commissioner, are not being filed 35 in the hearings, but they have been provided to 36 participants. 37 In a brief way, Mr. LeBlanc, you have degrees 38 from l'Université de Moncton, University of 39 Toronto, and additional graduate work in 40 Environmental and Resource Studies from Dalhousie 41 University; is that correct? 42 MR. LeBLANC: Correct. 43 You joined DFO in 1982 as Chief, Habitat and 44 Resource Development Research Division, after 45 previously having worked in academia and spending 46 14 years in senior positions in environmental

management, both with consulting firms and

1 provincial electrical -- I'm sorry, provincial electricity utilities? 3 MR. LeBLANC: Correct. 4 In 1988 you left the Department and joined the 5 Canadian Environmental Assessment Agency, and in 6 1995 you took a two-year assignment to head the 7 newly established Environmental Management 8 Authority of the Republic of Trinidad and Tobago, 9 and I'm sure that last position is one we're all 10 jealous of on a dark day like this. And you 11 returned to the Department of Fisheries in 1998 as 12 Director, Habitat Operations Branch; is that 13 correct? 14 MR. LeBLANC: That's correct. 15 In the last 14 years, I understand, you served as the National Director of the DFO's Habitat 16 17 Management Branches, apart from a six-month 18 assignment, again or at least in that case, acting 19 as a Special Advisor to the Government of the 20 Bahamas. 21 MR. LeBLANC: Correct. 22 And you currently serve as the Director of the Habitat Management Policy Branch in the Program 23 24 Policy Sector based in the National Capital 25 Region? MR. LeBLANC: Correct. 26 27 Thank you. If I could ask, Mr. Bisset, for number 2.8 3 on the list to be brought up. 29 Ms. Reid, I think you'll recognize your c.v. 30 when it appears there; is that correct? 31 That's right. MS. REID: MR. MARTLAND: And I'd ask that be marked as the next 32 33 exhibit, please. 34 THE REGISTRAR: Exhibit 646. 35 36 EXHIBIT 646: Resume of Rebecca Anne Reid 37 38 MR. MARTLAND: 39

Ms. Reid, you have degrees from the University of Saskatchewan and from UBC, and began your career with DFO in 1990 as a Fish/Shellfish Quality Specialist, and from 1996 to 2000 you worked on Aboriginal Fisheries issues, and after that served as Area Director, Central Coast Area, as Regional Director, Policy and Economic Analysis, and as Regional Director, Treaty and Aboriginal Policy; is that correct?

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1 MS. REID: That's right. 2 In 2007 you became the Regional Director in OHEB, 3 Oceans Habitat and Enhancement Branch, assuming 4 responsibility for the Habitat Management Program; 5 is that correct? 6 MS. REID: Yes, I just noticed a mistake on my resume, 7 where I've got that noted as my substantive 8 position. That's not correct. 9 Okay. And, sorry, the mistake on the resume 10 refers to the substantive, the last entry under 11 "Experience"? 12 Where it says "Regional Director, OHEB. MS. REID: 13 Okay. 14 MS. REID: And it says "substantive position", but 15 that's an error. Thank you for that correction. In 2007 you became 16 17 the Regional Director, I'm sorry, I just asked you 18 that. From June 2010 to January 2011, you served 19 as the Acting Associate Regional Director General; 20 is that correct? 21 That's right. MS. REID: 22 And then your current position is Regional 23 Director, Fisheries Management. 24 MS. REID: That's right, yes. 25 Thank you. Mr. Hwang, I'll ask Mr. Bisset to 26 bring up number 4 on the list. Sir, that's your c.v., and if I could ask you to push the button on 27 28 the mike, so the red -- the trick is the red light 29 there, and I'll remind you of this if I note it. 30 That's your c.v.? 31 MR. HWANG: Yes. 32 MR. MARTLAND: Thank you. I'd ask that be marked as 33 the next exhibit. THE REGISTRAR: Exhibit 647. 34 35 36 EXHIBIT 647: Curriculum vitae of Jason Hwang 37 38 MR. MARTLAND: 39 Mr. Hwang, you obtained a Biology B.Sc. from Simon 40 Fraser University 1994 and previously had a BCIT 41 Technical Diploma in Fisheries, Wildlife and 42 Recreation; is that correct? 43 MR. HWANG: Yes. 44 You serve as Area Manager, OHEB, for the B.C. 45 Interior Area, and in that capacity oversee both

the Habitat Program and the Salmonid Enhancement

Program for the BCI, the B.C. Interior Area?

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MR. HWANG: 1 Yes. You have been in that position since 2006 and 3 previously from the years '99 to 2006 held a 4 similar position as Area Chief for the B.C. 5 Interior North, and that was before, as I 6 understand, the North and South Areas were united 7 under one Area Manager? 8 MR. HWANG: That's right. 9 Before that you spent five years with the 10 Department as a Habitat Biologist based in Prince 11 George ? 12 MR. HWANG: Yes. 13 And you're currently based in Kamloops? 14 MR. HWANG: Right. 15 Thank you. I'll begin with questions about the 1986 Habitat Policy, and I'll do this without 16 17 asking for an explanation of the policy. 18 LeBlanc, I'll be directing these questions, I 19 expect, your way. 20 We have in the Policy and Practice Report, 21 and indeed an exhibit already in these proceedings 22 is the Habitat Policy itself. I won't be turning 23 to those for these questions. Rather, if I might 24 request, though, that you describe to us the 25 central -- what I have understood to be a central 26 feature of the Habitat Policy, the no net loss or protective capacity principle, and if you could 27 28 please explain that in particular, we'd appreciate 29 30 MR. LeBLANC: Okay. let me situate the no net loss in 31 32 33 34 of human activities on fish and fish habitat. 35

terms of the Habitat Policy of 1986, providing a comprehensive framework for the administration of provisions of the Fisheries Act to manage impacts net gain objective is the broad policy objective and conservation, restoration and development goals underpin that net gain policy objective.

The no net loss is situated as one of the guiding principles, or is the main guiding principle in the policy to support the conservation goal, and it is a guiding principle which allows for offsetting losses to fish habitat when there is no ability to mitigate or reduce the impact to a minimum. So it is intended to offset losses. There is a procedure in the policy document that allows for guiding people on how to, or staff on how to apply the no net loss

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principle.

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- Q In terms of the use of an area, or an area footprint as a surrogate for calculating the impact on productive capacity, could you explain how that is used and what other approach could be used, hypothetically or realistically?
- MR. LeBLANC: There are a number of scientific models that can be used to assess, to help assess a no net loss or the productive capacity I should say of fish habitat. However, these are fairly complicated and usually fairly difficult to apply by practitioners in the field. What we use as sort of as a surrogate is a footprint. So if you have, just for an example, ten units of spawning habitat being harmed, harmfully altered or disrupted or destroyed, mostly destroyed, you would then offset that ten units of habitat somewhere, or an equivalent of that habitat somewhere else near to the project.
- And could you comment on how that, whether that sort of use of an area footprint model works or doesn't work in a situation where you're not dealing with an impact that is area specific, and the example that springs to mind is the degraded water quality situation.
- MR. LeBLANC: Well, the no net loss applies to both the deposit of deleterious substances and to harm to habitat. The compensation doesn't allow us to use it in the case of water quality degradation.
- Q What sort of an approach would be used in that context?
- MR. LeBLANC: The only approach is to try to regulate the deposit of deleterious substance to the lowest level possible. We do have a set of regulations that allow for standards to be established for major industries, but not for the smaller industries that deposit deleterious substances into fish-frequented waters.
- Now, this Habitat Policy, and just for the sake of the record, it's Exhibit 260 already in these proceedings. I don't think I need it brought up on screen. But the -- and the proper name is the "Policy for the Management of Fish Habitat", but in shorthand I think people refer to it as the "Habitat Policy" or the "1986 Habitat Policy". Not every policy that we've been leading in evidence dates to the mid-'80s, and I think that

suggests that this is a policy that has stood the test of time over many years. I take it you were involved, Mr. LeBlanc, in preparing this original policy in the '80s?

- MR. LeBLANC: That's correct. One of the members of the team that finalized the policy for Minister Siddon to table in Parliament in 1986.
- And there has been some discussion in recent years of a move towards a new or a revised, I'm not sure what the right word, if it's "revised" or a "revision" or a "revamping", I don't know.
- MR. LeBLANC: There's many words that have been used, "modernized" and "renewable", of the policy. Yes, there has been a number of discussions, given the fact that it is a fairly old policy.
- And I'll just identify that there's a question around -- well, I'll preface my questions by saying this. We understand that some part of this revising or renewal of the policy may involve materials going to the Minister and under consideration by the Minister. And I'm not looking to go behind the curtains on what the Minister is doing at this point, although it may be more related to the election than anything else. But let me ask you instead, if you could offer us with the benefit of your involvement, your understanding and your sense of the timing, the progress, the work that has been done and is yet to be done towards a renewal of the policy.
- MR. LeBLANC: Significant amount of internal consultation has taken place over the last four or five years to identify some areas that could be improved in the policy, and it's all been internal. Some policy research has been done. The Minister has been briefed, however, there is no decision taken as yet to move outside to do some external both internal and external consultation.

The proposal, if it does go forward, in terms of renewal policy, would be to provide a discussion paper that would allow for discussion internally and externally with stakeholders and partners to get their feedback on potential improvements to the policy. And once that is achieved, that would take, we approximated, about six months. Then we would write a draft policy and also then go back to internal and external

- 1 consultations on the draft policy and finalize it.
 2 The estimated time we provided for the Minister
 3 was about a year before we could go back to her
 4 with a final draft of a policy.
 5 O And has there been an external consultation work
 - Q And has there been an external consultation work with whether it's the province or their stakeholders in particular, has that occurred to this point?
 - MR. LeBLANC: No. No, no, no.
 - Q So the consultation you've referred to is entirely internal at this point?
 - MR. LeBLANC: That is correct.
 - And the one-year period, what does that, just so I'm clear about it, what is that, does that take us to the notional end release date of a new policy, or does that refer to this initial work?
 - MR. LeBLANC: That is correct. It would take one year to provide for the initial dialogue on the discussion paper, draft a new policy, and get ministerial approval and release of the policy within a year.
 - If I might move to number 30 on the exhibit list, please. Mr. LeBlanc, I think, well, you'll see your name there. I take it this is a presentation that you presented in Halifax in October of 2008. And if I could just confirm that I have that correct.
 - MR. LeBLANC: That's correct.
 - MR. MARTLAND: I'd ask this be marked as the next exhibit please.

THE REGISTRAR: Exhibit 648.

EXHIBIT 648: Fish Habitat Management presentation by Patrice LeBlanc to CCFAM Inland Fisheries Committee, October 27, 2008

MR. MARTLAND:

- Q And I don't know that I need to go to particular parts, but I take it the context for this is that in 2008 already at that point you're providing an update, I take it, that's internal to DFO, but providing an update on the modernization of the Habitat Policy?
- MR. LeBLANC: Yes, an update on where we were in terms of internal discussion.
- Q And in fact I said internal, but I notice for the CCFAM, could you describe for us what the CCFAM is

and who may have been part of receiving this presentation, please?

- MR. LeBLANC: The Canadian Council of Fisheries and Aquaculture Ministers are all the ministers of provinces and territories and our Minister who chairs or she chairs, sorry, that chairs the committee. Under that committee there is an inter-governmental working group and a committee of deputy ministers. The Inland Fisheries Committee is one of the committees that reports to the deputy ministers' committee, and it's provincial fisheries officials and DFO staff that —— at the director level.
 - In terms of a renewal of the Habitat Policy, I'd appreciate your thinking and your own views as to where the new Habitat Policy should go, and in particular any comments on the principle of no net loss of productive capacity, whether that should be maintained or changed in some way.
- MR. LeBLANC: I believe there are some very strong parts of that policy that should be retained, including the no net loss principle, guiding principle. It is at the heart of the policy. There will be some need to update some of the policy, especially the new legislation that have been introduced since the policy has been introduced in '86, such as the Canadian Environmental Assessment Act, environmental assessment processes in the north, the duty to consult aboriginal peoples, and the Species at Risk Act.

The other is, I think, this is my view in terms of introducing the notion of an ecosystem-based approach, and results based regulation, that concept in terms of strengthening the policy itself. But the basic one would be applying an ecosystem-based approach to habitat management, where we would move away from individual, although not eliminate the project review, we would provide a greater context in terms of assessing the impacts of human activities on fish and fish habitat by establishing standards, thresholds, identifying key priority habitats that need protection and conservation.

Ms. Reid, I'd like to ask you a similar type of question, picking up on the last point. There is, as we've heard, a move to modernize or renew the

Habitat Policy. Could you offer us your 1 perspective on whether there is a need and what 3 the need is to change the existing Habitat Policy, 4 please. 5 Well, similar to Patrice, I think that the MS. REID: 6 principle of no net loss is one that's fundamental 7 to the policy and something that should be 8 continued. I do agree that there are aspects of 9 the policy that are out of date, and need to be 10 updated, similar to what Patrice has already said. 11 So that would be my summary. 12 Thank you. Mr. Hwang. 13 MR. HWANG: Similar to the others, I think the no net 14 loss principle is essential, and there is 15 certainly room to provide for some updating to the 16 policy. And I think the important thing from an 17 on the ground kind of practitioner's level is to 18 ensure that that quidance is clear and enabling, 19 and also to ensure that ultimately it's getting 20 the results that are going to provide for 21 sustainability for the resource long term. 22 As the Habitat Policy has been so central a 23 document, as I take it in the work of the HMP, the 24 Habitat Management Program, for so many years and, 25 Mr. Hwang, I'll perhaps start with you this time 26 and go the other direction. Are there particular 27 things, having worked with the Habitat Policy, in 28 the formulation, the offsetting approach, the no 29 net loss principle, do you have particular, if 30 there were to be a revamped Habitat Policy, are 31 there particular things that you want to see or 32 are afraid of seeing in the new policy? 33 MR. HWANG: Well, on the room for change side, I think 34 some of the strict interpretation of the way the 35 hierarchy of preferences for offsetting or 36 compensation are laid out, are at times restrictive, and sometimes will compel a certain 37 38 project to choose a compensation option that isn't 39 necessarily as useful as other measures, but 40 either proponents or staff will be compelled to 41 sort of go to the first preference in the 42 hierarchy first. So some adjusted guidance that 43 provides for maybe choosing the most effective

On the side of things that operational staff may be concerned about, I think ultimately would

hierarchy would be useful, I think.

offset as opposed to always rigorously following a

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be what you would generalize as something that would lower the bar for habitat protection. It's a very challenging thing to implement and a strong policy is very, very helpful in terms of trying to carry that forward operationally.

Q Are there things that you're afraid of seeing? D you have...

- MR. HWANG: Well, certainly, I think, I spoke quite directly to the importance of having that no net loss principle carried forward, and I think something that would adjust that or make that less clear or certain would introduce potentially a challenge to making decisions forward for longterm sustainability of the habitat base.
- Ms. Reid, are there things in this work towards a revised or renewed policy, are there particular things you'd like to see there, or particularly do not want to see there?
- MS. REID: Well, one of the things that I think is important from an operational perspective, when I look at in my job working with habitat practitioners and trying to make decisions around, you know, mitigation or compensation measures, is this balance between, you know, conservation and economics, and the policy speaks to that and talks about the need for that balance. But it is in many ways left to the practitioner, to the program, to come up with the right balance, and it's often a challenge.

In the case of environmental assessments, particularly the more complex ones, there are methods to sort of allow for that balance to be found. But in the case of the Habitat Policy itself, I think that it would be useful to have more direction on that question.

The other aspect that is already incorporated into the policy, but I think is extremely important, is that aspect of partnerships, whether it be with local or provincial governments, or with First Nations. I think that strengthening that part of the policy would be very helpful, as well.

And as far as things I wouldn't want to see lost, again I would go back to the not wanting to see the loss of the no net loss principle.

Q Mr. LeBlanc, anything to add on this question of the work towards a new policy?

MR. LeBLANC: I think one of the considerations is that the Habitat Policy is a framework policy, and I think it needs a set of other principles which might line up with some of the things that Rebecca has mentioned, such as risk based, best placed, who is best placed to help deliver on some of these functions that we have to carry out. Whether it's provinces, territories, conservation groups, industry, or what have you. But also principle of accountability that who takes on some of this work is accountable to deliver on it, and there's some mechanisms to audit these.

I would also say that one of the things is that while the policy has remained since 1986, we have developed a series of operational policies that hang from that policy, and maybe for a framework policy that you've got to be careful that you add too much in it and you align it with some more operational policies that provide the kind of guidance that Jason and Rebecca mentioned.

- Q If I could just clarify, please, Mr. LeBlanc, in terms of understanding the current status of this work towards the new policy, could you just advise me, is it the case that this is at the point where the Minister has to say yes or no, you're waiting for a ministerial direction or decision on whether this work continues?
- MR. LeBLANC: The Minister has been briefed on this and her decision was to seek some input from her cabinet colleagues that was to happen in a few -- in a month or this month, and unfortunately some other democratic event has occurred and has sort of delayed that.
- Q All right. So stay tuned, we'll have to wait and see.
- MR. LeBLANC: That's exactly right.
- Q I'm going to next turn to a few questions on whether Canada's achieving no net loss. Why don't we simply start with that, Mr. LeBlanc. Is Canada achieving no net loss of the productive capacity of fish habitat?
- MR. LeBLANC: I think my answer would be yes and no. I think yes in some cases we do in individual project, but overall when we assemble all of the projects that we assess, and what have you, we may be losing more than we are protecting. So generally speaking we may be losing habitat

overall in some cases, in some projects. We are able to attain a no net loss productive capacity, but in other areas I think we do lose some habitat. I am not sure whether it's ten percent or 50 percent or what have you. We have no real true measure to assess whether we are achieving a no net loss of productive capacity, and we are hoping to get some indicators, that are indicators to allow us to measure this principle.

- Q What is the work involved in getting those indicators and who does that, or who should be doing that?
- MR. LeBLANC: Right at the moment we have put on a priority for Science and national priorities for the Canada Scientific Advisory Secretariat, CSAS it's called. There's a peer review process and they have been asked to develop indicators for fish habitat this fiscal year.
- Mr. Hwang, if you could please field the same question, and if you can tie it back to Fraser River sockeye habitat, that's helpful. Is Canada achieving no net loss?
- MR. HWANG: Well, certainly from the operational level all the indications are no, and it's a very complicated circumstance to operate in and respond to. I would say Fraser sockeye habitat, at least in the Interior Area that we work in is probably better off than habitat for some other salmon species, just because of the nature of the biology and where those fish live. But there is a tremendous amount of change from a natural landscape going on because of human activity in that watershed.

Some of that change DFO has a direct regulatory authority for, and that comes in to us and we review it. On that stuff I think we do okay; not perfectly, but we're okay. And then there's a whole bunch of stuff that doesn't come to us for a variety of reasons, either it's got an indirect effect to a fish habitat, you know, it's something very upland perhaps from a river or a lake, or stuff that a proponent may choose not to bring to us for a variety of reasons that also has, I guess, a cumulative incremental effect.

Q And to pick up on Mr. LeBlanc's point, what work do you think is needed to measure the habitat, the gain or loss of habitat?

- MR. HWANG: Well, certainly some start at getting a benchmark or a baseline, or a status of the habitat base at a place in time, so that you could then go back into the future and assess the same measures and you would have something more specific and direct to give you a determination as to whether the circumstance is better or worse as far as habitat goes. So the habitat indicator type work that I think Patrice touched on that has been, I guess, touched on, or started through the Wild Salmon Policy type work is very useful, and if it was completed and we had that benchmark, would be very helpful in managing now and into the future.
 - From your work in the Interior Area, can you give an example of a particular type of challenge to achieving no net loss, in particular for Fraser River sockeye habitat?
- MR. HWANG: Well, a simple example would be something like development in the Shuswap area, outside of Kamloops, which is subject to a range of pressures. There are things that I would call historic pressures from traditional land uses like agriculture and forestry. There are linear developments from railways and hydro right-ofways, and things like that, highways. And more recently there's been a really significant increase in property development, recreational, residential, as well as recreational type activity out on that lake. So it's a very significant salmon producing lake, and there are a number of changes that are occurring day-to-day and year-toyear in that lake, most of which are not positive for fish and fish habitat.
- Ms. Reid, I haven't asked you questions on this point. Do you have comments or answers to provide.
- MS. REID: Well, just with respect to habitat indicator work. I would say that in Pacific Region we have done some of that work under the rubric of the Wild Salmon Policy, the Strategy 2, which is all around habitat monitoring, and that Strategy 2 work essentially we spent a number of years coming up with indicators in order to measure health of a particular unit. And so that methodology has been developed.
- Q Mm-hmm.

- MS. REID: And some of the initial habitat status reports have been done, but at a preliminary level. And I think that completion of that work will be very helpful in moving forward in coming up with the status of habitat at a conservation unit level and at a more discrete level.
 - And when you talk about sorry, I'll slow down and get my terminology - the Wild Salmon Policy doing that work under Strategy 2, that refers to Heather Stalberg's work; is that correct?
 - MS. REID: Yeah, that's right.
 - And to pick up on the point you just offered, is it the case that the Habitat Status reports that have been done, have been done as pilot projects and that that's not ongoing work at this stage?
 - MS. REID: Well, I would characterize it as so the methodology has been developed and we are beginning to do those status indicator, status reports. They're not pilots. They're simply picking watersheds to start with and then the intent is to carry on.
 - Q And who is and who should be responsible for the science advice on that sort of strategy to monitoring work?
 - MS. REID: Well, we worked -- so the work that Heather did was in concert with the Science Branch.
 - O Mm-hmm.
 - MS. REID: And so I would see a cooperative relationship on that work.
 - Q I'll come back to some questions on the Wild Salmon Policy, and I thank you for raising that in this context.
 - MR. LeBLANC: Could I just add a point of clarification, and I think in terms of no net loss. One of the key items in the no net loss and in terms of an authorization that is issued by the Department under the authority of the *Fisheries*Act, is the condition that we can place under the authorization, although it's not enforceable, there is a follow-up monitoring.

What we need, I think, is, and we are working on that this fiscal year, is a rigorous methodology for doing two things. One is to verify the actual HADD that's occurred, harmful alteration disruption or destruction of habitat, and the other one is the effectiveness of the compensation measure. That is important to have

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40 Publications for Circulation, dated March 8, 41 2006 42

MR. MARTLAND:

them now, but for the reference of people here,

that so there's a standardized methodology used across a country, a scientifically rigorous methodology. And the other part of that is for having the results of these monitoring programs undergo a strict peer review process, whether it's through the Canadian Scientific Advisory Secretariat or other mechanism, there is a peer review, a scientifically peer reviewed, and then we can learn from that and use the results of those evaluations to feed back and change the compensation measures that we use, or methodology that we may adopt it for, for a certain project.

And I wonder if I might try and approach some further questions on this question of habitat compensation by turning to the Quigley and Harper work in particular. I'll do that first with number 8, please, Mr. Bisset, on the list. And I'll just -- you'll see this come up on the screen. It dates to March of 2006. It is out to "Distribution", is who it's addressed to. I take it that suggests that it's going out at a fairly broad level, and indicating that:

> ...the recently published results of a national evaluation program to assess the performance of compensation projects in achieving No Net Loss of fish habitat productivity...

Are being circulated out to people, I take it, in the Habitat Group nationally?

EXHIBIT 649: Memorandum to Distribution re

Compensation to Achieve No Net Loss; Final

MR. LeBLANC: Yes. MR. MARTLAND: If I could ask this be marked as the next exhibit, please.

National Evaluation of Fish Habitat

THE REGISTRAR: Exhibit 649.

And in fact what I will, for the benefit of participants, the Quigley Harper papers were included in our exhibit list. I won't turn to

it's numbers 9 through 14 on our list of exhibits. Given the limited time I have, I don't propose to go to the source materials and instead I'll take a shortcut if I might, by referring to the Policy and Practice Report, or PPR, and in particular I think it will be page 26 for you, Mr. Bisset, and page 22 and paragraph 52 on the printed page.

Just under paragraph 52, there's a graph that sets out a summary that we've prepared of the Quigley/Harper work, and to review that quickly, and I'll just take a moment to do this.

The "Literature review" that's cited there refers to the authors having located and reviewed ten studies from the literature that was existent. The "Results" listed at the bottom of the second column:

Over half of the projects were determined to have had smaller compensation areas than HADD areas, and over one third clearly did not achieve No Net Loss.

The next piece to this work was a "File review", you'll see it described there, it analyzed files for 124 HADD authorizations, 105 of which were from this province in the range of 1994 to 1997.

Results: 25% had smaller compensation areas than HADDs. Determination of No Net Loss could only be made for 14% of authorizations due to poor compliance with monitoring requirements and because the performance criteria used by DFO does not assess effectiveness / No Net Loss.

The "Compliance audit" listed next involved site visits to 52 of the 124 authorizations that were randomly selected. And on the next page under "Results" you'll see that:

86% of authorizations had larger HADD or smaller compensation than authorized, or both. Two thirds resulted in net loss of habitat area.

And the fourth point, the "Effectiveness

study" evaluating 16 of the 52, seven of those being in this province, the "Results" described there:

63% of authorizations resulted in net losses of habitat productivity.

So that's a cumbersome question, I suppose, but I do that to have in our minds the Quigley and Harper work in the mid-2000s. If you could please, Mr. LeBlanc, why don't I start with you and then ask the other panellists. If you could comment, please, on the importance of the work done by Messrs. Quigley and Harper, in particular, and the influence of that work, and also what has been done since that time.

MR. LeBLANC: I believe that this was an important piece of work that sort of revealed several sort of weaknesses with the application of the no net loss principle of compensation, and as well compliance regime that is really important in terms of making sure people are following the compensation measures and authorization.

Very little has been done since in terms of doing another evaluation of this kind to see whether we have improved, although we have provided further guidance to staff, as well as others in terms of ensuring that there is compliance. And we have now a monitoring unit, compliance monitoring group in each of the regions that is to provide some audit and monitoring of conformity with the requirements of authorization. So I'm hopeful that we will be able to confirm whether these compliance numbers are the same.

As well, I think, and if we can refine the methodologies I mentioned before to test and validate the accuracy of the predicted impacts, as well as the effectiveness of the compensation, that will help us. But these take time, and as you can see, this was back in 2006 and it's a little over six years since this report, and we recognize that we do need to do some more work to improve the performance of our compensation measures.

Q Mr. Hwang, from your perspective, how important was the Quigley/Harper work, and what's happened since?

MR. HWANG: Well, the work was important on many levels, I think. It certainly sent some clear messaging to managers and staff as in terms of how we were doing. And I think it was important for managers. I count myself there, because at the time I was a manager. It was important for managers to understand that we had to provide some clearer direction to our staff, and that we had a results gap here.

And it was also important to staff, because my impression was by and large staff felt that writing the authorizations as they were was effective, and then they would move onto the next thing, and it's understandable, because there's a significant workload train. You get one done, and there's another thing waiting, and you don't always make time to get out and see how the project performed based on your guidance. So there was a strong message for staff that we probably at the operational level needed to change some of our habits and practices.

I think one of the things that it demonstrates really, though, is that no net loss is quite difficult to achieve, even on a fairly carefully overseen project. And you know, notwithstanding the fact that this audit shows that there were gaps and that no net loss wasn't achieved, I think it also demonstrates that there were positive things gained for the habitat of the fish by DFO's engagement, and while we may not have gotten to 100 percent, my feeling is that the habitat and the fisheries resource was still better off by way of DFO's engagement.

Ms. Reid, any comments to add on this?
Ms. REID: Just to add that subsequent to this work, at an operational level, the Habitat Program managers worked hard to engage staff to make this type of work and others meaningful. For example, in, you know, large area meetings we would have situations or case studies. So a Habitat practitioner would come up and present a project and talk about the mitigation, the compensation in a time series. And so those types of presentations were made, which I think were also sort of useful for making this type of work and to inspire staff, you know, in working further on those types of projects. So that type of stuff is ongoing, as well.

I'd like to ask some questions that we'll use as a starting point, some past reports, and in particular this CESD, the Commissioner for the Environment and Sustainable Development, reports, which I know you're familiar with. I'll just narrate for a moment to say that some of these, there's been a series of significant reports that speak to this topic. Mr. Commissioner, they're summarized in Exhibit 14. They've been discussed in your interim report. Some of those reports are also listed for the benefit of participants in our exhibit list as numbers 26 through 29.

Again, I'll try to use the shortcut of the PPR rather than going to those documents, and I'll focus questions on some of the points made in the CESD reports in particular, the 2009 CESD report. If we could please turn to page 23 of the printed page, page 27 on the screen, I expect, or in Adobe, paragraph 54 of this PPR.

I think I've been slow enough finding it in my own binder that you may have read it already. But paragraph 54 indicates that:

In response to the 2009 report of the CESD, the Department agreed to, by March 2010, determine what actions are required to fully implement the Habitat Policy.

And then a description that's set out there, that:

In March 2011, DFO will table a report to the CESD outlining the Department's progress made on this and other commitments arising from the 2009 report.

Now, I'll go back to some of the points made in relation to the 2009 report.

Mr. LeBlanc, could you comment on the status of these things, please, that are set out there.

MR. LeBLANC: Yes. The update on the Commissioner of Environment and Sustainable Development Report on Protecting Fish Habitat has been submitted to the Deputy Minister for her approval and for submission to the Commissioner. I am not sure whether it has been signed yet, but from a week or so ago it had not left the Department.

Q And indeed there's two documents that may assist

us as we move through this. So one, if Mr. Bisset, if you could please keep this document 3 handy, the PPR, the other one is number 32 on our list, which is a Management Action Plan and I 5 understand there may be a more recent version, but 6 I'll work from this one as much as I can. 7 bears declassification date, I take it, is 8 Valentine's Day of this year, but it may be that 9 the document itself dates to an earlier point of 10 time. Mr. LeBlanc, maybe you could just give us 11 some quick understanding of what this document is. 12 It's a MAP or Management Action Plan, I take it? 13 MR. LeBLANC: Yes. The responses to the 14 recommendations were put into what's called a 15 Management Action Plan that would identify the 16 actions taken and measure progress against these. 17 And it identifies the various responsibility 18 centres in the Department that are accountable for 19 meeting or for implementing the actions. In this

sector has a responsibility to respond to each of these.

This was done to give an update to a new incoming Assistant Deputy Minister. There is a more up-to-date version available.

case, Environment Canada has some recommendations,

Science or Science Sector, Conservation and

Protection and the Habitat Management Program

Group and the Habitat Policy Group. So each

Okay.

- MR. LeBLANC: As I recall, or mentioned before, was provided to the Deputy Minister to provide to the CESD.
- MR. MARTLAND: If I could ask this be marked as the next exhibit, please.

THE REGISTRAR: Exhibit 650.

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EXHIBIT 650: Management Action Plan, DFO & EC Response to May 2009 CESD Audit Report and Progress Made, October 28, 2010

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MR. MARTLAND:

Q And I'll try and approach it using this document, but certainly if there's different information or new information that you can provide, we'd appreciate that. I think we have available the newer version, too, if you can tell us, Mr. LeBlanc, if we should be moving to look at that.

 The question I have first is on page 2 of this. If we look at paragraph 1.80, and I'll read it out, the "Recommendation", which comes from the 2009 CESD report summarized here:

Fisheries and Oceans Canada should determine what actions are required to fully implement the 1986 Habitat Policy and confirm whether it intends to implement all aspects of the Policy.

The "Response" in the next column:

The Department accepts this recommendation and, by March 2010, will determine what actions are required to fully implement to Habitat Policy.

And then the "Action Taken" in the third column refers to:

DFO [having] completed its review of the 1986 Fish Habitat Management Policy --

- and then a conclusion -

-- and will be renewing the Policy.

Has anything changed in terms of the response that's set out there? Is that the Department's view of the response to that recommendation from the CESD?

MR. LeBLANC: That is consistent.

I want to try and ask you this question, just to help me understand, because I wonder if there's a sense in which saying that the policy will be renewed is a way of not answering the question of whether the Habitat Policy itself is being implemented or whether it should be implemented. In other words, a cynic might look at that and say, "Well, that's not an answer as to whether this policy is going to be implemented and what steps should be done to implement it," but rather sort of saying, "Well, hang on a second, we're going to move to a brand new policy." I'm not saying that's my view of it, but I'd like to have your response to that perspective.

MR. LeBLANC: Well, in the review of the Habitat Policy, what we looked at is the implementation of the eight strategies, and in many cases we do implement many of these, the focus being on Strategy number 1, protection and compliance; mind you, most of resources are dedicated to that. But many of the things have now been sort of rolled up in other things. So, for example, cooperative action and outreach, and public education, and information, and consultation has been rolled up into partnering. Most of the partnering effort that we do in engaging others from industry, NGOs, and provinces and territories and municipalities, are done under that umbrella. We do provide some support for habitat improvement, but very low across Canada. Science is supporting our program, so that's scientific. And monitoring, we started enhancing that capacity. So in many cases, we do implement all of the strategies.

We have an estimated, and we were told by our Deputy Minister and the Deputy Minister at the time mentioned to the Commissioner "This is not something that you can recommend that we increase our resources, and it should be neutral in terms of that. Just recommend where we are not doing what we're supposed to do." So the level of effort that we spend on each of these has not been estimated, and any estimate of whether we need additional resources has not been done.

- Q And appreciating what you've just said, that there hasn't been a precise analysis of, if you will, the costing or the nature of the resourcing that you'd need, could you give us, though, your sense, is this far out of reach? Is this unattainable, absent a massive shift in funding?
- MR. LeBLANC: Well, I do believe that we can maybe rebalance some of the things in the policy that we should be doing some more monitoring by trying to streamline the regulatory review process, while maintaining the effectiveness in terms of protecting and conserving the resource. But we, I believe, that we've been using our resources to the best that we can that are allocated, in order to focus on first and foremost our regulatory responsibilities, which is embedded in the first strategy of the policy. But like everybody else, we could use -- everybody could use additional

resources, so, you know, that is something that would help us to implement some of the other aspects. But the level of those resources, nobody has made any estimate.

- Q Mr. Hwang, from your point of view operationally, have you ever seen an assessment of what would be required to fully implement the Habitat Policy?
- MR. HWANG: No, not anything that's come across my desk nationally. We've undertaken a few exercises, I would call them, kind of table top type exercises, with some experienced staff or managers to sort of estimate that out and, you know, we've created a few relatively ad hoc type charts or summaries and things like that to make an effort in that regard.

 O Mm-hmm.
- MR. HWANG: But there's been nothing formal done.
- Q And what's been, and I appreciate that's an informal process, and I take it it's people around the table doing their best to get a sense of the magnitude of the work involved, could you give us, though, just what conclusions you reached?
- MR. HWANG: Well, the details are a bit fuzzy, because it was a while ago now. But I could say that at the time we thought we needed more resources, but not infinitely more. It was, if I remember correctly, in the Interior we were looking at something around 30 to 35 was the number based on this, again, desktop-type exercise that we had done of Habitat staff.

But that was also with the understanding that the way we currently operate in the Department in this region, we also have the Salmon Enhancement Program that operates under the same umbrella in our region, but as a separate subprogram that looks after some things that are tied very directly to the Habitat Policy. An example of that being we have a Habitat Restoration Unit, both within our area and all the other areas in our region, that do focus on that kind of work, which is a Habitat Policy strategy, but that is not resourced from within the Habitat Program nationally.

- Q Ms. Reid.
- MS. REID: Well, I think on the question of whether we've implemented the policy, if you look at the eight strategies, at least in the Pacific Region, you can certainly make the argument that over time

we have implemented each of those eight strategies in varying degrees, and as funding becomes available, we've focused on different parts. And so previously when we had what we call B-base money, there was a big emphasis focus on stewardship type activities, which is consistent with one of the strategies. You could argue that some of the Science research work, indicator work as part of what the Wild Salmon Policy has done, as Jason has already spoken about the Salmonid Enhancement Program, that's obviously a big focus on not just community programs, but restoration activities, as well. And so if you like, we could go through each of those strategies and talk about how they've been implemented in varying degrees.

I think what isn't happening right now is we don't have an even approach to how the policy is being implemented. And so in the Habitat Program you've got, you know, a major focus on the more regulatory aspects of it, of the conservation and protection. In SEP you've got a focus on the enhancement, on the stewardship pieces. And there's bits and pieces.

And in order to make an estimate of what's required in order to fully implement the policy, I think it would be tough because first you'd need to say, well, how much do we want to implement each of those elements, and, you know, it's in some degrees it could be infinite. So you need to kind of make an assessment of, so for each of those eight elements, how far do we want to go, and then how much of a, you know, effort do we want to put into each. And then kind of do that evaluation. And so the numbers could be quite variable depending on where you want to put your focus and emphasis.

MR. MARTLAND: Mr. Commissioner, I note the time, and I wonder if I might canvass whether we might have a ten-minute break. I'm trying to see if I can finish my questions before the midday break at 12:30.

THE COMMISSIONER: Certainly.

MR. MARTLAND: If that's agreeable. Thank you.

THE COMMISSIONER: Thank you.

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46 (PROCEEDINGS ADJOURNED FOR MORNING RECESS)
47 (PROCEEDINGS RECONVENED)

THE REGISTRAR: Order. The hearing is now resumed.

MR. MARTLAND: Thank you, Mr. Commissioner. Mr.

Bisset, I'd like to make reference to the PPR,

page 20, I think that will be page 24 of the

screen version. Paragraph 48 is what I'll refer

to at the bottom of that page to start with.

EXAMINATION IN CHIEF BY MR. MARTLAND, Continuing:

Q This, and I'll just say this, this is the part in the PPR where we've really reviewed and summarized some of the previous findings and recommendations made in reports and, in particular, Auditor General and CESD reports. So I'll review them quickly and then ask for comments from any of the panellists who'd care to give them on the status of the recommendations that may have been made, on whether, on the one hand, this is a recommendation where there's been real work and the recommendation or the point can be considered resolved or concluded, partially resolved, or whether the criticism or comment is just as valid as when it was made.

So let me start, first, with paragraph 48:

In 1997, the Auditor General examined the sustainability of the resource base for Pacific salmon. He found that the department had not developed an acceptable, standardized measure of [fish] habitat productivity. Moreover, the Auditor General's report suggested an accumulation of small impacts from small-scale developments "are probably the source of the slow net loss of habitat that is occurring."

Mr. Hwang, why don't I try starting with you with this and I'll then move to the other panellists.

MR. HWANG: Well, to the first part of that point, the habitat productivity standard measure, I think, has been -- we've made some progress in that by way of the Strategy 2 work in the Wild Salmon Policy. I think there are measures in place and we have a methodology and a series of criteria that exist where if we chose to go and undertake the analysis at a conservation unit level, we could actually get a picture of where things stand

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at that conservation unit kind of framework. We don't really have the ability on a more detailed scale to do that kind of analysis on a site-specific basis, on an operational basis. is, I would say, academically or technically There have been a few circumstances possible. where there have been specific approaches undertaken to try to get to that, but for the general day to day kind of habitat development referral we would get, we really still lack an operationally-available methodology to go and do that, and it may not be possible even to come to that kind of approach.

On the second part of that, which is with regard to the accumulation and the slow net loss of habitat, I would say that that trend, by my observation, is still occurring. It's occurring from, I think as I spoke to earlier, a number of different sources for a number of different reasons, and I think the Department is aware of We're doing what we can. We're trying to it. prioritize the resources that we've got to the most effective things.

But at this juncture, I would also say that there are many things that are still out there that you would do if you had the means or that even others could do if they saw it as a priority. Ms. Reid, do you have comments on these findings from the Auditor General's report in '97?

MS. REID: No, I don't have anything to add on this.

Mr. LeBlanc?

MR. LeBLANC: Nothing more to add. I think that Jason has pointed out the difficulty of operationalizing a methodology for productive capacity at a site specific basis.

There has been quite a bit of work done by the researchers and there is a paper in publication by Minns and Randall, Dr. Minns and Dr. Randall, and co-authors in terms of trying to identify some of the standard methodologies measures, but they are pretty complicated and usually better done at a broader, larger scale level. The other thing is, on the other point, and we are still struggling with finding the silver bullet to allow us to better measure productive capacity.

The other is, I think, the point on

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cumulative impacts, and again we lack approaches and methodologies for assessing accumulative impacts, because we do these projects one at a time and although we do look at other impacts in the system, there is no standard approach or methodology that can be used to apply a cumulative impact assessment approach.

Let me turn to paragraph 50 of the report. 2004, the CESD has a report specifically on salmon habitat. The second sentence reads:

> The Commissioner found "indications that habitat loss is continuing" and that implementation of the 1986 Habitat Policy "does not seem to be working." It suggested the Department "re-examine the objectives of the policy and make it work."

And I think this resembles some of the 2009 report and comments about the implementation of the Habitat Policy and the status of that. So I'll leave that and then also ask about paragraph 51 at the same time.

This is a report in 2009 on fish habitat, generally, from the CESD, and in the second line you'll read that:

> In the 23 years since the Habitat Policy was adopted, many parts of the Policy have been implemented only partially [...] or not at all.

That's the point we were, in part, addressing before.

> The report explained that because the Department "does not measure habitat loss or gain[, it] cannot determine the extent to which it is progressing towards the Habitat Policy's long-term objective of a net gain in fish habitat. There has been little progress since 2001[.]

If it's of assistance to use the map, Mr. LeBlanc, maybe I'll ask you first, if you'd like to use the map, if that's helpful, you're welcome to, but really I'd like your response to that comment from

the CESD report, please? Sir, sorry, your microphone is --

MR. LeBLANC: Sorry, I apologize for that. It is true that we have no indication whether we are gaining or losing habitat, and to see what is -- is whether things are working or not. We are pressing to get, as we were mentioning before, to develop some indicators that would allow us to measure and collect information to indicate whether we are making any progress towards a long-term objective of net gain and/or to a report of whether we have no net loss occurring or what.

And monitoring is an important part of that, what we call monitoring the health of the system, and again, we need to engage our science colleagues to provide us the indicators and have a way of collecting the data and information to be able to find out some trends in terms of the status of fish habitat, but progress is slow in that area.

Q Mr. Hwang, anything to add on that?
MR. HWANG: Well, to the point, in general, about the ongoing decline, the slow net loss, and the department's reaction to it, in my view, there's a really important piece of that to understand, which is DFO is not an agency that walks out and controls every single thing that happens on the land base in the Fraser River, in the Province of British Columbia, certainly.

We have a very defined and specific authority and role that's empowered by the **Fisheries Act** and the habitat provisions and the Habitat Policy, and we do our best with that to influence land use and water use, watershed base planning-type decisions in favour of fish. But we don't have a veto or a control stick for every single thing that happens out on the land base, and the sort of analogy that people before me have coined in this regard is that fish habitat is basically composed of land and water and the challenge of managing and regulating fish habitat in Canada and in British Columbia is that land and water are managed by the provincial governments; that's where the authority lies.

And so what we have to do to achieve the fish habitat management objective is to work, ideally cooperatively, with the entities that manage fish

and water to get outcomes that are positive and in favour of sustainable fisheries management.

So the Department's response, I guess, to these series of audits that are showing some similar findings has been to recognize that they're happening and to do what we can do try to get to more effective ways to address some of these things. The results are imperfect, I would agree, and I don't dispute the findings that are in the reports at all, but I would also say that it's really important to understand that it not be taken that the Habitat Policy or the Department's habitat program is ineffective and perhaps not useful, because the alternative to perhaps not having a habitat program or to having a substantial change in the Habitat Policy, to perhaps put something out there that's achievable but maybe not striving for an ideal, which is no net loss, would be to the detriment of the fisheries resource, in my opinion.

Maybe I can pickup on this point about cumulative impact and the notion that 1,000 small cuts may lead to an ultimately very big consequence. And I'll do this with a move to moving into the discussion about the EPMP, which stands for the Environment Process Modernization Plan.

Mr. Hwang, can I ask you: Do you think there's something inconsistent or incompatible between two different things? First of all, what I take from EPMP as being a focus on a risk management framework that might screen out some of the smaller projects and, along with that, a focus on major projects and, on the other hand, exactly that sort of concern about cumulative impact arising from hundreds or thousands of small development projects.

MR. HWANG: I'm not sure I would frame it as an inconsistency in that the rationale for a risk management approach ties directly to most effective use of the resources you have at your disposal. So, on one hand, one might say that it would be perhaps an error to overlook the smaller things, because we know the smaller things are contributing to negative results for fish in fish habitat. But if you have fixed resources and you only go after the smaller things, there's a lot of them, then you are making a trade-off against

going over the more significant or substantive things.

So in my view, what the Department has been trying to do under this risk management approach is, "Well, with fixed resources, how do we deploy them most effectively?" The cost of that is that there are smaller, what are sort of framed as lower-risk things, that are not getting the degree or review or oversight or scrutiny that a government could apply in terms of oversight. But given the resources that we have at our disposal, the approach is a useful way to try to prioritize and choose the place where you're going to make the best progress with what you can deploy.

- Is it not even necessarily a question of overlooking small projects as not necessarily under EPMP being aware of them in the sense that because it's a voluntary reporting regime, as I understand it, there may be things that go on which don't even come onto the radar of the Department; is that true?
- MR. HWANG: Yes, that would be a change that's happened, operationally, with the deployment or rollout of EPMP where there were all kinds of projects that would happen on the land base that, through various referral arrangements we would have with other agencies, our department would have an opportunity to review and consider and provide feedback or guidance on those kinds of projects, and there have been a number of those things that have been screened out, I would call it, of our review process.

But it's not an idea that didn't exist before EPMP in our region in particular, which I can speak to more directly, because in our region our staff who had been working in this kind of field for a long time recognized that there were certain projects that were relatively routine, we saw a lot of them, and there were more effective ways to put the guidance out and the risk was relatively low to a project proponent to say, "You know, if you do it like this, you're not going to have a particularly problematic effect to the resource and you don't have to bring it to us if you can follow these kinds of guidelines."

So there were guidelines and best practices and things like that in place prior to EPMP. What

EPMP did was take that, put it into a national context and, to some degree, perhaps took a few things that we were looking at before off the plate and also, then, I guess, created a situation where we don't have a regulatory awareness of that activity anymore.

- I don't know if the analogy is to zooming out, but we have panellists from a regional -- first of all, an operational within an area, then a regional, then a national level, so I'll step back one step. Ms. Reid, do you have comments on these points I've been asking about?
- MS. REID: Yes, I do. And so speaking to EPMP, I think that it's important that we prioritize where we put our resources, from a regulatory perspective, but I think you need to look at EPMP within the context of the Habitat Management Policy more broadly and think about those other strategies that are in place.

And some of the other strategies include aspects of planning and partnerships, and I think that's a very important aspect to answering the question about, "Well, what about the cumulative impacts? What about those small projects?" And so DFO can't do it all. DFO said, "Okay, well, with the resources we have, here's how we're going to spend our time and energy."

But in our region, we have made a very explicit decision to say, "Well, we're not going to spend all our time and energy on the regulatory process, because we think there's other aspects that are important as well." For example, stewardship, partnership, those types of things.

We have continued to put the focus and attention on them in various ways, either through small outreach stewardship-type initiatives that the habitat program does, or through support through the Salmon Enhancement Program, through work on the Wild Salmon Policy through our cooperative relationships with the Province.

And it's that broader package, I think, that you need to look at overall to say, "Well, what's happening with habitat protection in B.C. or with the Yukon?" You can look at EPMP and say, "Well, how is DFO spending its money?" I think you need to kind of look more broadly and say, "How is the program being implemented overall and what is the

role of those other individuals?"

And I would say that watershed planning, at whatever scale you're talking about it, is a very important element of protecting habitat and really addressing that cumulative impact issue.

Q Mr. LeBlanc, I thought I saw you nodding along? MR. LeBLANC: Yes, I'm quite in agreement on the last point that was raised about the EPMP -- let me just put it in a context. EPMP was one of several continuous improvement initiatives that we undertook to make the program more effective, more transparent, predictable, timely and coherent in the decision-making process, and also to engage others in terms of delivery of the protection of fish habitat.

So a large effort in the EPMP was on other -there's a risk management framework, but there's
also partnering, and we did, through that process,
both the blueprint and the EPMP which came after
that, put a lot of effort in partnering.

We also, in the EPMP, I mean, there was a large amount of effort put on trying to address the gap that we had in terms of compliance monitoring, so habitat compliance monitoring became one of the key elements of that. As well, we had to align our resources to focus on major projects, a continuing priority of the Federal Government, which is now, you know, translated into what they called a major project management office.

So we did realign things, re, you know, focus to the risk management, as Jason was saying, and Rebecca, that we were able to prioritize what some of the -- where we should put our efforts in order to better protect the resource.

The other thing that I think Rebecca mentioned is the need to work with the provinces who really have the mandate for watershed planning or for water and use planning and to be able to integrate our requirements for maintaining the sustainability of fish and fish habitat within those plans and being able to develop some standards and thresholds which can be used to make sure that we don't -- we maintain the productivity of the system.

Q Let me carry on with the EPMP and I should, in fact, just pause to make sure I put on record the

dates of these different reports. The HCM is 1 2 added a year later. Is the EPMP 2004? 3 MR. LeBLANC: Yes, it is. 4 And so HCM is added to habitat compliance, and I 5 never get this right --6 MR. LeBLANC: 2005. 7 -- Habitat Compliance Modernization is the 8 proper --9 MR. LeBLANC: Yes. 10 -- term? 2005. Ms. Reid, there was a diagnostic, 11 I think - it's mysterious to me as to why people 12 are using diagnostic as the French pronunciation -13 but the diagnostic is some work that you were 14 involved in. If you could please give us a quick 15 understanding of what the diagnostic coming out of 16 concerns in the region about EPMP, I take it; is 17 that correct? 18 Yes. So in, I believe it was, yes, the end MS. REID: 19 of 2006, I was taking on the new role as regional 20 director for OHEB. One of my first tasks was with 21 regard to implementation of EPMP in the Pacific 22 Region, and there was some resistance or perceived 23 resistance by staff in this region around some of 24 the elements of implementing EPMP. 25 So as a result, I worked with one of my 26 managers, who took on an assignment to essentially 27 do a diagnosis of the problem and then to come up 28 with a strategy on how to resolve it. And so 29 through that work there was a paper written which 30 describes some of the problems that were 31 experienced. It was derived, through focus 32 groups, discussions with staff. There was a 33 changed management-type approach embedded into a 34 plan by which we moved forward to implement EPMP. 35 I should say that there was an implementation 36 plan as part of EPMP nationally, and that was 37 acknowledged, but the view was, in the region, 38 that there was an extra effort required to ensure 39 complete implementation of the work. 40 MR. MARTLAND: And to complete the documentary record 41 on this, and some of these are documents that are 42 not referenced in the PPR, I think one of them, and maybe the two that I'm going to, Mr. Bisset, 43

MS. REID: That's right, the diagnostic.

the EPMP diagnostic, itself.

there were documents provided on Friday, including

Is that the

diagnostic?

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MR. MARTLAND: Okay. If that could be marked as an exhibit please.

THE REGISTRAR: Exhibit Number 651.

EXHIBIT 651: EPMP Implementation Project Phase 1 Diagnostic

MR. MARTLAND:

Q And accompanying that, there was an e-mail. You referenced a staff member doing this work. Was that Bonnie Antcliffe, whose name is there?

MS. REID: That's right, yes.

MR. MARTLAND: And this is her e-mail, and it's addressed to Mr. LeBlanc, you're cc'd on it. If I could ask this be marked as the next exhibit, please?

THE REGISTRAR: Exhibit 652.

EXHIBIT 652: E-mail dated August 15, 2007, from Bonnie Antcliffe to Patrice LeBlanc, cc Rebecca Reid, Subject: EPMP Report

MR. MARTLAND:

Indeed, what I will do, for the purpose of these questions, I'll rely, at least briefly, on the PPR, because there's a summary of some of the concerns arising in the course of the diagnostic work. The reference in the PPR, and I should say these are documents the participants were handed a hard copy this morning, sent around by e-mail, I think, on Friday.

In the PPR, the reference, I believe, is page 33 of the Adobe version, page 29 and paragraph 70, and you'll see reference, in paragraph 70, to the diagnostic making some observations, identifying some barriers to habitat staff's acceptance of EPMP, some of which are listed there in the middle of paragraph 70, a lack of success indicators, personal values conflicts, and a perception that EPMP would lower the bar for habitat protection.

There's an indication, in the next sentence, that some staff did not see a link between EPMP and the 1986 Habitat Policy and did not buy into the rationale.

Those would seem to be some fairly significant hurdles to bringing staff on board with an EPMP approach. Could you comment on that,

please, and those concerns that were identified and steps that have been taken to address those?

MS. REID: Yes, so that certainly was the outcome of the series of focus groups and discussions that we had with staff. Those were some of the information that they fed back. And I think that the view was that EPMP had been introduced in a sort of a top down approach, and staff didn't feel that they'd had enough input into, essentially, it's design, and so it led to sort of a classic case of resistance to change.

And I think some valid concerns about some of the particulars that we've already talked about; that is, what happens to those low risk projects, those types of things, you know, how does the risk management framework, how can it be applied properly, what does it need.

And so the outcome of that diagnostic was a work plan. It had a number of action items broken into themes, you know, an important one being communication. There was a question that I've already spoken to around this issue of socioeconomic balance so, you know, how do you balance between conservation and socioeconomic considerations?

And there was a question around an issue around kind of workload and how you manage in the Pacific Region or in British Columbia where there is a huge amount of work for those habitat practitioners, from a referral perspective, how you actually get the work done in a meaningful way.

And so eventually the work was boiled down and boiled down to a point where we could actually deliver on some of those action items. And in addition to a concerted effort to improve our communications, we also worked, ultimately, on a triage, well, a number of different products, but one of them was essentially a triage methodology for managing the referral workload in the region. And in addition, we also developed some internet tools which would allow for better communication with proponents or with people who thought they were going to impact on habitat if they had a project. There was a place for them to go to take some of the front-end workload off of staff. And if I might shift into asking you some

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questions about, and all of the panel, some questions about the Wild Salmon Policy. We touched on Strategy 2, and I'll come back to some of that. But Mr. LeBlanc, if I might start with you, you are working, obviously, at national headquarters, and your work over time, how often have you had cause to refer to the Wild Salmon Policy from 2005?

MR. LeBLANC: Limited opportunity. I think we did, just like I think, there's two sets of similar policies. One is the Atlantic Salmon Conservation Policy, which is a bit similar to the Wild Salmon Policy, that what we saw of it we were very supportive of it because it is a much broader and overarching policy framework than the Habitat Policy and program, but it does support the policy objectives for habitat management.

I've been saying that it is probably one of the policy frameworks that is fairly close to what I would call using an ecosystem-based approach to managing fisheries resource and habitat. So it is well supported, it's been approved by the deputy minister's policy committee, so it is a policy of the Department, and we do reflect on it as being a solid policy framework for managing the fisheries and, as I said, in an ecosystem way.

- Q I think your answer suggested that this isn't something that you're reaching to on your bookshelf every week. When is it that you do look to that policy for work you're doing?
- MR. LeBLANC: Well, right at the moment we've been asked -- my assistant deputy minister has asked us, or one the senior ADM's committee and through our ADM, assistant deputy minister, has asked us to look at how do we apply an ecosystem-based approach to managing our resources in the department, our fisheries resource and habitat, and oceans as well.

So we're now collecting some of the information, doing some policy research, and putting together a framework and looking at how different regions have applied this approach through their policy framework, so one is the Wild Salmon Policy, so we've been looking at that one. We've been looking at some of the work in the Great Lakes, which the Ontario Great lakes area is doing. And Environment Canada's approach to

ecosystem-based approach, as well as the Maritime region's ecosystem approach to managing the fisheries, and trying to learn from those and pulling them together to do a broader national framework for the Department.

- Within headquarters, do you think the Wild Salmon Policy is seen as really a regional, a Pacific Region document?
- MR. LeBLANC: Yes, I would think it's seen as a regional policy framework, but it is for the, you know, for important fisheries. I think we are now starting to recognize the fact that it is consistent with a broader approach of using an ecosystem-based approach to managing the resource. It has a lot of the features that should be part of such an approach.
- And we had a brief discussion earlier and some questions about Strategy 2, which is the assessment of habitat status within the Wild Salmon Policy. The question, I suppose, at a broader level, is whether that Strategy 2 work, number one, is it being implemented by the Habitat Management Program; number two, should it be? Can it be?
- MR. LeBLANC: It has to be, okay? It is probably not done as well as it should be, but it needs to be, because one of the things that are a transformation of our program is to be able to establish standards and report on the status of fish habitat to Canadians. As you may have seen in some of our annual reports, we do report on outputs: how many referrals; how many authorizations; how many convictions. That's no indication for Canadians to be able to understand whether our work is ending up in maintaining healthy and productive habitat, so we do need to have some form of measurement and we need to be able to assess the status of fish habitat.

It was a major discussion at one of our forums that we held a few months ago where we brought some of the U.S. experience, in terms of implementing the National Fish Habitat Action Plan, where they are starting to report on the status of fish habitat and are committed to doing that every five years.

Q Okay. Ms. Reid, could you offer your perspectives from the regional perspective on these points,

1 please? 2 MS. REID: On the utility of the Wild Salmon Policy? 3 4

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Well, let me start with the question of the implementation of Strategy 2 and whether that is work that does or should land squarely on the desk of Habitat Management Program?

MS. REID: Well, clearly, I think that the Strategy 2 is important work that needs to be done. always been an internal debate about who should do the work, but within the Department of Fisheries and Oceans clearly that Strategy 2, the status indicator work, needs to be completed.

The question of whether it's habitat staff that do it or science staff, I think, is simply a matter of resourcing the activity. Once the Department agrees that, yes, it's important, we need to find the money, then we can simply work it out between ourselves of who actually does the work.

- And you described that as an internal debate. take it it's an ongoing debate. To your eyes, is there an answer? Has the ball stopped moving on that debate?
- MS. REID: Well, I think that there's some debate around who's best placed to do that work. Habitat program has been funding the work up until now. We have had support from the science branch. I mean, I do view it as sort of an internal conversation, not atypical of many conversations we have between branches about how activities are specifically funded.
- MR. MARTLAND: Maybe I can follow up that question. Mr. Bisset, if you could please look to number 22 on our exhibit list?
- And in a moment you'll see on the screen -- so I won't read it out; that's apparent what it is. This dates to November of 2008. This is a presentation on the connection between HMP and the Wild Salmon Policy, WSP; is that correct?
- Is this the Heather Stalberg presentation? MS. REID: I was hoping you could tell me.
- MS. REID: I think it is, yeah.
 - We can look through it, if that's of assistance.
- MS. REID: What number is it? What tab is it? 44
- 45 I'm sorry, it's number 22 in the binder there. It 46 should be.
- 47 MS. REID: Yeah, okay, it is.

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            That is?
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       MS. REID: Yeah.
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                     Thank you. If this could be marked as
       MR. MARTLAND:
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            an exhibit, please, Mr. Registrar?
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       THE REGISTRAR: It's already marked as Exhibit 204.
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       MR. MARTLAND: Oh, it already is? I'm sorry, I
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            overlooked that.
                             Thank you.
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       THE COMMISSIONER:
                         What exhibit number is it?
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       THE REGISTRAR: It's already marked as Exhibit 204.
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       THE COMMISSIONER: 204, thank you.
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       MR. MARTLAND:
                      I gather it's Exhibit 204.
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            said "2004" and I'm concerned that, Mr.
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            Commissioner, that may prove true one day, but not
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            today.
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            If we could look to page 7 of this document,
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            please? Ms. Reid, I take it, just to narrate, if
            I might, or see if I understand this correctly,
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            this is a presentation that was prepared under
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            your supervision, and is it fair to say it
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            represents an attempt to really making the case
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            for integrating the implementation of the Wild
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            Salmon Policy into the work that the Habitat
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            Management Program does?
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       MS. REID: Yes, so the context of this presentation was
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            in the context that we'd had a new director
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            general, a national director general for the
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            program. We were introducing the Wild Salmon
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            Policy to that individual, and also trying to
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            resource the work that was required in order to
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            complete our obligations under Strategy 2, and so
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            the deck was created in order to have that
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            conversation and, as you say, tell that story.
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            And is it right to say that after attempting to
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            make that case or set out that view of things,
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            that -- what did happen?
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       MS. REID: Well, the work continued.
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            certainly nationally, the view was that from a
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            communication perspective we hadn't made a strong
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            case to situate the Wild Salmon Policy more
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            broadly within the Habitat Management Program.
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            But from an operational perspective, we continued
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            to do the work.
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            And one of the challenges, I imagine, and this is
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            why I've gone to page 7, is to ask: The sub-
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            heading there is WSP Disconnect With HMP, and it
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            talks about, in the first column:
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WSP - monitoring predominantly environmental, including cumulative effects, with some efficacy.

Is efficacy, in that context, the same as effectiveness monitoring? If you're not sure I don't need you to guess at that. I just thought I'd see if I --

MS. REID: I can't remember.

In any event, it talks about the WSP predominantly looking at environmental monitoring and cumulative effects and then really, in some intention to that, a different thing in the second column, under EPMP:

Habitat compliance modernization (HCM), [is] predominantly compliance and efficacy.

So in a sense, there's a difference in terms of what the work under EPMP is and the questions that are being asked or the work to be done under WSP; is that the case?

MS. REID: So what I was trying to do with the Wild Salmon Policy was find a home for it within the Habitat Management Program, and it seemed to be that there is some logic to connect it up to the HCM program. But the problem with it is essentially there's a scale issue that, you know, the Wild Salmon Policy, the habitat indicator work is at a more of an ecosystem level broader scale and the work that the habitat practitioners specifically need is at a more specific scale. And so that was the bit of the disconnect between the two.

And so I don't think there's any disagreement. And you heard Patrice say that it's very important, from an ecosystem-based management approach, to have the sorts of habitat status information that the Wild Salmon Policy Strategy 2 provides. But that, in and of itself, is not enough. You need to continue to have your HCM program actually monitoring on the ground and doing that type of very specific work, particularly as it relates to the compensation programs and that sort of thing, that I don't think that the Strategy 2 work would ever get to that scale.

Q Mr. LeBlanc?
MR. LeBLANC: Just to add to that, and to put it in a broader context of monitoring for habitat, we see a continuum of compliance effectiveness which is at the project level in health monitoring or ecosystem-based monitoring of the health of habitat at an ecosystem level. And as you go from one to the other from compliance monitoring, habitat management has a significant role and a major role with CNP, Conservation Protection, to do the compliance monitoring and auditing that feeds into, and is very important to have that in terms of determining effectiveness monitoring.

Our role there is to provide the methodology

Our role there is to provide the methodology to proponents who are responsible for doing the monitoring, making sure that they follow the proper procedure, they report back, and we evaluate that. And you have a role of science to determine the scientifically, statistically-valid methodology that can be applied consistently across Canada so that you can compare things. And also the review, as I was mentioning before about the peer review.

When you get into ecosystem-based kind of monitoring, you need indicators, you need a lot of data. In the example in the U.S., is that's where science takes a much more important role, and in the U.S. the USGS, the U.S. Geological Service, the science element of it, does the collection of data based on indicators they want to use for measuring the status of habitat, and they provide an independent report to the American people, or they will be.

So I see, as we go along, habitat plays less of a role, but it's always involved in all of these habitat management programs, but science takes a much more important role as you go down to the -- they don't have a role in compliance monitoring, they have a role in effectiveness monitoring, but they have a greater role in the health monitoring.

Q Mr. Hwang, from your perspective, in the BCI, the interior region, or area, rather, are there habitat indicators under the Strategy 2 work that was done by Heather Stalberg, are those habitat indicators being actively used?

MR. HWANG: Not on a general operational basis. They

have been used on a couple of - I'm not sure what you call them - pilot or preliminary run-throughtype exercises to help test and validate them. But for the most part, what we see them as, at the operational level, is a good idea. We can see the linkage and the benefit, but at this point we are not part of and are not aware of any specific action to go out and undertake the indicator establishing exercise.

And it's a big job. That's the thing. It's not like, well, if we decided to do it on Monday we could have it done in two weeks. Looking at the scale of the geography and the complexity of the indicators that are out there, it's a big job and I think that's what concerns operational habitat staff to some degree, is it looks like a good idea, but to mobilize something like this is going to take some effort, and at this point we don't see the opportunity coming down the pipe that is going to enable that. That's the challenge.

- What about the WSP habitat status report, is that something that your area has been involved in creating?
- MR. HWANG: Are you talking about an actual report for a conversation unit, or more broadly, the habitat status indicators?
- Q For the conservation unit.
- MR. HWANG: Again, we've worked on, I think, one or two initially as pilots, but we haven't done them strategically or broadly across our area.
- MR. MARTLAND: I'm about to move to a different topic. I don't know if other panellists have comments picking up on WSP issues? Then I'll simply move on, then.

I have a few questions with respect to the Province's role or involvement in habitat work. Mr. Commissioner, I'd like to preface that question by offering a comment to address a concern the Province may hold on this front. As you appreciate, Mr. Commissioner, this is a Federal Commission of Inquiry and the terms of reference obviously focus, in particular, on the DFO and the Federal Government. As will be apparent, in particular in this PPR, the focus is very much on the DFO and the Federal Government.

I have some questions that touch on

 agreements and work between the DFO and the Province. I don't have provincial witnesses that are part of this panel or part of the overview hearings, although I think there's a much better likelihood that there would be provincial witnesses when we move into specific habitat effects.

So I simply say that to make clear the basis on which I'm asking some questions. There may be at least one question which asks a witness's perspective on the Province's level of involvement or presence in this area. And in a situation where I'm asking that sort of question for a perspective, just to be clear about it, I'm not asking that witness's answer to stand as the only answer possible on it; there may be another side to it.

With that as a preliminary comment, if I might try and approach this through the - and I'll try and do it without going to the document - the CESD 2004 report. And I'll begin, Mr. Hwang, with you, and then I'll ask the other panellists if they have comments to add to.

- The 2004 report raises some comments and criticisms about the coordination between the Province. Could you comment on the level of coordination between the Province and the DFO and then, more generally, on the Province's involvement in protecting fish habitat and any comments that tie us back to Fraser River salmon habitat are helpful.
- MR. HWANG: Well, that's a pretty broad-ranging
 question, but I'll try to -O Yes.
- MR. HWANG: -- keep it reasonably concise here. From our operating level within an area, we don't see a lot of guidance coming from the respective headquarters in terms of how we're going to coordinate between our agency, Fisheries and Oceans, and the habitat program and the Provincial Government and related agencies. We understand that there has been an agreement sort of structured in place, but it basically, you know, I'll use the sort of layman interpretation, it said, "We should work together. This is a good idea." "Yeah, we should." "And what you should do is go out and locally establish some

 cooperative committees underneath this kind of framework," and it didn't really progress past there.

So it's a good idea and I think at the practicing level staff in our agency and the provincial agencies understand the value and the responsibility as government to cooperate, and there are many instances where we do that quite effectively and usefully.

And example would be, say, on Shuswap Lake, which I spoke to earlier, there has been an initiative that the acronym is SLIPP, it's the Shuswap Lake Integrated Planning Partnership. It was largely the brainchild of a provincial government local employee, a longstanding staff member out of the Kamloops office, but what he did is he went and mobilized support from our agency, other agencies, local governments, First Nations, some industry people, you know, within his agency, and this has turned into a multi-stakeholder, multi-level, multi kind of interest, I guess, planning exercise to try to look at all of the development, all of the habitat resource values and other natural resource values on the lake, and try to come to grips with what some of the current, pressing problems are and look towards sustainable outcomes into the future.

So I use that example to illustrate that at the local level we have many examples where our staff and provincial staff get along very effectively. Sometimes our staff lead it, sometimes provincial staff lead it. But there are examples where things fall between the cracks as well, in terms of an issue having some effect on fish or fish habitat that doesn't get resolved as effectively as it could, and it kind of balances around between our agencies, provincial agencies and local governments' development centres and things like that.

- Q Ms. Reid could you offer your perspective on the relationship between the Province and your department?
- MS. REID: Sure. Because of the jurisdictional complexities, it's clearly recognized both by the Province and Canada, DFO, the importance of working cooperatively and collaboratively, and I think that you'll see there's been a number of

agreements struck to reflect the need to have a cooperative relationship.

At the regional level, certainly I have been involved in a number of committees with my provincial counterparts in order to facilitate those relationships. But I would agree with Jason, is I would say that some of those broader, overarching agreements, while are good in concept, aren't necessarily operationalized as clearly as I think someone from the area would like.

- Q And this one example, the 2000 Canada-BC Fish Habitat Management Agreement, is that an example?
- MS. REID: That's an example, yes.
- Q I interrupted you, sorry. Carry on.
- MS. REID: Well, I think, just to kind of summarize, that those relationships need to kind of be ongoing and so that's the reason for constructing those MOUs and arrangements that we do have.

I would say, at a working level, I think we do have very positive working relationships with the Province. At times where disconnects occur, we have different directions, different mandates, different responsibilities, and so we do need to work cooperatively to make sure we match up our respective interests.

- Mr. LeBlanc, I don't know to what extent you're intimately following or involved in BC/Canada questions or if you have a national sense, vis-à-vis other territories and provinces and the relationships. Do you have any comments on these questions?
- MR. LeBLANC: Yes, I could. In the early 2000, the ministers of the Council of Fisheries and Aquaculture ministers that I spoke about made a commitment to collaborate on habitat management among provinces. The previous MOU that had been written in B.C. was in 2000, and I think the commitment was made in 2001/2002 with other provinces. Since that time, we've only signed four agreements: Nova Scotia; PEI; and Manitoba, and one pending for Saskatchewan. It's been pending for four or five years.

The complexity of it is even bigger, because the ministers of fisheries that are around the CCFAN, the Canadian Council of Fisheries and Aquaculture Ministers, may not represent those ministries that we deal with on a daily basis on

all provinces. For example, and I'm not aware if it's the same in B.C., I can't recall because there's so many reorganizations occurring in the Province of B.C. that it's hard to keep up with it, but in, for example, in New Brunswick, the Minister of Fisheries I represent is responsible for aquaculture and fish, plants and what have you, but the ones that we deal with on a daily basis for permitting is the Ministry of the Environment or the Ministry of Natural Resource, and they're disconnected from the CCFAN. So these agreements are usually done with the representative leading it from the CCFAN process.

These relationships are important, because the MOU establishes sort of the scope of the work that we would do together as well as establishes a governance structure which allows for some, you know, better accountability. However, we've been criticized over the years, as you know, and as you've seen in some of the CEFD reports, with respect to accountability. It's fairly difficult for provinces to agree to report back to the Federal Government on how they've performed and what have you, and that's been a sensitivity in any of these agreements, reporting back to the Federal Government.

But in many cases, as Jason was mentioning as well, individuals in the field make it happen even without having the formal agreement. It's the leadership of certain individuals that take on these tasks. It happens. It happens in many provinces I see across Canada. Somebody garnishes the resources of others, they leverage, they bring people together, and they make things happen irrespective of whether having an agreement or not.

Ms. Reid, I had asked you a question about the Canada-BC Fish Habitat Agreement. I don't propose to go to that in any detail. It is number 21 on our list. It's also discussed in the PPR. But there are a number of things that are set out as being contemplated in that agreement which I understand by and large aren't presently happening. And maybe I'll just run through one or two of them and see if you can tell me if I'm correct that those things are not occurring.

I understand it referred to a director level

Federal-Provincial Habitat Management Committee.
Is that something that's presently active?

- MS. REID: Well, what we have right now is under the PCFAM, Pacific Council of Fisheries and Aquaculture Ministers, there's a working group, Pacific Fisheries and Aquaculture Committee, PFAC, and that is intended to be the director-level committee between DFO and the Province.
- Q So it plays a similar role; is that the thinking? MS. REID: Yes.
- Q Okay. Annual reporting on the status of implementing the agreement?
- MS. REID: I'm not aware of any reporting.
- Q It's also referenced to a working group on data or information sharing as well as a formal fish habitat working group. Are those things, to your knowledge, that are underway now?
- MS. REID: There are terms of reference that have been written for a habitat working group, but it hasn't been enacted. And there have been a number of working groups with relation to data sharing information management, but they, for the most part, have been run through different MOUs, so the MOU, oceans MOU that also exists, there's data sharing committees under there, which it's all essentially the same data, and so that's the forum.

And so as I said, there's been a number of agreements made over time and certainly things have evolved, and so DFO and the Province have found ways to work cooperatively together, but not necessarily under the rubric that was originally designed under this agreement.

- Do you think this agreement is defunct?
- MS. REID: Well, I think this agreement could do with an update.
- MR. MARTLAND: I'm surprisingly on track to finish my questions. Yes, Mr. Commissioner?
- THE COMMISSIONER: Mr. Martland, is this document now an exhibit?
- MR. MARTLAND: I'm sorry, I'm not sure which document you have before you.
- THE COMMISSIONER: Well, you referred to number 21 on your list, is what I believe you were questioning the witness about?
- MR. MARTLAND: Yes. Number 21 on the list I mentioned in passing and I haven't referred to it in detail.

I don't know that we need to have this entered as an exhibit. I have no difficulty with it being made one.

 THE COMMISSIONER: Given that you've asked some questions on it, I think it might be appropriate.

MR. MARTLAND: That's fine. If that could please be marked?

THE REGISTRAR: Exhibit 653.

EXHIBIT 653: Canada-British Columbia Fish Habitat Management Agreement

- MR. MARTLAND: Panel members, you may be relieved to hear I'm almost at the conclusion of my questions. It doesn't mean you're finished, because there's lots of other people in the room.
- Q One question I have is whether you have comments on the Policy and Practice Report that's been provided to you?
- MR. HWANG: I think, as DFO, we had a bunch. We reviewed the report, we made some sort of summaries as to what we thought were important points and, I think, to some degree, counsel for Canada is going to walk us through some of those things later.
- All right. And I appreciate Mr. Taylor and I will be having a conversation about how we best address this. Let me ask it a little differently. Are there any broad points, in terms of the emphasis of this report or the way it describes the work of the Habitat Management Program that you think you'd like to offer us, or the big picture comments about emphasis of the approach in the PPR?
- MR. HWANG: I think the one substantive point at that high level to the PPR is that it's certainly my impression, and I think that of a few of my colleagues that have looked at it, that the report substantially focuses on the habitat regulatory functions that our department undertakes, and as we've touched on earlier, the National Habitat Policy has eight strategies attached to it. Not all of those are necessarily primarily resting with the habitat program.

But in operational function, the branch in this region really does work much more broadly than just on the regulatory portfolio. We

participate when there's opportunities linked to fish habitat in various planning initiatives. We do community outreach and engage with community groups on restoration, on baseline data collection, and things like that. We work on education issues with the public, with school kids, things of that nature, as well as do monitoring and other things.

So the program is fairly broadly applied and the PPR tended to focus primarily on the regulatory elements of the program. So that would be my overarching comments.

- Q So I take from that comment the approach in focusing on the regulatory function leaves other parts of the story untold?
- MR. HWANG: Yes.
- Q Ms. Reid?

 MS. REID: Yes, well, I would just add to that, and I think you may have addressed it in a different way, but through watershed planning, that whole aspect of integrated planning is a very important element of how we deliver the habitat program that needs to be considered. And also, OHEB branch also has responsibility for the **Species at Risk**Act, and certainly there's critical habitat elements involved with that, that the habitat program takes into account as well.

And just further on this report, I would say, for the most part, it's well written, it's done well. There are some minor areas, particularly around kind of money and organization that aren't particularly well explained or a little bit confused, but that's not surprising and it doesn't take away from the report.

- Q Okay. Mr. LeBlanc?
- MR. LeBLANC: Similarly, we did review it and we have some comments. Overall, a very good report. It could probably, maybe, providing the context of the complexity of the environment that we work in, I mean "environment" in the broader sense than by physical environment, but the fact that the legislation, the policy frameworks, the governance institution and the constitutional aspects of our role is fairly complex and we work with a complex, biological system.

It did spend a lot of time, I thought, quite a bit, it was fixated a bit on the EA,

Environmental Assessment Process. It maybe spent a little bit too much time on that, which is one of the processes that we have to go through in terms of prior to making a regulatory decision or an authorization, as well as the duty to consult Aboriginal it could have spent maybe a little bit more time. And the **Species at Risk Act**, which is another element that is super -- added responsibility for the program as it goes along doing its business of managing impacts on human activities. Superimposed on that is a whole series of other hoops that we have to go through, adding to the workload and the complexity by which we do our work.

R. MARTLAND: Thank you for those points. And indeed I can just tell you and I don't think we'll be

MR. MARTLAND: Thank you for those points. And indeed I can just tell you, and I don't think we'll be sending them to read, unless you want them, but we do have other PPRs, indeed, that will pick up, for example, on **Species at Risk** and other topics.

This may be an opportune time, Mr. Commissioner, our approach, where there's a correction of the PPR, is just to make sure that we identify that, and there's one that I'd like to just simply really read into the record. Paragraph 99, which should be page 103 -- sorry, it's paragraph 99 and I don't have the page number handy, so it's not page 103. I don't know if anyone will --

MR. ROSENBLOOM: Page 41.

MR. MARTLAND: Thank you, page 41. And I'll just simply read this in, it's highly detailed, but the practitioners — there's a reference at footnote 211 to a document. This is meant to provide the citation for the Practitioners Guide to Writing an Authorization for the Habitat Protection Provisions of the Fisheries Act. The correct cite to that guide, what was intended to be referenced, is at footnote 212. So in other words, footnote 211 and footnote 212, footnote 212 should be given as well as footnote 211. That's the one correction I just wish to place on record.

Q Finally, panellists, if I might ask you, at a broad level, appreciating that Mr. Taylor will be asking you questions, you've heard the questions I've gone through, and without repeating points you've already made, with some understanding of this Commission's work focusing on Fraser River

 sockeye in particular, are there particular recommendations or points that you would wish to make to the Commissioner and draw his attention to?

MR. HWANG: Well, I've got a couple that are related, and I think it speaks to some of the material we've touched on this morning, but the habitat management and habitat protection function that we undertake within Fisheries and Oceans is, in my opinion, a tremendously important one. It's one that works oftentimes at odds with broader social desires or priorities, but it is for the common public good.

And I think it's vitally important that the government demonstrate and continue with the leadership that government has in terms of setting a very high bar for maintaining habitat and habitat protection, for maintaining the no net loss policy for fish and fish habitat, which is, as far as wildlife species in Canada go, a relatively unique position that we were able to advocate and, at times, insist on considerations that work in favour of fish and the public interest in that regard.

And notwithstanding the fact that there have been shortcomings in terms of the Department's ability to deliver on and meet that very, very ideal and hard to reach mandate, it is still an important one to strive for, and that would be something that, carrying forward, hopefully we can maintain.

Thank you. Ms. Reid or Mr. LeBlanc?

MS. REID: I have nothing to add.

MR. LeBLANC: I guess the only recommendation that I could -- and I do agree with, I think, what Jason has mentioned, the important role that we play as a department in ensuring that the resource is maintained for all people of Canada and here in B.C., and we do need -- and because of the overlapping jurisdiction, it's critical that there is a close collaboration and cooperation between the two levels of government, and that we engage all stakeholders and partners in terms of advancing the agenda and supporting the implementation of any policies that are developed for the protection of the resource.

MR. MARTLAND: Mr. Commissioner, I'm hoping I might

54 PANEL NO. 27 Cross-exam by Mr. Taylor (CAN)

3 4 5 keep my paddle in the water and I'd like to reflect over the lunch break if I think of another question or two, but I think I'm virtually at the conclusion of my questions.

If we could now adjourn for lunch, please? THE REGISTRAR: The hearing is now adjourned until 2:00 p.m.

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(PROCEEDINGS ADJOURNED FOR NOON RECESS) (PROCEEDINGS RECONVENED)

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THE REGISTRAR: The hearing is now resumed. Mr. Commissioner, I'm just going to take MR. MARTLAND: a moment to read out the estimates I've obtained from counsel and I hope that brings some moral suasion to people sticking to their estimates. Mr. Taylor has indicated 60 minutes. Mr. Tyzuk and Mr. Prowse for the Province have indicated they don't expect any questions. Mr. Harrison for the Conservation Coalition, 60 minutes. Ms. Glowacki for the Aquaculture Coalition, 30 minutes. For both Mr. Buchanan and Mr. Hopkins, they don't expect questions; likewise, Mr. Harvey doesn't expect to have questions. Mr. Rosenbloom indicates 50, five zero, minutes. Ms. Brown for the First Nations Coalition, 60 minutes. Robertson for MTTC, ten minutes. And I haven't totalled all of that up. I do expect it leaves us in a position to finish on schedule tomorrow. Mr. Taylor's next. Thank you.

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CROSS-EXAMINATION BY MR. TAYLOR:

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Panellists, you've given evidence already on key elements of the Habitat Management Branch work in your answers to Mr. Martland. And --

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THE REGISTRAR: Name, please?

MR. TAYLOR: Mitchell Taylor. 38 I'm sorry. Thank you, 39 Mr. Registrar. Mitchell Taylor for the 40 participant Government of Canada. And with me is 41 Jonah Spiegelman. 42

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read the Policy and Practice Report that the Commission counsel has prepared and has now been entered. But to be sure that we've got some

Management, some of the work and I know you've

foundational points and principles clear, I'm

You've given evidence already about Habitat

going to ask you some questions and without repeating what you've said needlessly, I'd ask if -- and I'll start with you, Ms. Reid, can you set out very briefly the key objectives of the Habitat function within DFO?

- MS. REID: The Habitat program within DFO has two key objectives. First, is a conservation and protection of fish and fish habitat. And we do that through the Habitat Management policy and the strategies that it entails. We also have a responsibility to undertake environmental assessments for the purpose of ultimately making a regulatory decision.
- Q And under what statutes would you be making a regulatory decision?
- MS. REID: So our primarily responsibility is with the **Fisheries Act**. We also have responsibilities under the Canadian **Environmental Assessment Act** and the **Species at Risk Act**.
- All right. Speaking generally, or at a fairly broad level, how is the branch structured in order to achieve what you've just set out? And as I understand it, there would be both the Ottawa and the regional component, and I'll turn to you for the regional component and then we can look to Mr. Leblanc for the other.
- MS. REID: Okay. Well, to speak more broadly about the branch, in the Pacific region, we have four programs. The Habitat program is one of them. We also have a Species At Risk program, an Oceans program and the Salmonid Enhancement program. Within the Habitat Management -- and I should say that, particularly the Salmonid Enhancement program and aspects of the Species At Risk program directly relate to delivery of the Habitat Management program. The Oceans program does as well in a more peripheral way.

With respect to the Habitat Management program, the program is organized in a manner that has a few key sub-programs. The first is the Habitat Management Group, which has the primary regulatory responsibility for delivery of response to referrals primarily and also other types of activities. There's a Habitat Monitoring Group, which does compliance monitoring-type activities. There's also a Major Projects Environmental Assessment Group which focuses on certain aspects

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of the environmental assessment work, the major project work.

From a geographical perspective, there's a regional headquarters with staff there and then there's five area offices. Each of those area offices has an OHEB, Oceans Habitat Enhancement Branch, manager, and staff that report to that manager. Within our HQ, there's a manager as well for the Habitat program and a number of staff that report to that person.

Within the Pacific region more broadly, we have a matrix-type organization where areas and region both report line to the regional director general. And how that impacts on the Habitat Management program is that I have line responsibility for the staff in the regional headquarters and functional responsibility for the Habitat staff that are elsewhere in the five areas.

- All right. Thank you. And Mr. LeBlanc, turning to the Ottawa side, what is the structure there as to habitat?
- MR. LeBLANC: Due to a recent reorganization, we split the Habitat Management directorate into two parts. One is reporting to an assistant deputy minister of program policy. In my position of director of Habitat Management Policy is under a director general of Ecosystem Program Policy that reports to the ADM. And then the other side is the Ecosystem and Fisheries Management senior ADM, who has a DG of Ecosystems program. And under that there's two directors that really support the Habitat program, one a director of Operations and then a director of Information, Training and Quality Assurance. So we're split among three directors in two different sectors at headquarter, one directed at program policy, and the other at more operational. And we're joined with the regions through a national committee that is called National Ecosystems Management Oversight Committee. And that takes care of both Species At Risk and Habitat.
- Q All right. Thank you. And I'll stay with you, Mr. LeBlanc. Can you state in outline terms the respective roles and responsibilities of headquarters and the region with respect to Habitat?

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- MR. LeBLANC: The headquarter group is really providing the policy frameworks and tools that are used in the region. So the development of policy, frameworks and tools that can be used, such as the Habitat Policy and any operational policies that we have and you have a list of those. We also provide advice to regions on major project development. And that's mostly on the operational side. The role of the Operations Group is to provide that advice to the region and the regions do the implementation of the policies.
- All right. Which takes us back to you, Ms. Reid. What do you have to add to the respective roles and responsibilities of the region and headquarters?
- So yeah, the difference between national and MS. REID: regional headquarters' responsibilities really is with regard to policy development versus policy implementation. And so we take our direction from national headquarters. We also get our funding from them and our staff numbers. And we get that direction and those resources and it's our responsibility to implement the program accordingly. And so there's an equivalent relationship with the areas that, regionally, I hold the Habitat funding and staff compliment numbers and then that money is sent out to the areas for delivery. So whereas, nationally they have, you know, a broad overarching policy direction, regionally, we develop guidelines, operational practices and we work very closely with our area colleagues in the delivery and implementation of the program.
- Q Okay. If you look in a binder you have at Tab 13 of Canada's documents.
- MR. TAYLOR: And I'm sorry, Mr. Bisset, I didn't pass you a note in advance about the order that I might go to these. Thank you. That's the one.
 - Ms. Reid, do you recognize that?
- MS. REID: Yes.
 - Q Is that a document that was prepared at your direction?
 - MS. REID: Yes.
 - Q And does that set out, in general terms, what you've been outlining in terms of the regional structure and set-up and work that's done by Habitat?

1 MS. REID: That's correct. MR. TAYLOR: All right. And I won't, in the interests 3 of time, go through it but I'd ask if that could 4 be the next exhibit, please. 5 THE REGISTRAR: Exhibit Number 654. 6 7 8 9 10

EXHIBIT 654: Pacific Region - Oceans, Habitat and Enhancement Branch

MR. TAYLOR:

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- I'd like to turn now to some key themes that shape the environment that Habitat within DFO operates under and with and the environment, in turn, affecting the work done. I'll start with you, Mr. Hwang, if I may, and ask you to comment on what I put to you and expand upon it. Some of this you've spoken to earlier this morning but I believe that there would be more to say. You mentioned this morning that DFO doesn't control land use planning and development. Can you say what the significance of that is in terms of the work you do and the environment you operate within and the challenges you have as a unit?
- MR. HWANG: Certainly. To expand on what I had touched on this morning, the function of trying to manage fish habitat is entirely dependent upon how you manage water and land use because water use and land use activities or actions are what have a direct bearing on what ultimately creates habitat for fish. So it creates an administrative challenge when the federal agency, Fisheries and Oceans, has a mandate to manage, protect and administer regulatory decisions around fish habitat. But we do not have the mandate to make specific decisions around land use and water use. Those authorities lie with the Provincial government and/or local governments.
- All right. And is it an interdependent relationship, if you like, then that there's a number of actors that each have an influence and some of them are having a greater influence than others?
- MR. HWANG: Yes, that would be correct. In particular, with provincial agencies, there are some that have a much more significant bearing on fish and fish habitat decisions or more sort of overlap with things that are also related to fish habitat.

What used to be called the Ministry of Environment until the recent reorganization in the province, would be an example where, within that agency, they had a Water Stewardship Division that would make decisions on licensing water for consumptive or non-consumptive use. And any water allocation decision will typically have some degree of bearing on fish because fish live in water.

Q It's probably quite basic to say but nonetheless I will, that different provincial agencies and local

- It's probably quite basic to say but nonetheless I will, that different provincial agencies and local governments will have interests and priorities that are competing both with what Habitat is trying to do and amongst each other. I take it that's the case, is it?
- MR. HWANG: Certainly, in some circumstances with some agencies, whether it be provincial agencies or local governments, there's, what would you call it, an administrative sort of tension between competing priorities where an agency, say, like Ministry of Forests, for example, has a mandate to manage forest harvesting and generate economic benefits for the Province and there is a challenge there in terms of managing and optimizing that forest resource while at the same time protecting and trying to ensure that we don't cause any negative effects to fish and fish habitat. So I'm not suggesting by using that as an example that forestry is inherently bad. It's just that the mandate for forest development and forest economic activity does not necessarily align perfectly well with an ideal management strategy for fish and fish habitat.
- Q In the environment that you operate in, how important is the 1986 Habitat Policy as a tool and how valuable is it?
- MR. HWANG: Well, as I touched on this morning, it's tremendously valuable because it gives the Fisheries agency and even people that are -- Fisheries agency being Fisheries and Oceans and even other entities like the Provincial Ministry of Environment, something to point to when there is a trade-off or a value issue on the table that will pit an economic development circumstance against a circumstance that would potentially have an impact to fish and fish habitat. And my observation is that, as Fisheries and Oceans, we have a very strong and powerful opportunity to

bring the Fisheries' interest to the table when those kinds of decisions or trade-offs are being considered from a regulatory perspective. And that's much different than many other wildlife species in the Province of British Columbia. Many other things, you know, using an example, say, like mountain caribou, don't have a no net loss policy sitting in the background to enable the managers of that species to go to a table where a land use decision is being made and present arguments and some compelling rationale to ensure that any impacts from the development are offset, whereas with Fisheries we have that ability and that compelling policy behind the fish habitat decisions.

- Q So you're getting in earlier?
- MR. HWANG: Not just getting in earlier but it's on the table right from the outset but all the way through to a final decision. And it's also supported very strongly by the *Fisheries Act*, which ultimately gives the Department the authority to authorize or not a proposed impact to fish habitat.
- Q Okay. At a local level, which is what you're most familiar with, is habitat, as a branch, constantly evaluating what it's doing and what changes to make and, if so, can you elaborate some on that?
- MR. HWANG: Certainly in my time both as an operational biologist, as well as a manager with the branch in the area, it's an ongoing thing to look at the work that is out there, look at the regulatory context that we're trying to represent fish and fish habitat interests in and to try to look to ways to use our time, energy and authorities most effectively. Frequently, we try to do that in partnership with others. There is a list, I think, that was prepared in preparation for today that presented as an example. I didn't total it up. I think it might be 50 or 60 different things that, over time, the Habitat Branch of our Department has been largely involved with, that have looked to various partnership or collaborative agreements, to work with other agencies, jurisdictions and at times even with industry partners to work cooperatively in a way that allows us to favourably represent fish and fish habitat interests.

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PANEL NO. 27
Cross-exam by Mr. Taylor (CAN)

If you look at Tab 14. 1 And Mr. Bisset, if that may be brought up 2 MR. TAYLOR: 3 in the book of Canada documents. 4 Is that what you're referring to? 5 Yes, it is. MR. HWANG: 6 MR. TAYLOR: All right. I wonder if that could be the 7 next exhibit, please? 8 THE REGISTRAR: Exhibit 655. 9 10 EXHIBIT 655: Inventory of Integrated 11 Planning Initiatives and Intergovernmental 12 Cooperation Processes the Habitat Management 13 Program Supports 14 15 MR. TAYLOR: 16 What can you say, Mr. Hwang, about the impacts of 17 ongoing new planning decisions and development 18 that occur day-by-day, week-by-week, and relate 19 them to what's already gone on before? 20 MR. HWANG: Well, the challenge there, and I think it's 21 spoken to largely in the previous Auditor General 22 reports that were mentioned earlier, is that the 23 effects to fish and fish habitat that have 24 happened already are already there on the land 25 base and they have already taken whatever measure of, I guess, reduced productive capacity out of 26 27 the resource base. And what happens when 28 something new comes along is that if that does 29 have another negative effect, it adds up 30 cumulatively. And that's what the previous audits 31 have found and that's what continues on today. 32 So it creates a challenge whereby any single 33 development proponent in their mind, when they 34 look at their project in isolation, it seems 35 reasonable an effect that they are proposing may 36 not be particularly significant or large and they 37 will propose that it be reasonable that they be 38 allowed to proceed with that development. And 39 Fisheries and Oceans, we find ourselves often 40 trying to represent the interests of fish, both in 41 the specific circumstances of that site, as well 42 as over time in terms of the cumulative results of 43 other development activities in that area. 44 Ms. Reid, do you have anything that you want to 45 add to what Mr. Hwang has been speaking to in 46 terms of the environment and so forth that you, as

a branch, operate within?

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MS. REID: Sure. I think what's important to highlight is that the Habitat Management Program is facing an increasingly complex environment. And I mean environment both from a biologic, social, political, regulatory one. And so as the Habitat practitioners go about doing their work, they need to consider a number of changing and evolving factors at all times. And so it's not a simple process, that it takes time and consideration. It takes experienced people to be able to do the type of work that's required in order to make regulatory decisions and were consistent with the Habitat Management Policy.
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Q All right. Mr. Leblanc, anything to add?

MR. LeBLANC: No, nothing at all.

- MR. TAYLOR: Thank you. If we might turn next to, either separately or together, if they can be brought up together, Tabs 1 and 12 of the Canada book of documents. These are two agreements, or two MOUs, I guess they are. And I think we have 12 on the right and one on the left. I think the one on the left is 2007 or thereabouts, I think, and the one on the right is 2010.
- Q Do you recognize those, Mr. LeBlanc?
- 25 MR. LeBLANC: Yes, I do.
 - Q And have I got the dates right?
 - MR. LeBLANC: Yes, approximately. I think one was in 2007, started in 2007 and the one on the right is 2010.
 - Q Right.

- MR. LeBLANC: Recently signed under the new organizational structure.
 - Q Now, is one the successor to the other?
- 34 MR. LeBLANC: Yes, it is.
 - Q And so the right is the successor to the left?
- 36 MR. LeBLANC: Yes, correct.
 - Q What are these?
 - MR. LeBLANC: These are protocols between the Habitat Management Program and the Conservation and Protection Directorate. They're to outline roles and responsibilities in terms of implementing compliance management regime in the Department under the Habitat program.
- 44 Q And is that so as to achieve clarity in roles and responsibilities?
- 46 MR. LeBLANC: Exactly right.
- 47 Q And in a nutshell, what are the respective roles

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 and responsibilities between those two parts of
DFO then?
MR. LeBLANC: First and foremost, they're shared. A

- in some cases, there's a lead with Habitat and then a lead with Conservation Protection. The lead in the monitoring and auditing function is with the Habitat program. The determination of risk associated with the non-compliance is joint work. And where there is an enforcement action to be taken based on a decision to proceed with the prosecution and conservation and protection, the Fishery officer take the lead with the support of Habitat biologists or staff.
- MR. TAYLOR: All right. May the two documents be marked as exhibits, the one on the left being National Protocol between Oceans and Habitat and Fisheries Aquaculture Management 2007 be the next exhibit?

THE REGISTRAR: That's item number 1 on your list -- MR. TAYLOR: Yes.

THE REGISTRAR: -- which will be marked as 656.

EXHIBIT 656: National Habitat Compliance Protocol between Oceans and Habitat and Fisheries Aquaculture Management, 2007

MR. TAYLOR: And item number 12 on our list, which is the right side of the screen, being a National Habitat Compliance Protocol between Habitat and Conservation Protection within Fisheries.

THE REGISTRAR: 657. MR. TAYLOR: Thank you.

EXHIBIT 657: National Habitat Compliance Protocol between Habitat Management Program and Conservation and Protection Directorate,

MR. TAYLOR:

- Q If you'd turn now, Panel, to Tab 5 in Canada's book. This is a regional document seemingly from July 2009. I'll ask either or both Ms. Reid and Mr. Hwang if you want to, one of you, identify this?
- MS. REID: So this is a document that was created -- I actually referred to it briefly this morning as a document intended to help Habitat Management staff

with triaging or prioritizing their workload as it relates to referrals.

And what specifically does it achieve?

MS. REID: So what it does is it essentially sets out a decision algorithm. So previous to this document, as referrals are received into area offices, or into offices. They, in some cases, were treated

- as referrals are received into area offices, or into offices. They, in some cases, were treated in a kind of first in/first out type of approach and there was a view that it was important to make sure that referrals were reviewed more from a risk basis, meeting certain criteria and that proponents would know in a timely manner, you know, when their referral was going to be reviewed, what kind of timeframe, what was the likely outcome and so this document essentially set out the method by which that could be done.
- All right. Do you have anything to add, Mr. Hwang?

MR. HWANG: No.

MR. TAYLOR: May that document then, Tab 5 of Canada's book, be the next exhibit please, being the Regional Habitat Regulatory Decision Framework from July of '09?

THE REGISTRAR: Number 658.

EXHIBIT 658: Regional Habitat Regulatory Decision Framework

MR. TAYLOR:

- Q If you'd turn to Tab 7 in the binder, this appears to be a PowerPoint presentation, which I expect is right there. Are you familiar with that document, Ms. Reid?
- MS. REID: I'm not particularly familiar with it.

Q Okay.

- MS. REID: I mean I understand what it is but I don't believe I've reviewed it.
- Q Okay. Does any of the Panel have a familiarity with this?
- MR. LeBLANC: I do not recognize the document (indiscernible overlapping speakers).
- Q Okay. No, that's fine. We're going to have Mr. Carter here later so we can deal with it through him, I think. If you'd turn to Tab 9, there's a two-page document there. Is that an extract from the Fisheries and Oceans website that sets out the modernization program in a nutshell?

MR. LeBLANC: Yes, it is. I think that's pretty 1 correct, yes. 3 MR. TAYLOR: All right. Could that be the next 4 exhibit, please? 5 THE REGISTRAR: Did you wish item number 7 to be 6 marked, Habitat Monitoring Update? 7 MR. TAYLOR: Is that the deck that I was referring to? 8 THE REGISTRAR: Yes, I think so. We've got a mix up in 9 lists here. 10 MR. TAYLOR: What's Tab 7 in Canada's binder, which is 11 a deck dated April 18, 2010, I think we will not mark and we'll simply leave it to a witness that's 12 13 going to come later this week. The exhibit that 14 was before that one was the one at Tab 5, which is 15 the Regional Habitat Regulatory Framework. 16 THE REGISTRAR: That's correct. So you're now 17 referring to Tab 9, is it, Modernizing the 18 Program? 19 MR. TAYLOR: Correct. 20 That'll be marked as 659. THE REGISTRAR: Okay. 21 you. 22 23 EXHIBIT 659: Modernizing the Program 24 25 MR. TAYLOR: 26 I think we're almost through the documents that I 27 wanted to take you to, Panel, but on that, I would 28 like to turn to Tab 8. Now, this is a document 29 that refers to Habitat Conservation and 30 Stewardship Program. And subject to the 31 Commissioner's thoughts, I don't think we need to 32 mark this as an exhibit but I'm using it to turn 33 our attention to that program. Is this one that 34 you're familiar with, Mr. Hwang? 35 MR. HWANG: Yes. 36 And am I correct that this no longer exists, this 37 program? 38 MR. HWANG: Yeah, it was what's called a "Sunset 39 Program" or a "B-based Program", and, as the 40 document shows, it ended at a fiscal year in 2003. 41 Can you outline briefly what was it, when it 42 existed and whether it's left any lasting effects? 43 Sure. I'll summarize it fairly briefly. MR. HWANG:

It was a program that came about with an intent to

provide for a couple of different functions.

was to help to foster, facilitate or grow the

stewardship base from, in particular, non-

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government entities, non-government or at least non-provincial and non-federal entities where the focus for the most part towards management and stewardship of fish and fish habitat. So through that function, there were DFO staff that were brought in or we hired new staff -- or we created new positions.

They weren't necessarily new staff but we created new positions and put staff into them to liaise with potential stewardship partners, community organizations, some of them which had been long established, and to try to, I guess in a nutshell, work cooperatively with them and through access to some funding resources help to provide funding, as well as support, towards projects, programs and activities that were for the benefit of fish and fish habitat.

There were also some additional positions brought directly within the Habitat program for DFO during the duration of the program that were called "Habitat Auxiliaries" and they worked quite specifically on -- well, I guess it depended where you were at the region but they were an augmentation to the Habitat program with the idea being that it would create capacity within the program itself to develop some new measures, tools, procedures, guidelines, participate in planning and things like that, that the core program didn't necessarily have the capacity to do, the idea being that if we got some of these things done, we could move past some of the stumbling blocks we had in terms of advancing some new ideas and be further ahead when the program had ended.

Q And did that work?

MR. HWANG: To some degree. I think it would depend who you asked and where you were looking. In some places, as soon as the resources were over, pretty much all the program results dried up and went away. But in other places, there was a very effective and useful long-lasting effect. An example that I could use to illustrate that would be with the agricultural sector. There's an organization called the B.C. Cattlemen's Association. And agricultural ranching often has a fairly potentially big influence on fish and fish habitat where ranches will have streams

flowing through them and things like that. And the Cattlemen's Association nowadays have their own stewardship people and they work with ranchers to help them implement best practices on their ranches. They help ranchers access funding from government and non-government organizations towards implementing improved stewardship on their properties. And things like that have come out of some of the things that were initiated through the HCSP.

- Is there anything you want to add to that, Ms. Reid?
- MS. REID: Well, I think just to point out that so this was a discrete program but it does speak to the relevance of stewardship programs in support of Habitat. And I think also important to point out that this was a limited-funding program. It was very successful during its time and, as Jason said, the hope was, I think, that there would be continuity, that there would be enough capacity put into the communities to allow continuation of some of these stewardship groups and to some limited extent there has been. But I think that one of the lessons we've learned from it is the continued necessity to provide at least some base seed money to support those community-driven, grass-level groups. And so to some extent, the Salmonid Enhancement Program does that. But this program simply had a whole bunch more capacity in order to support those groups.
 - Q Listening to both of you, would I be correct that one of the things that comes out of stewardship programs is some lasting relationships in certain cases and lasting commitment on the part of those outside of DFO to fish and fish habitat and protecting it?
- MR. HWANG: Yes, I can certainly say that's accurate from Area perspective.
- MS. REID: Yeah, and just to add to that, I mean I think that the important point is that protecting habitat is not simply a regulatory responsibility or a compliance activity. In order to protect fish habitat, you need to educate the public, you need to get by and you need to get that broadbased support, eyes and ears on the ground and boots doing work. And these types of stewardship programs are very effective to support that.

- All right. Now, the Policy and Practice Report that's been entered as an exhibit earlier today refers at paragraph 17, and I don't need to take you to this at the moment unless you need to, but it refers to 80 percent of resources in Habitat being directed to referrals. Is that accurate in terms of the regional perspective?
- MR. LeBLANC: I think from a national perspective, the amount of resources that are spent on regulatory reviews, including environmental assessment, which are driven by referrals that are brought into the Department for review, together with a lot of the other activities we do, in general, range between, you know, around 70 to 80 percent. And it varies by region. But on a general level, that's approximately what it is. It's reducing in terms of that level of effort as people are streamlining the regulatory review processes and undertaking other activities, such as integrated planning, outreach and monitoring.
- Q And so bringing that to the regional level, is that, and Mr. LeBlanc has referred to regional differences, but is that a reflection of the regional percentage here or is it different here?
- There's sort of two elements to the answer MS. REID: to that. So as we heard under EPMP, we created a special group, Major Projects Environmental Assessment Group, and that group is entirely focused on regulatory process-type activities. The rest of the program, the Habitat Management Program, is focused on other non-major project activities. And within that group, we have made a conscious effort under, you know, work planning to not spend all of our time on regulatory activities and, in fact, try and work towards 45, 50 percent of the time on regulatory activities, 20 percent of the time on monitoring, other elements on stewardship and other types of activities so that we try to achieve a more balanced approach. should say there's always pressure, a lot of pressure to focus more and more effort on the regulatory work simply because of the workload and that's one of the reasons for that triage document that you referred to earlier, was to try and allow staff to prioritize their efforts so that we could have a more balanced program.
- Q All right. In reference to referrals and

regulatory work, am I correct that proponents of a project come to DFO on a voluntary basis, as distinct from a compulsory basis?

- MR. LeBLANC: That is correct. There is no affirmative regulatory duty under the **Fisheries Act**, which means that proponents do not require to come and seek an authorization or approval from the Department or advice or an authorization.
- Q And as I understand it, most of the work in this area that Habitat does is under sections 35 or 32 perhaps and maybe a bit of 36 in the **Fisheries**Act; is that right?
- MR. LeBLANC: Much of our work is focused around 35 but, as you said, 32. There is two authorizations that can be issued under -- and we've combined those into a guide. But section 36 is administered by Environment Canada. They're responsible for the -- for that provision of the Act.
- Q Now, I'm not asking you to give a legal interpretation to Acts at all or statutes, but the statute, 35 in particular, seems to be a prohibition. Is that a fair assessment, as you understand it?
- MR. LeBLANC: Oh, 32, 35 and 36 are prohibitions. They're different prohibitions but they're all under the same heading.
- Q And shortly stated under 35, no one shall do certain things, which essentially boils down to an undertaking that would result in harm to fish or fish habitat unless authorized.
- MR. LeBLANC: Just to fish habitat, 35; 32 is the section that prohibits the killing of fish by means other than fishing and 36 prohibits the deposit of a deleterious substance.
- Yes, thank you. So is it the case that proponents come to Fisheries on a voluntary basis because they'd like to check out and get advice and/or some indication from Fisheries whether you see or don't see what is loosely called a "HADD", as I understand it, or something that would be a danger to fish habitat?
- MR. LeBLANC: Yes, I think most people are afraid not to comply with the Act, especially the larger companies, that have the incentive of their certification under ISO and as well as some of their investors. So they need to be assured that

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1 they're in compliance with the Act. 2 Q Does Habitat have an ongoing relationship and

working arrangement with what are called NGOs, or

non-government organizations?

- MR. LeBLANC: Yes, we have the Canadian Environmental Network, which is a combination of a national organization, an umbrella organization for about 700 local environmental organizations, we have a National Fish Habitat Coordinating Committee with four members from these groups in DFO and we collaborate on enhancing communication and consultation on both the development of policies and/or implementation and some collaborative initiatives to work together in certain areas of priority. We also have a coalition agreement with a coalition of nine, what we call, conservation non-government organizations, including the Pacific Salmon Foundation, the Canadian Wildlife Federation, the Atlantic Salmon Federation and several other, Nature Canada, Wildlife Habitat Canada and groups like that, that we collaborate
- And these are national in scope, I take it, are
- MR. LeBLANC: National and, to some extent, regional, too, the major regional ones being Atlantic Salmon and the Pacific Salmon Foundation.
- What is the objective and what is achieved through these working arrangements?
- MR. LeBLANC: Well, I think it's got several objectives. One is to ensure there's clear communication and also that we use a forum for consultation on policies and then we can leverage the resources that they have to help us in some areas where we're not able to dedicate any resources. Some of these organizations have a large capacity in terms of to do habitat improvement work, monitoring, science, like Nature Canada, Nature Federation. So these are the groups that we can depend on to do some work that can support our objectives.
- And is there similar working relationships at the regional level, Ms. Reid or Mr. Hwang?
- MS. REID: Yeah, I'd just like to add another organization. Patrice has spoken to a number of them. But there's also the Salmon Enhancement Habitat Advisory Group, which provides advice.

It's a Pacific region constituted body, which provides advice, works with OHEB directly and on habitat enhancement-type activities.

Anything to add, Mr. Hwang, on that?

- MR. HWANG: I could just add that there are lots of these kinds of relationships that also occur at the more local levels. So there is the national kind of more formal relationship, at the regional level, it's kind of in between, and then locally in areas we have relationships with, you know, sort of local agriculture user groups or something like that or local watershed roundtable bodies and things so there's quite a range of NGO contacts or associations that will have.
 - And can you elaborate on that? What local relationships, in your experience, in the B.C. Interior, have you seen to exist and what do they achieve?
- MR. HWANG: Well, they're quite variable. They can go from a group that is very environmentally-oriented and advocating for conservation and sustainable-type development. They can be partners with entities that are doing some degree of development and they're looking for ways to, I guess, align more efficiently or effectively with the Fisheries and Oceans mandate and regulatory agenda. They can be multi-stakeholder kind of bodies that have a whole bunch of interest in a local area all coming together at what are often called roundtables to discuss multi interests and multiple priorities so that there are quite a range of things.
- Q At the local level and dealing with projects perhaps, are there consultations with and engagements of First Nations?
- MR. HWANG: Yeah, there's lots of that. That's a bit of a departure from the sort of non-government organizational cooperation that we were describing earlier. But certainly there's a fair amount of consultation with First Nations groups, various levels of that. Could be the band level, could be a tribal association level or perhaps even more broadly. It somewhat depends on the nature of the issue and the context of the situation. But there is a fair amount of that going on.
- Q Is there a planning process of some description involving the Bridge River First Nation to do with

the hydro project, or was there at one time? MR. HWANG: Yeah. Well, I can't remember the formal title of it but it's with the Stl'atl'imc First Nation in the Lillooet area. They work with the British Coastal Compensation Program as well, but it's a group that Fisheries and Oceans sits with, that B.C. Hydro sits with, that includes, I think, two or three local First Nations Bands and they talk in general about issues that are affecting fish and fish habitat in that area, primarily in that circumstance because of the B.C. Hydro operations and the Bridge and Skeena Rivers. the table is fairly rounded. It has fishery management parts of it, it's got enforcement parts of it, as well as it's got a Habitat table. So we have staff that sit with that and the meetings are generally regularly scheduled about, I think, four or six times a year.

- All right. Now, there is going to be a panel on habitat enforcement. It's starting at the end of this week. But there won't be any Habitat officials on it. There will be Conservation and Protection officials but not Habitat. So with that, I've got a few questions that I'd like to ask you, as Habitat officials, about it. And first, if I could turn to you, Mr. LeBlanc. Inspector powers were recently removed from Habitat technicians, I understand. Is that so? And can you say when and why that happened?
- MR. LeBLANC: There's approximately over a hundred-and-some-odd biologists and technicians in the Habitat program that were designated --
- Q That's across Canada, is it?
- MR. LeBLANC: -- across Canada as inspectors.

 Conservation and Protection, the enforcement arm of the Department, had advised us that any functions related to enforcement would reside within their program. And inspector designated as an inspector, Habitat staff have enforcement powers under section 36, and there was a decision made at the senior level in Ottawa that inspector powers, that is, enforcement powers would not be provided to Habitat staff. The only exception would be fishery guardian status, which would allow them to have trespass. But no enforcement powers would be provided to our Habitat staff for a number of reasons, including safety and the fact

that Fisheries officers are specially trained for enforcement purpose and totally dedicated to that function.

- Q Now, with that, can you explain briefly from a national perspective how it is that Habitat and C&P work together then to inspect and carry out Habitat enforcement?
- MR. LeBLANC: The start is you're going to hear from Dave Carter, I think, on Wednesday about the Habitat Compliance Modernization. It's a group of Habitat staff that do monitoring and auditing of compliance. And there's also occurrence that occur so there's complaints that come in. Both of those, there is a review to see if there is an issue of non-compliance and a determination is made between C&P and Habitat to see what the risk is associated with the non-compliance. And if there is an enforcement action required or an investigation followed by an enforcement action, then C&P is responsible for leading that with support from Habitat biologists and staff.
- Q All right. And some of that is dealt with in the document that we referred to earlier that is a protocol at the national level, is it?

MR. LeBLANC: Correct.

- Thank you. Is there anything, Ms. Reid or Mr. Hwang, that you want to add on C&P and Habitat working together from your regional perspective?
- Well, just with regard to the inspector powers, certainly from a region we saw a benefit of inspectors maintaining those powers because from an efficiency perspective, if a practitioner or a biologist was out and about and saw an incident where they could take immediate action, they wouldn't have to wait for a C&P officer to arrive; however, we do understand that there is other reasons to remove those powers. So there was a bit of a conversation about that. And then just with respect, I think I've already spoken to it, certainly the enforcement aspect of the Habitat Management Program overall is an important element. But I think that from a focus perspective there's a lot of other things that need to happen and we can't rely simply on enforcement to ensure effective habitat management program.
- MR. HWANG: If I can just add to that?

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Yeah. MR. HWANG: Something that is perhaps useful for the Commission to have a clearer understanding of is the relative role that the Habitat staff play in conjunction with the Fishery officer staff in undertaking a Habitat enforcement procedure or activity. One of the impressions we have, and I say "we" lumping myself in with Habitat program staff, is that the Fishery officers are very publicly known. They have a uniform, they have a presence, they are out there in marked vehicles and it's not necessarily clear, I think, to the general public that the Habitat staff and the Conservation and Enforcement staff, or the Fishery officers, work very closely together. The Fishery officers are the experts in procedures, in prosecution, in laying information, in specifically collecting evidence in a way that's admissible in court, but all of that has to be supported very carefully and very specifically by Habitat staff, who can appreciate what the impacts are to fish habitat, how do they collect their evidence in a way that they can provide it to a Fishery officer in a way that's admissible, how can they know what was there before so they can tell a Fishery officer that, yes, indeed that site has been affected or perhaps not affected. sum of all this is that there's a very significant role in the background when we have a Habitat enforcement circumstance for Habitat staff in cooperation with the Conservation and Enforcement staff at the Department. All right. Thank you. Mr. Martland, at the end of his questioning, asked each of the panel members if you had suggestions that you wanted to make to the Commissioner or thought important to make to the Commissioner. And he asked you if you would do that without repeating what you'd already said. But if I alter the question slightly to ask if you have suggestions or recommendations that perhaps include and underline what you might have said, are there one, two or three that you might want to leave with the Commissioner, thoughts that you might want to leave with the Commissioner, that he should consider? Ms. Reid first? MS. REID: Sure, thank you. What I'd like to say is that the Habitat Management Program is certainly a

regulatory program and a very important one, but I think it's important to emphasize the need to 3 focus on broader strategies and not simply on the entirely regulatory aspect of the program. 5 Certainly, collaboration is important, not just 6 with local and provincial governments, but with 7 stakeholders in First Nations. And resources, I 8 think, are an issue for any program. And I'd say 9 with the Habitat program certainly the delivery of 10 the program is always with a mind to how we best 11 effectively use those resources available. 12 there were more resources, I think that what you 13 would see the response would be, would be sort of 14 a broader approach to how we deliver the program 15 and, I would suggest, a more effective one. 16 All right. Mr. LeBlanc, do you want to go next? MR. LeBLANC: I would. One of my suggestions would be 17 18 that we look down south. Sometimes we can see 19 what the Americans have done. And one of the 20 things I'm fascinated by in structuring our 21 program in the future would be to use the National 22 Fish Habitat Action Plan as a model where there's 23 an immense amount of collaboration and leveraging 24 of resource among all sectors of society, a more 25 integrated approach at a watershed level and some 26 monitoring and reporting. And it is a 27 collaborative effort. They're all working towards 28 the conservation and protection of fish habitat. 29 Mr. Hwang, do you have things to add? 30 MR. HWANG: I'll just underline a couple that I think I 31 touched on this morning. One is that we spoke a 32 fair bit about the Habitat status indicators under 33 the Wild Salmon Policy. And it's my opinion the 34 idea is good, the tool seems reasonable and 35 functional and an important next step would be to 36 action and implement gathering that baseline 37 habitat data so that we can, from here on out, 38 chart and measure the performance so that it 39 wouldn't be speculative as to whether we're 40 meeting our objectives or not. And a second point 41 would be to emphasize the linkage between fish 42 habitat management and land use and water use 43 decisions and priorities. 44 And if there is anything that we can do as an

outcome from proceedings like this to better

federally, provincially and with local

align, link and, I guess, organize the priorities

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governments, such that we don't have a Fisheries agency or maybe Fisheries agencies, counting the 3 Ministry of Environment in there, as pitted as adversaries against development interests but 5 instead it's more a cooperative and collaborative 6 kind of approach where it's not conservation or 7 development but something that's more along the 8 lines of something sustainable. 9 MR. TAYLOR: All right. Thank you. Mr. Commissioner, 10 I see it's 3:05 and I know my time. By my 11 calculation, I started about 12 after so I think 12 I've got a few minutes. I don't know if you want

THE COMMISSIONER: No, you can continue.

the break now or...?

- Just carry on for now. My next line of MR. TAYLOR: questions, and I won't have enough time to do all of these, have to do with the PPR and some identified corrections that should be made and gaps and clarifications that need to be made. going to ask some questions of the Panel, Mr. Commissioner, but as I say, I won't get through them all. And I will be submitting later, and I've alerted Mr. Martland to this, an affidavit, that we'll be seeking to file. As you may know, with the PPRs, the Commission counsel has directed the participants that the PPRs go in as evidence and if we have anything that we want to do about that PPR, we should bring it up in evidence. the practicalities are we can spend a lot of time on a lot of detail. So me running out of time will probably make for that detail going into an affidavit that we'll seek to put in.
- MR. MARTLAND: And I just would indicate from our point of view, as Commission counsel, we'll have that conversation with Mr. Taylor as to how we address any questions that we're not able to complete through the conventional way. I think at a general level we've been slow to move to follow-up questions or to written responses to the PPR in writing and we've made that clear throughout. So we'll have a conversation about that and see where we stand on it. Thank you.
- THE REGISTRAR: Mr. Taylor, before you move on, did you wish to mark number 8 on your list to which you have referred?
- MR. TAYLOR: Thank you, Mr. Registrar. And the fact that you've raised it, I suspect I do, if I could

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remind myself what it is. Oh, that's the one that I said that I don't need to but I have questioned on it and I noticed this morning, Mr. Commissioner, if counsel questioned, you'd like to

have it as an exhibit so I'm happy, if that be the case here.

THE COMMISSIONER: Right.

MR. TAYLOR: So we'll make it an exhibit then. Thank you, Mr. Registrar.

THE REGISTRAR: Item number 8 will be marked as Exhibit Number 660.

EXHIBIT 660: Habitat Conservation and Stewardship Program

- MR. TAYLOR: By the way, that was the document that is now Exhibit 660, I think you said, is a program that has come and gone and one of the witnesses spoke to it earlier. So now with the PPR, I've got some questions of you, Panel members, and I'm going to prioritize them and just hit on a few ones in the time available. I'm going to go first to paragraph 36 in the PPR. And I think that Ms. Reid or Mr. Hwang has a comment on that particular paragraph. And just to assist you, let me see if I can be of assistance. Oh, yes, I'm sorry. Paragraph 36 is a long paragraph. It's setting out the strategies in the 1986 Policy.
- Q And if you'd turn to page 17, under number 8, Habitat Monitoring, there's a reference there to DFO Monitoring Chemical Contamination and Consulting with Environment on Monitoring Plans. Is that pertinent anymore?
- MR. LeBLANC: No, it isn't. Environment Canada has been assigned a response for any chemical monitoring. DFO, Fisheries and Oceans Canada, has reduced its capacity in that area and Environment Canada has undertaken that as a responsibility under section 36 of the **Fisheries Act**.
- Q All right. If we turn next to paragraph 69, which is on page 29, there is reference there to some new positions and offsetting or not of other positions. Is there a comment that any of the Panel members want to make about that in terms of the accuracy there?
- MR. LeBLANC: My understanding is at this stage that there was a reduction, a loss of 24 Fishery

officers dedicated to Habitat, and it appears that it was linked to the Expenditure Review
Committee's decision where that was overturned.
And there was ten positions in Habitat that were reduced in the Expenditure Reduction Committee review, and that the reduction in Fishery officers dedicated to Habitat was due to a reallocation to other priorities within the Department.

I won't take you to a particular paragraph about

- Q I won't take you to a particular paragraph about this comment but there are a number of paragraphs in the PPR that refer to DFO Habitat approving projects. Is that right or wrong when it says that DFO approves projects?
- MR. LeBLANC: Under the authority of the **Fisheries Act**, we either approve harm to fish or fish habitat. We do not approve a project that's in the purview of the provincial authorities under their legislation.
- All right. Thank you. If we turn to paragraph 155, one or more Panel members may have a comment about that. This paragraph is referring to triggers for major projects. And if you have a look at that paragraph, is there anything that you want to correct or clarify about it, any of you?
- MR. LeBLANC: From what I saw from that paragraph is that the Early Triggering Policy is not accurately reflected in this paragraph. That policy was put in place to apply the in-until-you're-out principle of DFO. It does not indicate that DFO triggered a CEAA assessment as early as possible rather than waiting for a proponent to provide information that the project will not harm fish habitat. So there is some correction that needs to be made on that statement.
- Q Okay. Anything to add on that point, Ms. Reid or Mr. Hwang?
- MR. TAYLOR: All right. I think my time is up. Mr. Martland has indicated that he'd be amenable to speaking with myself and Mr. Spiegelman about how we deal with the rest of the identified errors or corrections that we propose and so we will do that. And with that, Mr. Commissioner, those are my questions of the Panel.
- THE COMMISSIONER: Thank you, Mr. Taylor.
- MR. MARTLAND: And I'd suggest we go to break now.
 Thank you.
 - THE COMMISSIONER: All right. Thank you.

THE REGISTRAR: The hearing will now recess for ten 1 minutes. 3 4 (PROCEEDINGS ADJOURNED) 5 (PROCEEDINGS RECONVENED) 6 7 THE REGISTRAR: The hearing is now resumed. 8 THE COMMISSIONER: Mr. Martland? 9 MR. MARTLAND: Mr. Commissioner, Mr. Taylor and I had 10 the opportunity to speak further about this 11 question of corrections and clarifications to the 12 He's kindly agreed to the suggestion that he PPR. 13 take the time now. Our line-up of cross-14 examination permits that. I don't have -- I 15 wouldn't tell you if I thought otherwise, but we 16 will be, I expect, fine to complete tomorrow in 17 normal hours with this panel's evidence. 18 that footing, rather than the route of an 19 affidavit, Mr. Taylor will continue with questions clarifying PPR points. Thank you. 20 21 And I've said that I'll take 20 minutes, MR. TAYLOR: 22 Mr. Commissioner, so whoever is next up can get up 23 and I'll try to stick to the high points or 24 important points that we really want to deal with. 25 26 CROSS-EXAMINATION BY MR. TAYLOR, continuing: 27 2.8 So, firstly, panel, so I'm back at the PPR for Q 29 another 20 minutes or so. Do you have a binder of 30 the PPR up there? If you do, it might be useful 31 to have it available in case you need it. 32 Bisset will be bringing up the documents as we go, 33 I think. 34 MR. MARTLAND: Just to help the panel, it should be Tab 35 1 of the biggest binder, which will be the 36 Commission's list of documents. 37 MR. TAYLOR: You've got it? MR. BISSET: 38 Yes. 39 MR. TAYLOR: Okay. 40 Paragraph 12 near the beginning -- I'm just trying 41 to figure out how I get this hand, the microphone, 42 both within reach. 43 Paragraph 12 says that s. 36 of the Fisheries 44 Act: 45

...prohibits the unauthorized deposit of a

deleterious substance into the water

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frequented by fish.

And then it goes on and says:

Environment Canada, rather than DFO, administers and enforces aspects of pollution control arising from sections 36...

Now, I think there's one aspect of s. 36 that's still with DFO, is that not correct? Sediment?

- MS. REID: Yeah, so DFO retains responsibility for administration and enforcement of sediment-based pollution.
- Q All right. So that's a qualification, if you like, or a correction to paragraph 12.

Then if we go to paragraph 36 of the PPR, there is a reference there to -- sorry, 26, I meant. There's a reference there to some of the staff and is that just the Habitat Management Branch, or is that the entire OHEB staff that's being referred to when it says "61" in the latter part of that paragraph.

- MS. REID: So 61 would refer -- probably refers to all the RHQ OHEB people. If you'd like a breakdown of the staff of -- the deck that you referred to earlier has the actual breakdown across programs, I believe. I think it does.
- Q All right. So the accurate numbers would be in that deck, then, as distinct from here.
- MS. REID: That's right.
- Q Okay. Then if we go next to paragraph 123, it says therein that:

DFO does not conduct an environmental assessment under the CEAA where it uses non-statutory tools to manage fish habitat.

Is there anything about that paragraph that needs to be clarified or corrected, any of you, and specifically whether DFO maintains engagement in an environmental assessment even where it has no statutory responsibility?

MR. HWANG: So there will be times when DFO will stay engaged in an EA -- or become engaged in the EA that isn't triggered by the habitat revisions of the *Fisheries Act*, and so an example of that could be something triggered by transport regulations.

It would be involved in fish habitat issues, like a marina. DFO would be providing advice as a federal authority to the regulator to say that there may or may not be issues that are pertinent to fish habitat, and we'd try to provide advice that would either avoid or minimize potential effects from something like that.

All right. In relation to the next paragraph, 124, even if a project is exempt from a CEAA assessment, are there still implications to the proponent in that there would nonetheless be a review of potential impacts to fish and fish habitat?

MR. HWANG: I think that would probably speak to things, circumstances such as urgent emergency where there may not -- there is an exclusion for emergency works in CEAA and if those circumstances exist, it's possible not to go through, I guess, the process of an environmental assessment under CEAA, but Fisheries and Oceans could still issue an authorization for harm to fish habitat and would use our authority to either minimize or reduce that harm as well as to require compensation for that.

Q All right. The next paragraph, 125, uses the word "rigour" in the second line:

...four levels or types of assessment under the CEAA, with increasing levels of rigour...

 Do any of you have any comment on the use of that word "rigour" there in the PPR?

MR. LeBLANC: I think it may be misused in this term, in terms of screening/comp studies. There's rigour in each of those levels. There's probably a different scope in terms of the kind of projects that are covered from each of those, but the rigour that goes into each of those, to me, is equivalent.

Then if you turn to paragraph 195 and 198 as well, is there anything that any of you want to say about the Compliance Decision Framework providing guidance to both habitat management and C&P? It seems to speak to habitat management or compliance modernization, rather, and doesn't speak to any other part of the organization.

MR. HWANG: Yeah, I think the point there is that the

- Compliance Decision Framework provides guidance not only for the Department's habitat staff, but it's also a collaborative piece with the compliance and enforcement staff, and there's guidance in there that pertains to that function, and that side of the Department as well.
- Q Paragraph 223, if we could go to that next. Mr. LeBlanc, is there a comment that you have on that paragraph?
- MR. LeBLANC: Yes. **SARA**-listed species are in the program activity tracking for habitat system and are recorded. So I think we do not yet identify other non-**SARA** species. But that is in the plan in the next few years to establish that. So we do have a science table in terms of the requirements for species that have been identified under **SARA**.
- Q And backing up a paragraph from that, in paragraph 222, do you have a comment or clarification about that one?
- MR. LeBLANC: I guess in a sense that PATH itself, the Program Activity Tracking for Habitat does not contain information to assess program performance related to No Net Loss. So since no one yet has determined what the data would look like in order to put that into the system.
- All right. Paragraph 194, if we could turn to that next, which is on page 76, there's a reference in that paragraph to Habitat Compliance Modernization being driven by somewhere in here being driven by ERC, I think, Expenditure Review Committee. It's the first sentence. Do you have a comment on that?
- MR. LeBLANC: Yes. Habitat Compliance Modernization was not driven by the Expenditure Review Committee. Actually, through the Expenditure Review Committee, while we did lose some resources in the habitat program through the reallocation that was done through that process, we did gain some 23 or 24 new resources for Habitat Compliance Modernization.
- Q Thank you. Now, you can see we're backing up through the PPR again. If you turn to page 70, there is a section about halfway down that page, 4.3.6, "DFO practice of limiting access to the CEA Registry...". Do you have a comment on that, Mr. LeBlanc, on that section of the PPR?
- MR. LeBLANC: Yeah, my comment, I guess, was it's not

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clear, the rationale for including this section, and its influence on Fraser River sockeye. Further, the section is currently out of date with respect to the approach that the Canadian Environmental Assessment Agency advocates, and it should be updated accordingly.

All right. Now, at paragraphs 159 through 162, there's a number of statements made in the PPR as to whether DFO is doing what should be done, and it's under a heading, "Scope of the Project under CEAA."

I understand that you've got some comments, Mr. LeBlanc, about these paragraphs and what they're saying, and whether what's being suggested is correct.

- Yeah, I would object to making the MR. LeBLANC: statement that the DFO scoping approach was improper and unlawful. I would suggest that that be redrafted, you know, that our scoping to trigger is essentially the approach used by virtually all departments, and the "Scope of Project" varied based upon the nature and scope of the triggers.
- All right. This being an exhibit, I don't think the Commission will be redrafting, of course, but it is important to get your points that you're making about the corrections. I understand you to be saying essentially that you view this paragraph as containing some inaccurate comments and some comments that you're taking some exception to.
- MR. LeBLANC: Correct. And do I understand that you're also saying that the scoping that's done is in line with general scoping practice that has occurred and continues to occur by a number of agencies?
- MR. LeBLANC: Yes, and it has -- since the MiningWatch Supreme Court decision, you know, we are now following a new approach based on that decision.
- All right. And that's a decision of about a year ago from the Supreme Court?
- MR. LeBLANC: Correct.
- All right. If you turn to paragraph 138 which is on page 57, there's a reference there to "major project" and not being a statutory term under CEAA. It seems to be a suggestion that DFO has organized itself around major projects in relation to CEAA. Do you have a comment on that paragraph

1 or what I just said? 2 MR. LeBLANC: Yes. Our definition of major projects 3 wasn't around in relation to CEAA. It's built 4 around the higher risk to fish and fish -- or 5 projects that have a higher risk to fish and fish 6 habitat, which in most cases tends to be a major 7 project, and it's really not related to the 8 application of CEAA. 9 All right. Ms. Reid? 10 MS. REID: I just wanted to add that there are other 11 risks that could apply to a major project such as 12 process risk, or socioeconomic considerations as 13 well. 14 Then if you look at paragraph 134, there's a 15 suggestion - and this is, I suppose, one of the paragraphs that I was referring to earlier that 16 17 this doesn't directly say it as I read it - but it 18 alludes to DFO approving things, but with that 19 paragraph and 133, do any of you have any comment 20 on that insofar as it's suggestive of issuing a 21 licence authorizing a project? Is there anything 22 more to say beyond what you've already said? 23 MR. LeBLANC: No, I think we've already made the 24 comment that the Department, under the Fisheries 25 Act, doesn't authorize a project or licence a 26 project to proceed. It just authorizes the harm 27 to fish or fish habitat. 28 Okay. If you turn to paragraph 128 -- and I've Q 29 been asking these questions of Mr. LeBlanc, but if 30 others on the panel have something to add, jump 31 We're almost at the end. 32 Paragraph 128 refers to DFO no longer 33 conducting comprehensive studies. Do you have any 34 comment on that? 35 MR. LeBLANC: I guess just a minor correction is that 36 we do not conduct the environmental assessment. 37 We ensure that an environmental assessment is 38 That's our responsibility as a conducted. 39 responsible authority under CEAA. We are still 40 responsible for -- you know, even though there is 41 a decision for comp studies to be led by the 42 Canadian Environmental Assessment Agency, we still 43 have some responsibility for a number of comp 44 studies, and some that were already in the process

prior to the June 2010 CEAA amendments.

All right. And almost finally, if you look at

paragraph 123, and in particular the last sentence

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there, is there a comment that you have about
that? It seems to suggest that DFO chooses an
option rather than applying the appropriate tool.
Is that an accurate statement or is there any
clarification to make?

MS. REID: Yeah, I think that's the point, that we

- MS. REID: Yeah, I think that's the point, that we apply the appropriate tool depending on whether impacts have been mitigated. So then the choice is either no authorization being acquired versus the need for an authorization if impacts cannot be avoided.
- All right. And then finally, and I think I can leave it there for the PPR, if you turn to paragraph 113 and you can have a moment to look at it if you want the first sentence might be suggestive that there is a direct linkage between CEAA and the Department's authority in managing Fraser sockeye. Is there any comment to make about that?
- MR. HWANG: I think our perspective there is that there are circumstances where a project could be exempt or otherwise not requiring an EA under CEAA. So it's not to say that it would always apply. It would usually apply but there may be circumstances where it doesn't. There are exclusion regulations or there may be -- or exclusion list or there may be regulations that exempt a particular activity or project from CEAA.
- Q All right. Is there an explicit relationship or direct linkage between CEAA and DFO's authority? I may be confusing you.
- MR. LeBLANC: Well, I would say that CEAA is inclusive of the determination of impacts on fish and fish habitat. So the areas that we look at and we can control under the environmental impact assessment are those that are within the purview of the federal government's responsibility, and habitat is one of these areas. Irrespective of whether CEAA would proceed, the *Fisheries Act* applies. So it's -- an integral part of the environmental assessment process is the determination of impacts on fish and fish habitat, so...
- Q But you're not dependent on CEAA?
- 44 MR. LeBLANC: No.

MR. TAYLOR: All right, thank you. I think I can leave them there. Thanks very much. Those will be my questions, then, Mr. Commissioner.

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THE COMMISSIONER: Thank you.

MR. MARTLAND. Thank you. I have Mr. Harrison for the Conservation Coalition. I expect he will not finish before 4:00, but can at least use that time to cover some ground. Thank you.

Good afternoon. Mr. Martland is right, MR. HARRISON: I will not finish today. For the record, my name is Judah Harrison, H-a-r-r-i-s-o-n, and I'm here on behalf of the Conservation Coalition which is six not-for-profit non-governmental organizations, and one individual sitting in the audience, Mr. Otto Langer, who worked for you guys for 25 years and finds this topic to be very important. So I'm here representing him and I hope to do my best in that capacity.

CROSS-EXAMINATION BY MR. HARRISON:

I wanted to start very briefly and very -- you know, take a step back a little bit. I'll start with you, Mr. Hwang.

It's quite clear from all these documents that there has been changes, pretty significant changes in the last 10 to 15 years. I'm thinking with respect to staff numbers, with respect to enforcement numbers, a lot of these things. understand that you've been working for the Department for over 15 years; is that correct?

MR. HWANG: Yes, that's correct.

So I just wanted to generally - or maybe I'll even give you some particulars - but I'd like you to discuss changes in the last 15 years that you've noticed. A couple of particulars I'd like you to get at would be, number one, do you have more or less staff now to do enforcement or monitoring or all of the above? Number two, do you have more or less managers overseeing you?

So when I'm thinking of asking you to compare staff, I would like, you know, within your on-theground staff. I don't want to rush through and give you a bunch, so let's just start there.

MR. HWANG: Sure. So the first question, as I understood it, was do I have more or less staff now than I've had in the past. It depends when you want to draw your line from the past, because our staff numbers vary over the years since the time, I guess, first of all, when I started

working for the Department as an operational biologist and then when I became a manager. But, in general, I would say -- I'll gi

But, in general, I would say -- I'll give you this response, and if you want more detail, feel free to ask for more.

The numbers we have now are roughly the numbers we had when I first started with the Department, in our area. There are probably a little bit more than when we first started, but in between then, we had an expansion where we had quite a few more staff, and so we kind of started at a level that's close to where we're at now, went up to quite few more and then we've come back down to where we're at now. I might be able to dredge up some specifics, but that's a rough indication.

- Yeah, that's fine, and in fact I think there are specifics in the PPR which I do not have in front of me now, but that's fine. The second question was with respect to management. Do you feel -- I mean, I guess you are a manager now, I've heard, in the regional area, but in general, is there more management staff now than there was 15 years ago?
- MR. HWANG: I'm not sure. Earlier in my career, I paid less attention to what was going on above because I was really more operationally oriented and field oriented. I would say it's my impression that there is more management oversight, and more direct need for us to explain and rationalize our decisions. There's less independence, I'll call it. Whether that translates to more managers or not, I'm not sure.
- Q Okay. Thank you. And I guess the third, in the same vein, do you feel that there's a significant difference or a noticeable difference in the amount of time that, not management, but your employees spend in the field as opposed to in front of a computer, let's say? Do you feel that 10 to 15 years ago, there was much more people with boots on their feet and in the fields?
- MR. HWANG: Yes, that's my impression. I'm just trying to think back. I bet you 15 years ago, not everybody even had a computer.
- Q They were playing Pong.
- MR. HWANG: Yeah, but the program, in terms of the operational habitat side of the program, has

become much more accountable to process, and there has been process added on to the program in the years since I first started. For instance, when I very first started, there was no **Canadian Environmental Assessment Act**, and then that came along and it brought with it a regulatory and process workload that we had to add on into the program.

Nowadays there is the *Species At Risk Act* which isn't brand new, but the species are just starting to get listed and the prohibitions are starting to be put into place, and that's another thing that we have to add on.

During that time the consultative obligations and expectations, both public in general and First Nations specifically, have been evolving almost constantly and very rapidly at times. So all of this has brought much more I'll call it process obligation to our actual habitat management biology work.

- Q Thank you. And I guess we have heard comments to that and the increasing complexity under which you operate. I wondered if maybe you can attach some numbers to that? I think anecdotally we hear that 80 percent now of staff's time is dealing with regulatory compliance, I guess they say, or referrals of the major projects. Is there a chance you can put the numbers -- I mean, the percentage of your staff now that are out in the field versus percentage that they would have been 15 years ago? Are we talking half the time?
- MR. HWANG: I'm not sure I can relate it that way. do undertake some what we call work planning within our operating unit where we had recognized that there was this increasing pressure to attend to these process issues, and the result of it was that our staff were less and less available to be So we intentionally brought out in the field. these work planning principles that looked at the work roughly along the lines of the strategies in the habitat policy, and said, okay, we should do some regulatory work and that will necessarily probably be the biggest portion of our work plan, but we're going to do some monitoring, we're going to do some education and outreach, we're going to do some basic even administrative stuff that you have to do as part of the bureaucracy.

balance with roughly 45 percent of our idealistic work plan being tied to regulatory things. But even that regulatory work doesn't just mean sitting at your desk typing on a computer. That includes doing the field visit to look at a site beforehand. It includes looking at a site perhaps during or after the works are conducted. So it's a bit hard for me to extract how much are our staff in the field versus how much -- compared to what it was 15 years ago.

Okay, thank you. I will not push you then.

So we tried to set up a plan that had some

MR. HARRISON: I'm hoping, Mr. Registrar, that you can bring up a Commission document, and this is the 1986 policy itself. It's Exhibit 260, I think.

THE REGISTAR: Exhibit 260.

- MR. HARRISON: If you could turn to page -- oh, the page is cut off. Chapter 4 of this document, yeah, one page before that, please. That's the one, so number 4. If you can highlight number 4 there, please? Thank you.
- I mean, I guess I'll just read out the first line of number 4, but it says:

In jurisdictions where Fisheries and Oceans manages the fisheries and in recognition of the need to avoid cumulative habitat losses caused by small projects, the Department will participate with the provinces, territories and other federal departments in reviewing plans for activities regulated by other levels of government --

We're almost getting to the point that I wanted to. Well, I guess the point that I wanted to get at was cumulative impacts with respect to smaller projects.

The point that I wanted to say was, I mean, would you all agree that the 1986 policy itself recognizes that cumulative impacts is a serious concern and that small projects have a known tendency to lead to cumulative impacts of fish habitat?

MR. HWANG: I would agree with that. I wouldn't say necessarily that all small projects cause an impact, but there's certainly the possibility that they can, and when you get a lot of them, the

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probability that some of those will have an impact
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            increases. It's been my observation and
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            experience that that is the result that's
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            happening now.
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            And I guess along the same lines, would it be
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            accurate to say that some major projects - and I
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            put quotations around that - would have a less
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            harmful impact on fish habitat than some smaller
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            projects? The size of the project does not
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            necessarily determine the amount of habitat
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            destruction. I see some nods and I'd
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            appreciate --
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       MR. HWANG: Certainly I can say that operationally,
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            like as an example a major project could be a
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            windfarm, and the windfarm could be in an
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            absolutely upland area, and it may have
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            environmental consequences but they're not
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            particularly related to fish and fish habitat.
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            Mr. LeBlanc, you were nodding in agreement?
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       MR. LeBLANC: Correct.
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                        I mean, I only have four minutes left
            Thank you.
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            and so I'm hesitant to start on a subject of EPMP,
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            but I guess just generally right now, EPMP we've
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            heard focuses on major projects. You know, put in
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            other words, not only does it focus on major
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            projects, is it fair to say that it will not
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            address smaller projects, that under the EPMP, DFO
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            will not address the vast majority - I'll put a
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            small qualifier there - will not assess the
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            majority of projects that impact habitat?
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       MR. LeBLANC: First of all, the EPMP wasn't just
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            focused on major projects. It had habitat
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            compliance, modernization, partnering, the
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            application of a risk-based approach to either
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            large major projects or small projects.
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            developed a series of operational statements to be
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            used to streamline the regulatory process, but we
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            still do quite a large number of small referrals a
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            year across the country.
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            approximately 7,000. We've reduced it over the
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            last number of years, but we still review a large
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            number of projects and we have a large number of
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            smaller projects reviewed through agreements with
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            provincial agencies that have standards that are
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equivalent to the requirements we have.

So then I guess the question directly would be

would you say that there are more smaller projects

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that are assessed or more smaller projects that 1 are not assessed by DFO currently under the EPMP? 3 MR. LeBLANC: The EPMP was part of a continuous improvement initiative and we are now, because of 5 the risk management framework and the tools that 6 we developed such as I mentioned, operational 7 statements, we do review less projects than we 8 did, let's say, five or six, seven years ago. Okay, thank you. And, then, I guess, is it fair 9 10 to say that the majority of smaller projects, 11 projects not deemed major projects, are not 12 assessed in any capacity by DFO? Is that a fair 13 statement? 14 MR. HWANG: I'm not sure I followed your question. 15 Could you reframe that? 16 Is it fair to say that the vast majority of 17 smaller projects that impact habitat are not 18 assessed by DFO in any manner currently? 19 MR. HWANG: I'm not sure I would agree with that. 20 DFO has done is taken what you might consider the 21 lowest of the low end of the risk category of 22 projects and said we're going to try to deal with 23 those in - I'll generalize it - more streamlined 24 way through things like operational statements. 25 But there are still lots of projects that 26 come in that you would classify as relatively 27 small that DFO staff still review and make some 28 assessment of. So I'm not sure that it would be 29 accurate to frame it as most small projects don't 30 get looked at now. There are certainly some, and 31 there are definitions for what those are. Some of 32 those do bring some risk to the resource, and some 33 of them probably don't, and they're dealt with 34 through these streamlining tools. 35 But there is still a review of things that I 36 think the Department thinks pose some degree of 37 So we're looking risk for a negative consequence. at less stuff than we used to --38 39 Yes. 40 MR. HWANG: -- but I don't think we --41 You still think you're catching most. 42 MR. HWANG: Well, I'm not sure I'd say that either, 43 'cause one of the corresponding challenges has 44 been over, say, the last three to five years, a 45 tremendous increase in economic development 46 activity, and that has brought more bigger

projects, more medium projects, and more smaller

PANEL NO. 27 Cross-exam by Mr. Harrison (CONSER)

projects through, so there is some concern that even to the scale of projects that we're not looking at, there are more of those coming through just by way of more economic development activity.

MR. HARRISON: Okay. That's fair.

Mr. Commissioner, I note the time. Thank you.
THE REGISTRAR: The hearing is now adjourned for the day and will resume at ten o'clock tomorrow morning.

(PROCEEDINGS ADJOURNED AT 4:00 P.M. TO APRIL 5, 2010 AT 10:00 P.M.)

I HEREBY CERTIFY the foregoing to be a true and accurate transcript of the evidence recorded on a sound recording apparatus, transcribed to the best of my skill and ability, and in accordance with applicable standards.

Pat Neumann

I HEREBY CERTIFY the foregoing to be a true and accurate transcript of the evidence recorded on a sound recording apparatus, transcribed to the best of my skill and ability, and in accordance with applicable standards.

Karen Hefferland

I HEREBY CERTIFY the foregoing to be a true and accurate transcript of the evidence recorded on a sound recording apparatus, transcribed to the best of my skill and ability, and in accordance with applicable standards.

Karen Acaster

I HEREBY CERTIFY the foregoing to be a true and accurate transcript of the evidence recorded on a sound recording apparatus, transcribed to the best of my skill and ability, and in accordance with applicable standards.

Diane Rochfort