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:

Tenue à :

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

Tuesday, June 7, 2011

le mardi 7 juin 2011





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

## Errata for the Transcript of Hearings on June 7, 2011

Page	Line	Error	Correction
45	34	current worth	current work

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No appearance Musgamagw Tsawataineuk Tribal

Council ("MTTC")

No appearance Heiltsuk Tribal Council ("HTC")

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Vancouver, B.C./Vancouver (C.-B.)
June 7, 2011/le 7 juin 2011

MS

THE REGISTRAR: The hearing is now resumed.

MS. BAKER: Thank you, Mr. Commissioner. Before we start today, I just wanted to advise the participants that we received over the last - I guess it was Friday - answers to the questions that were posed to Karl English back in April, and I intend to have those, with the questions and the answers, marked tomorrow morning. So if anybody has any objection to that, they should let me know.

#### EXAMINATION IN CHIEF BY MS. BAKER, continuing:

- Q Ms. Walls, yesterday when you were giving your evidence, you referred to two documents which we didn't pull up on the screen. I just want to confirm this is what you were referring to. You talked about a 1987 regional working agreement between DFO and Environment Canada, and I believe that's already marked as an exhibit in these hearings at Exhibit 690. So if that could be pulled up and if you could just identify this is what you were referring to.
- MS. WALLS: Yes, that's when I referred to the regional working agreement of 1987. That's the document.
- Q Okay. And then the other agreement you talked about was a memorandum of understanding dated 1985, and I believe that is Exhibit 689 in this hearing.
- MS. WALLS: Yes, I confirm that's the 1985 MOU that I spoke of yesterday.
- Thank you. And when we left off at the end of the day yesterday, you were talking about organizational changes within Environment Canada around 2005 and what the impact of those changes were on the work being done in B.C. I wonder if you could just describe that for us again.
- MS. WALLS: Okay. So I think I was actually still responding to your question about the effect on EC's contaminants in s. 36 work due to loss of the Water Quality Unit, and I would just like to summarize my response to that question, that with the exception of the work on the MOU and the

regional working agreement that was identified in the list of issues in the response from Don Fast to Mr. Macgillivray, the letter of August 3rd, 2004, those first two items, there was really no interest to continue to do any work on the MOU or regional working agreement updates.

All of the other issues, I think, in many areas I would say that the work, the coordination that was previously done through the Water Quality Unit was lost. However, within the departments, we sort of redid the wiring so we found new ways to cooperate or collaborate on a project or program-specific basis. But the real loss was the window into DFO for expertise on effects of pollutant discharges on water quality to sustain fish.

- Q Thank you. And you had also touched on changes within --
- MS. WALLS: Yes.

- Q -- Environment Canada's governance structure. Can you explain --
- MS. WALLS: Yeah.
- Q -- what those changes were just in a very brief way and what the impact was on your work?
- MS. WALLS: Okay. So around 2004, the Department embarked upon a major organizational and structural change. We had a new Deputy Minister, Deputy Sammy Watson who had an objective and a goal to completely redesign the architecture of the Department. This was over the period from about 2004 to 2006. There was a major redesign of the priority setting, the governance structure, the organizational structure, the way that planning and priority setting was done, and ultimately that led to a new results-based planning and accountability structure for the Department which also translated into a new way of setting budgets and funding allocations.

As a result of -- there were two main results in the region that led to a reduced capacity to continue s. 36 *Fisheries Act* compliance promotion work or to take on any additional work related to water quality science. First of all, there was the leadership or management accountability for *Fisheries Act* s. 36 compliance promotion, it basically disappeared and the new outcome-based management accountability framework for the

Department. So there was no overall lead or strategic direction or management accountability for our work on *Fisheries Act* compliance promotion.

This **Fisheries Act** s. 36 compliance promotion, because the new results-based accountability structure also set the budgets, there was no funding allocated or resourcing to continue with the compliance promotion work related to the general pollution prevention provisions under the **Fisheries Act**, and so the minimal amount of staff that we did have to work on the general fisheries pollution prevention compliance promotion work related to **Fisheries Act** s. 36 disappeared.

So this was going on, this organizational And basically elimination of a nominal change. amount of funding that went into our Fisheries Act compliance promotion work was going on at the same time as DFO disbanded the Water Quality Unit, so it was kind of the perfect storm of events. was winding down their coordination in this area and Environment Canada's management accountability and resourcing for this work was similarly -- it wasn't that it was intentionally cut, it just sort of, amidst a major organizational change and other issues particularly related to major new responsibilities under the Canadian Environmental Protection Act, that support for Fisheries Act s. 36 work basically just disappeared.

The Department's response in the region was to set up a *Fisheries Act* working group where we basically got together all the people that had various bits and pieces of expertise and work that they'd previously done related to s. 36 of the *Fisheries Act*. We set up a priority-setting exercise and a way of identifying priorities and risks that we then used to identify the areas that we wanted to pursue funding.

So we actually put together, as a result of that risk assessment/priority-setting exercise, identified priorities and then we would put forward funding proposals to continue to do work on *Fisheries Act* compliance promotion, but the proposals actually had to go into the *CEPA* compliance promotion planning and budgeting system because there was no framework in the management

structure for Fisheries Act work.

So we had to put in proposals for **Fisheries Act** 36 compliance promotion priorities to try and get support through the **CEPA** compliance promotion budgeting process.

- Q And did you ultimately get funding to do that work?
- MS. WALLS: We did get some very specific projectrelated funding, so we would get like -- I think
  there was some funding that was provided to do
  compliance promotion related to boat yards and
  marinas, so they were specific, you know, one
  time/one year funding, operational budget funding
  to do things like develop educational materials
  and best management practices and to do some
  limited compliance verification inspection work.
- Was that, then, the only example of funding being made available for the general --
- MS. WALLS: That's the only one I can recall. There may have been some others, but it wasn't like funding a full-time position or anything like that. It was, you know, project-related work.
- Q So it was a reduction to what was happening prior to 2004.
- MS. WALLS: That's correct. And the other thing that was going on organizationally is that and it's very relevant to the non-point source and urban pollution theme of this session is that one of our key funding sources for that work was the Georgia Basin Action Plan. One of the Department's priorities was non-point source pollution, in particular agricultural and urban run-off.

There was also enhanced water quality monitoring in the Georgia Basin including the lower Fraser watershed that was -- came through the Georgia Basin Action Plan initiative.

That initiative sunsetted. It was five-year sunset funding. It ran from 2003 until 2008. However, the last year was very nominal funding just for reporting and write-up. So basically we were coming to the end of our funding under the Georgia Basic Action Program that supported enhanced work on agricultural and urban run-off. That wound down around 2006, 2007.

So there was a number of things. It was just not by design, but on both sides, DFO and

Environment Canada, had reduced capacity to continue this work. Other priorities were taking their place and people were reassigned and redirected.

Thank you. I'd like to move now to Dr. Carey and talk a little bit about what water quality monitoring work is being done in B.C. You have an agreement between Canada and the province on water quality monitoring, and that should show up as Tab 29. I'll get you just to confirm that's the provincial/federal agreement on water quality monitoring in B.C.

DR. CAREY: Yes, it is.

MS. BAKER: Okay. Could I have that marked, please? THE REGISTRAR: Exhibit 992.

EXHIBIT 992: MOU between Canada and BC with Schedules, Oct 10, 1985

MS. BAKER:

- Q Can you, for us, just outline in a general way what the intention is under this agreement with respect to water quality monitoring?
- DR. CAREY: This agreement is one of a number of federal/provincial agreements on water quality monitoring in general that was stimulated by the *Canada Water Act* and some of the intentions and goals of that *Act*.

The Canada Water Act recognizes that there are different types of water in Canada. There's federal water such as boundary waters like the Great Lakes. There's waters of federal interest that cross international boundaries. Also under our Constitution, however, there are fresh waters within provinces that are not federal waters but are provincially managed.

The **Act** empowers the Minister of the Environment to enter into agreements with provinces so that there can be joint data collection, for example, between provinces and the federal government to coordinate programs and ensure that there's some sort of synergy between the programs. In order to implement those intentions, a number of federal/provincial agreements were signed beginning with Quebec, I think, about two years before this one, and I believe the Canada/B.C. agreement was the second

one under the Act. 1 2 And under this agreement, what kinds of things are 3 measured or monitored? 4 DR. CAREY: Well, there's a list of core parameters 5 under the agreement, things like temperature, 6 conductivity, nutrients, various types of 7 nutrients, nitrogen-containing, phosphorus-8 containing substances. Then there are a secondary list of parameters that might be measured on a 9 10 site-specific basis; metals, in some cases, 11 organic pollutants like organochlorines, et 12 cetera. 13 Okay. And those, at the time the agreement was 14 signed, those parameters were set out in schedules 15 to the agreement. I don't think the pages are 16 numbered, unfortunately. 17 MS. BAKER: Mr. Lunn, if you could move through maybe 18 ten pages in the document, we should get to the 19 schedules of parameters. 20 Schedule B sets out the monitoring activities at 21 the different sites in B.C. 22 That's the identification of the sites, DR. CAREY: 23 yes. 24 And then if we move further along, we'll see the 25 different parameters that are monitored there, 26 written sideways on your screen there. 27 DR. CAREY: By site, so you can --28 By site. 29 DR. CAREY: There you go. 30 All right. 31 MR. LUNN: Should I continue to scroll? 32 MS. BAKER: I think that's fine. 33 Is the provincial water quality monitoring network 34 part of this arrangement? It's all --35 DR. CAREY: That's my understanding, yes. 36 -- integrated together. And, as I understand it, 37 there's a business plan that's prepared in 38 relation to the water quality done in the 39 provinces over three-year periods; is that right? 40 DR. CAREY: Business plan is, I understand, prepared 41 every three years, but there's an annual work plan 42 that's developed each year I believe. 43 Okay. If I could take you to the business plan, 44 at least that I think is helpful in showing what 45 things are being looked at, this is Business Plan, Tab 30, for the years 2010 to 2013. So this is

the current business plan; is that right?

Yes. That's my understanding. 1 DR. CAREY: MS. BAKER: All right. I'll have that marked, please. 3 THE REGISTRAR: Exhibit 993. 4 5 EXHIBIT 993: Canada-British Columbia Water 6 Quality Monitoring Agreement, Business Plan 7 2010-13 8 9 MS. BAKER: 10 Now, do you know how many water quality monitoring 11 stations there are on the Fraser system? 12 DR. CAREY: I believe there are six, four in the main 13 stem and two on tributaries. 14 Is there also a buoy in the estuary that's 15 maintained? 16 Yes, there is, a real-time monitoring buoy DR. CAREY: 17 in the estuary. 18 And is that part of this agreement as well, the 19 buoy, or is that --20 DR. CAREY: Yes, it is. 21 Okay. 22 It's considered a federal/provincial site. DR. CAREY: 23 Okay. And earlier in these hearings yesterday, we 24 identified an email from Beverly McLachlin (sic) 25 which I should get you just to confirm. It's at 26 Exhibit 977. You're familiar with this email that 27 sets out the information prepared by Beverly --28 DR. CAREY: McNaughton. 29 -- McNaughton as to the different parameters 30 monitored in the Fraser system at the bottom and 31 going over to the next page? 32 DR. CAREY: Yes, I requested that, and I was Director 33 General at the time on the unit that Ms. 34 McNaughton works in, and I requested that she 35 provide our response to the Commission for data 36 collected by this network. This was her response. 37 Okay. So she's taken the different information 38 and kind of put it together in one place for easy 39 reference for us. 40 DR. CAREY: Well, she tried. The current water quality 41 information is maintained in different databases 42 by the federal government and the province. 43 federal database is called Envirodat, and she

pulled the data from Envirodat, both for the

And, to the best of your knowledge, this is

currently active stations and for some that had

been active in the past but are no longer active.

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1 accurate for the Fraser? DR. CAREY: It's accurate. It's our data for the 3 Fraser and, to the best of my knowledge, it's 4 accurate, yes. 5 Okay. Thank you. 6 If you could, Mr. Lunn, put Exhibit 993 MS. BAKER: 7 back on the screen? 8 This is the business plan. If you could turn to 9 page 6 of this document? It sets out - actually 10 start on page 5 - it sets out some risks and 11 opportunities at the bottom, and carries on over to page 6. So this identifies that there's 39 12 13 long-term monitoring stations in B.C. We see that 14 in the second bullet. 15 DR. CAREY: Yes. And that of course relates --16 17 DR. CAREY: That's for all of B.C., not just the 18 Fraser. 19 To the whole province, exactly, and there's only 20 six on the Fraser? 21 DR. CAREY: Correct. 22 Okay. And in this paragraph, this report does 23 state that 39 stations is too sparse to be 24 representative of water quality in the province. 25 Would you agree that six stations on the Fraser is 26 also too sparse to be representative of water 27 quality on the Fraser? 28 DR. CAREY: It depends on your definition of 29 "representative". We have stations that are 30 upstream sites, considered above sites of 31 pollution, and the farthest downstream at Hope. 32 So it's representative in a broad way of water 33 quality condition, but it is not representative of 34 a number of -- of water quality at any specific 35 site that isn't being monitored. 36 Thank you. Is comprehensive monitoring of the 37 aquatic environment, including bottom sediment and 38 aquatic biota conducted on the Fraser? DR. CAREY: Again, you're asking me -- what's your 39 definition of "comprehensive"? 40 41 Well --42 DR. CAREY: I also, if I could just draw your attention 43 to something, the unit is a Water Quality 44 Monitoring and Surveillance Unit. You're focusing 45 on the monitoring component which is the component 46 that's done biweekly in many cases and for

specific parameters. The purpose of that is

largely to determine the current state and to compare it with past monitoring to determine trends.

For specific issues, we conduct surveillance studies. For example, if we wanted to know more about an issue like pesticides, we would conduct a one-time surveillance study that may go over several years - it may be national in scope - and produce surveillance reports which are intended to help us give more detail to the issue in terms of geography and specifics of chemicals. We would go back in five years' time to determine if anything had changed.

So it isn't all of our work that's represented here. This is just the routine work designed to tell us if things are generally getting better or worse over time.

Q In this paragraph, it says:

In addition, the monitoring focuses on the quality of the water column, and comprehensive monitoring of the aquatic environment, including bottom sediment and aquatic biota...

And they note that it's done only infrequently. You see that in the --

- DR. CAREY: I see that. That's what I was referring to by the surveillance studies.
- Q Okay. So you would say that there's infrequent surveillance on the bottom sediment and aquatic biota on the Fraser?

DR. CAREY: Yes.

Q Okay. This statement here is -- the very last sentence says:

The risk to the government partners is that they do not have a comprehensive overview of aquatic environmental quality in the province for informed decision-making and state of environment reporting.

Do you agree with that statement?

- DR. CAREY: Yes, on a province-wide basis, I agree with that.
- Q And if we bring it down to the Fraser, do you agree that we have sufficient and comprehensive

 overview of aquatic environmental quality in the Fraser to allow for informed decision-making on the Fraser system?

 DR. CAREY: Again, focusing on the word "comprehensive", I would say, no, I don't think it's comprehensive. I think we do have an overview.

Okay. How are the sites for -- like the location, the sites for where the water quality monitors will be located, how is that determined?

DR. CAREY: Well, there is a description of the intent of locating a site as part of the table that you mentioned, but briefly, the program is intended to give an idea of the changes in water quality, for example, as you go downstream. So we begin with sites that are far enough upstream to be upstream of major urban developments, major economic activity like pulp mills, et cetera, that would give us some idea of the general background water quality and then as you go downstream, sites are selected, for example, to be downstream of major cities or industrial activity or major tributaries, and then the tributaries themselves would also be measured as close as feasible to their confluence with the main stem so that their

input could be estimated as well.

I think, and my understanding is, the farthest downstream site which is at Hope was selected years ago to be as far downstream as one could get and not be under the influence of tides with respect to flows. The salt wedge I don't believe gets that far, but perhaps it does.

But the flow can be modified by tidal cycles and so the farthest downstream that we were meant to go in this program was Hope to avoid that tidal cycle. So the site at Hope is also, we believe, representative of what's going into the estuary to be compared with measurements made in the buoy on the main stem that you mentioned, which is clearly under the influence of tidal cycles, et cetera.

So it depends on what site you're talking about. Some are reference sites, some are meant to give us an indication of the water quality downstream with major activities, and some are meant to be representative of tributary basins and their input to the main stem as well.

And who is it who determines the location of the

2 DF 

sites in the Fraser? Was that done by --

DR. CAREY: That was done jointly with the province by the program, the monitoring managers and approved by those accountable for the program.

Q Okay. Did you involve the Department of Fisheries and Oceans in the siting of any of the water quality monitors?

DR. CAREY: Well, I wasn't involved in it, but not to my knowledge, no.

- Is the Department of Fisheries and Oceans consulted in terms of the appropriate parameters to be measured?
- DR. CAREY: I don't know of any formal consultation, no.
- Q Ultimately, who is responsible for determining the parameters that will be measured?
- DR. CAREY: The people managing this agreement and the folks who are accountable for the program itself.
- Q Would it be the Director General of Water, Science and Technology, where you work?
- DR. CAREY: Yes, ultimately it was me as Director General.
- Q Okay.
- DR. CAREY: In terms of accountability, not in terms of actual choices, but ultimately I was accountable for it, that's correct.
- The business plan that we were just looking at refers to a type of sampling described as CABIN. Can you explain what that is?
- DR. CAREY: Yes. Some years ago, we became a little bit concerned even for the most frequent of these sites, for example. They're monitored on a biweekly basis and they're a grab sample. They don't tell you what came down the river 12 hours after you sampled, and they also are quite limited by the number of parameters you have the budget to measure, and your laboratory can measure.

So we became concerned that we didn't get this comprehensive picture of water quality that we would like, either integrated over time or integrated over the cumulative effects of a number of parameters.

We realized that there are organisms, insects, mostly invertebrates, that live in the mud in these sites that can't move around that are exposed to everything that happens, and that if we could develop a program that measured them on a

regular basis and compared what was happening to those invertebrate communities, that would be more reflective and a more comprehensive picture of water quality, to use your term.

So it's been going on, the program has been developed over the last 20 years. The concept is to develop a database of the benthic, the biological community living in the mud for a number of reference sites, sites that we perceive to be either not polluted or minimally polluted or disturbed, and having that database in hand, you can go to other sites and compare the communities that you find for comparable sites and determine if they are similar or not. The degree of similarity, we believe, is a general indication of the degree of water quality, whether it's similar to unpolluted sites or not.

So that program was developed. As it was developed, it was ground truthed, shall we say, in a number of sites including the Fraser system. It continues to be applied in a very limited way in B.C., and especially in the Fraser system.

- All right. That was my next question. Is it in existence right now? Is it being used in the Fraser right now?
- DR. CAREY: To a limited extent. My understanding is the site at Hope is monitored every year and has been for the last seven years. The other sites that I mentioned are monitored on two- or three-year cycle, so for most of those, we have a couple of data points going back the last six or seven years.
- Q Sorry, the other five sites on the Fraser? DR. CAREY: That's my understanding, yes.
- Q Okay.
- DR. CAREY: And it is now part of this Canada/B.C. agreement on water quality monitoring, so it falls under the agreement. The activity is jointly managed, and my understanding is the province is using it -- well, we're using it jointly for all of the sites, all 39 of the sites.
- Q And is the information that's derived from the CABIN monitoring informative of sockeye health in the river?
- 45 DR. CAREY: Not directly.
- 46 Q The --
- 47 DR. CAREY: I might also say that with respect to the

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PANEL NO. 41
In chief by Ms. Baker (cont'd)
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Fraser, my understanding is the original database, the reference database - because that's another activity - it isn't just what you go and use it for. It's keeping the database up to date. The original reference database was comprised of 274 sites in the system. Work under the agreement that's underway right now will add 200 more. Sorry, this is for the whole province, or for the

- Q Sorry, this is for the whole province, or for the Fraser alone?
- DR. CAREY: This is for the Fraser.
- Q Okay.

- DR. CAREY: Two hundred more. Because it's very important, the number of sites you have in your reference area database gives you the power of the analysis to go and compare.
- Q And these are reference sites for the CABIN monitoring?
- DR. CAREY: Yes. And then there's a couple of hundred more, I believe, on tributaries as part of the database as well. So an important activity under this program is to maintain that database.

The reason it's important is because companies like pulp mills or other folks who are interested in determining health at a specific site have access to that database, so they don't have to reproduce the program. They just have to go and sample their site and they're able to compare it to similar sites within the database.

- So the idea is to sort of take, in a snapshot in time, on these reference sites that are minimally polluted, and say this is what it looks like today, and in the future, people can use that to assess their sites.
- DR. CAREY: And an important activity under the agreement is to keep that database up to date so people can assess their sites against an up-to-date database.
- Q How often are those reference sites updated?
- DR. CAREY: Well, that's what I'm saying. There's 200 of those underway, right away, to be updated.
- Q 200 to be -- sorry, maybe I misunderstood. I thought you said there was 274 initially, and then you were going to add 200. Or will you be resampling some of the original --
- DR. CAREY: Some of those involve resampling and some of those are additions.
- 47 Q I see.

water quality conditions or water flow conditions
or climate or whatever.

Right. And what's the schedule to do those reevaluations? Is it every ten years, or every five

different than the 274 we had, we'd have to go

DR. CAREY: But the general idea is to ensure that --

obviously if the 200 sites we sample now are quite

back and look at what had changed, whether it was

- years, or...?
  DR. CAREY: It's an ongoing process.
- Q Okay. How do you decide when you need to go back and resample those locations?
- DR. CAREY: I don't know the answer to that. That's decided at the working level.
- Q Okay. The water quality monitoring kind of broad brush that we've been talking about under the B.C./federal agreement, that has a number of different purposes; is that fair?
- DR. CAREY: Well, it's certainly used now for a number of different purposes. It started out as support for the activities intended under the *Canada Water Act* which was the protection of the quality of Canada's water resources, and also to ensure the wise and efficient use of water resources.
- O Is the --
- DR. CAREY: But it is the main water quality network for people who have other questions with respect to water quality.
- Q Is the purpose of the monitoring to assess receiving water quality for Fraser River sockeye?
- DR. CAREY: No.
- Q And what about water quality in the marine areas? Is there any water quality monitoring being done by Environment Canada in marine areas aside from the buoy that you mentioned?
- DR. CAREY: The only monitoring program that I'm aware of is done under the Canadian Shellfish Sanitation Program, and that is a program that's a joint program run by three departments, Fisheries and Oceans, Canadian Food Inspection Agency and Environment Canada. Each have different roles.

Environment Canada's role is to, in part, monitor waters, where shellfish are commercially harvested, for their microbiological content to determine if there has been inputs of sewage, for example, or harmful microbes that would affect whether the product could be sold or not. That's

the only marine monitoring, water quality
monitoring that Environment Canada conducts that
I'm aware of.
Right. And do you understand who has

- Q Right. And do you understand who has responsibility for monitoring marine water quality other than the shellfish?
- DR. CAREY: Well, we assumed it was the Department of Fisheries and Oceans.
- We covered a number of topics yesterday which is going to allow me to move a little more quickly through some of our questions with you today.

I'd like to move ahead to you, Dr. Paradis. First, I'll just ask you -- maybe I'll ask both Dr. Carey and Paradis. Yesterday we heard from the witnesses from your respective organizations that there is no formal mechanism for the provision of science advice from DFO to Environment Canada. Do you just agree with that proposition or disagree?

- DR. PARADIS: I don't disagree.
- Q You don't disagree?
- DR. PARADIS: No.

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DR. CAREY: I think I would -- if you're talking about a formal structure where people regularly meet and information is exchanged, I would agree.

I would say, however, that when Environment Canada, for example, gazettes - or places in the Canada Gazette - a notice with respect to some intention to regulate, there is a formal process for comments to be sent. Those comments are solicited by the Department and are welcome from anyone, including DFO scientists. So they can participate in that formal process.

So in terms of a bilateral committee between Environment Canada and DFO to exchange information, I would agree that that does not exist as a formal process, but there are formal processes for submissions of information and that information is welcome.

- Q Okay. And, in your experience, does DFO avail itself of that opportunity?
- DR. CAREY: It depends on how far back you go and I am retired now. Certainly, for example, in the early 1990s, DFO were active participants in our development of amendments to the **Fisheries Act** regulations for pulp and paper. They had the scientific lead provide us with a large amount of

information. Later on in the -- well, it wouldn't be the late '90s. It would be, to the best of my knowledge, around 2004, when we were again looking at the amendments to the pulp and paper regulations, DFO participated on the steering committee for that process that I led and provided information at that time.

So, yes, they provide information from time to time.

- Q And those examples you gave are specific regulations under the *Fisheries Act*?
- DR. CAREY: They are.

- Or. Paradis, if I can just ask you to move to a document at Tab 10. This is an email chain, but the final email is from you to Patrice Simon, Robin Brown, Peter Ross and others, and this relates to an issue where DFO felt it needed to advise Environment Canada on the effects of PBDEs. It's dated in 2008. Can you provide some background and what was this exchange is about from your perspective. Do you remember?
- DR. PARADIS: Well, as Dr. Carey just pointed out, like Environment Canada was going through a review of those products. Dr. Ross and other scientists wanted to make a contribution to Environment Canada to help them to make their regulatory decisions.

What we did is we asked them to go through the departmental process, which is the CSAS peer review process, in order to do it like in the formal way that DFO does it. So following that, I sent the document to Mr. Enei, and Environment Canada replied that they were thankful for what we did and they would use it in their regulatory process. But we agreed that the process had been fairly difficult to get into because of the way it had been launched and moved forward. So there was a need to actually improve that process.

If I may suggest, a similar process exists with PMRA in regard to pesticides where there's more frequent meetings between the two organizations and that does facilitate the process a great deal. So that's really something we had in mind at that time.

Q In your email at that time at the very top email in the chain, the second sentence says:

Director Generals.

As you will see, in the future, both DGs --

-- have agreed that a more formal exchange would be beneficial to ensure we can manage the workload and cost of developing the documents and the peer review meeting.

That was after the receipt of the CSAS review. Did that actually happen? Was a formal exchange developed?

DR. PARADIS: No. We never got to do it.

MS. BAKER: Could I have that email marked, please, as the next exhibit?

THE REGISTRAR: Exhibit 994.

EXHIBIT 994: Email thread from S. Paradis to S. Patrice et al re PBDE Letter to EC from DFO

MR. HARRISON: Sorry to interrupt, Ms. Baker. I just wanted to, for the record, say that yesterday I referred to this same document and I mistakenly identified it as Exhibit 742. So in yesterday's transcript, this same document will be misidentified.

27 misid 28 MS. BAKER: 29 O Would

- Would you like I'm asking both Dr. Paradis and Dr. Carey - would you recommend any changes to the process for delivery of science advice between DFO and Environment Canada. Do you see any improvements that could be made there?
- DR. PARADIS: I think, you know, more regular interaction or being -- okay, I understand there's the public call for submissions, but I think a more formalized process by which a DG could exchange about what Environment Canada is actually going through, or if DFO actually finds substances that would deserve some special attention, could certainly be put in place to facilitate those exchanges.
- DR. CAREY: I think my response would be somewhat different. I think that Environment Canada welcomes this information and I think Environment Canada would likely I don't speak for the Department now, I'm no longer an employee of the

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Department - likely welcome more informal routes. Formal routes tend to generate their own life and Environment Canada actually solicits this information very broadly from comments from industry, and therefore I think setting up individual one-on-one formal arrangements would have its own transaction costs with respect to running them. I'm not sure it would be worth setting up in terms of formal -- if the barrier is, as I understand it, a barrier to getting information out of one department to another, having a formal process may not necessarily address that.

Perhaps it's having informal contacts and exchange would be more efficient, frankly.

And it sounds from hearing both of you that there is a bit of an inability - or probably not deliberate - but there's just not a communication stream right now between Department of Fisheries and Oceans and Environment Canada, so how would you envision that more informal process coming about?

DR. CAREY: In the past we've had memorandum of understandings where we had multi-department working groups. In fact, we had one on toxic substances for a number of years under a memorandum of understanding that went by the acronym 5NR, which is the five natural resource departments. So the five departments that were signatory to this were Environment Canada, Agriculture, Health, DFO and Natural Resources.

Working groups were formed, including working groups on toxics, on pesticides, on climate change, ozone depletion and they exchanged information quite well in those days. That agreement expired and was not renewed - I think probably ten years ago now, perhaps Sylvain remembers - I'll just say ten years ago now. My memory may be faulty.

So I think we have had these types of structures in the past and, as I say, they tend to be managed by ADM committees. The ADM committees are fed by DG committees, and then the DG committees are fed by working groups and they have their own structure. At some point, if nothing is happening -- I can recall trying to get one shut down because not much was going on, on ecosystem

effects of UV, but everybody was afraid to shut it down. So you had to meet even if you had nothing to say.

So I have to say, in my career I've developed kind of an aversion to formal structures unless they were needed and issue-based, and a wish that they could be shut down a little more easily when the issue had been addressed and passed.

- I understand that in the late 1990s, you were involved in developing a network between departments to integrate science work. Can you explain what that was about?
- DR. CAREY: I can. I don't remember the year of the particular speech from the throne. It sticks in my mind it might have been '95. But the government at that time, whatever speech it was, had a line in there saying they would work with partners across the country to enhance the role of the National Water Research Institute.

I was the Executive Director and then Director General of the National Water Research Institute and I was asked to produce a plan with specific items that how the National Water Research Institute's role could be expanded across the country.

One of the items or suggestions that I presented was to develop a national network for coordination of water-related research. This was presented to an interdepartmental ADM committee who -- or, excuse me, Deputy Minister committee, who determined that they didn't think it needed a new budget to do that, so we should get started right away.

I held a number of -- or COSPI (phonetic) held a number of workshops, I think it was seven or nine in number, involving other departments. Dr. Paradis was a representative from DFO, and we reviewed the water research programs in all departments, including the National Research Council, so departments and agencies. We identified 27 general areas that seemed to be priorities.

From that, we selected a smaller number. We drafted a framework saying that the federal government had four broad goals in conducting water science. One was for the protection of human health against water-based hazards. One was

 for the protection of ecosystem health against impacts of human activities. One was for the protection of aquatic resources like fish and water itself to be exploited, and the fourth was for the protection of hazards from water like floods and droughts. Those were the four broad goals.

Under that, we identified, as I recall, seven - the number could be wrong - it seems to me seven priority areas of collaboration. So under the third item, protection of aquatic resources, one of the priority areas of collaboration identified was producing the science and information required by the federal government to manage aquatic resources like harvested fish and shellfish.

So we produced that framework. It was a framework for cooperation. Along the way, there were some changes in the organization of government. Something called the ADM Integration Committee was formed, and they adopted water as one of their priorities and adopted our exercise and tried to manage it.

A Deputy Minister's committee was formed under Dr. Arthur Carty when he became science advisor to the previous government, and they determined that integration, which was the buzz word at the time, was a desirability and water would be one of their priorities. So we made presentations to them. They were about to take it on when the government fell. A new government came in with different priorities. Dr. Carty's job changed and he left. The DM committee -- well, half of the DM's were replaced and everything went back to square one.

So we produced a framework, we produced sort of a plan, it was still not funded and was never implemented.

- Q And that network or integrated science group, or however you described it, it had which agencies involved in it?
- DR. CAREY: Well, the main agencies were the five that I mentioned, but it also had Pesticide Management Regulatory Agency as a separate agency, the Canadian Food Inspection Agency. Even though they are respectively part of Health Canada and Agriculture Canada, they were represented as separate agencies. And, from time to time, the

National Research Council participated in our programs.

Would you agree that that integrated science

- Q Would you agree that that integrated science planning framework that you developed would be a benefit to ensuring that Fisheries and Oceans and Environment Canada were working towards the same priorities and --
- DR. CAREY: Well, I think, again, as I say, I think it would be a benefit to have all departments work with their oars in the water on some of these issues. So it obviously would help if Fisheries and Oceans and Environment worked together as part of that activity.
- Q And Dr. Paradis, did you support this endeavour as well?
- DR. PARADIS: Well, I think a multi-departmental committee would probably be best.
- Q Thank you very much. I'm going to move my questions now to Mr. Paradis (sic) for a little while. You can get a bit of a glass of water there.

Dr. Paradis, during your time with DFO Science sector when you were the head, a large part of your work involved reviewing the Toxic Chemical Program, research program; is that right?

- DR. PARADIS: Yeah, when I came in, in May, the review was actually quite completed. The report was tabled in June, so...
- Okay. And the report that you're talking about is the Strategic Review that we saw yesterday? It's now marked as Exhibit 980; is that right?
- DR. PARADIS: That's it.
- Q Okay. It's a bit out of order in chronology but there's a useful page in another document, which has already been marked, which is now marked as Exhibit 982. This is March 2005, so it's a little bit out of sequence. First of all, did you prepare this set of --
- DR. PARADIS: Yes, I did.
- Q -- PowerPoints, or whatever they're called? All right, if you turn in this to page 8, you can see at the bottom there should be a CAN number, so page 8 and 9, so those two pages. They're not going to all show on the screen at the same time, but you should have them in a binder on the table there.

This is called "The Rise and Fall of Toxic

Research in Canada." Can you explain to us what these two pages and this theme which you call "Rise and Fall of Toxic Research in Canada" is describing?

DR. PARADIS: Well, this deck was actually intended to have a discussion with the Environmental Science Manager within DFO to talk about the overall context we were asked to manage and to review, and eventually to start to lead in a reduction (sic) for the Environmental Review Committee.

Basically, what we were stating is the fact that with a Green Plan, toxic chemical research had received huge amounts of funding. The Northern Contaminant Program actually brought most departments together, like the Science Department together to work in the Arctic, and the TSRI, that was managed by Environment Canada and Health Canada. It was another source of funding.

All of those programs, Green Plan got A-based, turned into permanent funding in the Department. Then the Northern Contaminant Program changed shape considerably and lost like \$6 million funding. The TSRI, I don't know when it got completed, but didn't get renewed.

- DR. CAREY: Just for the record, he's looking at me because I was co-Chair of that program. I can answer that question later if you like.
- Q No, you can actually chime in now if you've got some information that's helpful.
- DR. CAREY: The TSRI was a commitment by the federal government to spend \$40 million over five years on toxic contaminants research. We set up the program, the money was spent. We applied to get it renewed and a decision was not taken to renew it.
- Q Okay. Thank you.
- DR. CAREY: That would be, I'm guessing again, 2002, 2003 that it ended.
- Q Okay. All right.
- DR. PARADIS: So basically because we were seeing a lot of those funding sources disappear, we really had to refocus our program, and that's basically what I was actually bringing to the attention of our managers.
- MS. BAKER: Mr. Lunn, if you could move the next page up which shows a chart.
- Q What is this showing?

DR. PARADIS: Okay. The ESSRF was the Environmental Science Strategic Research Fund. It was actually the funding envelope for the Habitat Protection Program, like science activities, so you can see that there was funding for aquaculture, chemical, ecosystem-based management - which is kind of a term for ocean science - aquatic invasive species. So we actually -- the regions were given like priority areas. The sciences would put proposals in. The national Environmental Science Managers Committee would meet and then allocate the funding for the projects during the year.

When I joined DFO, this fund had actually been rolled up into a larger fund to become the science strategic fund. So all of those streams of funding were not actually directed any longer. All the funds were actually reassessed by the National Science Directors Committee.

- Q Okay. The Toxic Chemicals Program, as it's described in the Strategic Review document, and I think even in this PowerPoint, was it actually a separately-funded program constituted as its own federal program, or was it something else?
- DR. PARADIS: No, it wasn't really a program. It was like a research area where people could do stuff. Because I wouldn't use that term "program", because program would have like clear objectives, like measurements, like accountability, performance. Like we didn't have all of those objectives. Anyway, they've never been presented to me, because when I came in, basically the funds to support those activities had already been rolled up into a larger fund.
- Before you got there, though, was the Toxic Chemical Program a separately-funded program within the Department?
- DR. PARADIS: I think there was money that came through the Green Plan, but I haven't managed the program at that point in time.
- Q Okay. All right. You said that when you arrived into this job in 2003, the Strategic Review document had been completed, and so I'll just ask you to turn to that again. That's Exhibit 980.
- DR. PARADIS: Yeah.
- Q Thank you. Can you just explain why, to your understanding, was this review done? Why was this document prepared?

DR. PARADIS: As you probably know, there's been a number -- okay, I would say after like program review in the '90s, the government has actually engaged in almost a permanent process with other different names for review of its activities and re-prioritization of activities.

So when I came in, in DFO, we had the Departmental Assessment and Alignment Project that was actually looking at re-aligning activities and priorities. I think a bit earlier, it had been requested that the toxic chemical review took place to figure out where the program was going, if there was any changes that needed to be made.

- Q Okay. When you joined, then, in May, were you asked to make some changes to the toxic work being done in the Department?
- DR. PARADIS: No, I didn't make any changes because I was new, so I went through and -- it was actually supported by all the people, like the enviroscience managers, with some consideration. But I didn't make changes myself.
- Were you directed -- was it not part of your job when you joined this Department was to implement some of the recommendations and the reviews that were on the table?
- DR. PARADIS: Yes.

- Q Okay. So who asked you? Where was the direction coming from to make those changes to the --
- DR. PARADIS: The National Science Directors Committee.
- Q Okay. And who's on that committee?
- DR. PARADIS: It's the Director Generals in Ottawa, the ADM and the Regional Science Directors.
- Q All right. Were you asked to make any funding changes to the toxics program?
- DR. PARADIS: They had already been made. Because the ESSRF had been rolled into the strategic fund, and basically there was no directed fund any longer, like nationally, to run toxic chemical activities. It doesn't mean there was none, because there were some funds in the region. But nationally, there was not a competitive fund to continue to fund those activities.
- Q So what kind of a reduction in funding did that mean if there was no national funding available?
- DR. PARADIS: You know, for all of the activities listed here, aquaculture, toxic chemical, like the ESSRF was \$5 million.

Mm-hmm.

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- DR. PARADIS: So \$5 million got transferred to the Strategic Science Fund.
- And how much was intended to be reduced, though, in terms of funding for toxics.
- DR. PARADIS: At that point in time, there was no specific target for reduction. Shortly after, the Expenditure Review Committee requested a reduction of \$2 million in the Toxic Chemical Program.
- Okay. And was that your job, then, to try and find a way to remove \$2 million from the budget?
- DR. PARADIS: Yes.
- Okay. Did any specific direction come to you along with the direction that you were to remove \$2 million from the budget? Were you told where it should be taken from?
- DR. PARADIS: No. We were suggested to sit with the Environmental Science Manager, and that's why we used like this other deck, like the blue one, to actually come to some recommendation to senior management.
- Okay. Can you go through that with us? you see the cuts coming?
- DR. PARADIS: Well, actually, the thing is we have like 13 different institutes or sites where we have toxic chemical activities, which meant it was a very expensive like, you know, program to run from an equipment perspective. So the first suggestion was that we would actually roll up those centres, like the analytical capacity, into a few sites: One in Sidney, at the Institute for Ocean Science, one at the Institut Maurice-Lamontagne in Mont-Joli.

Then because the hydrocarbon program was in the BIO at COOGER so we left it there, and the pesticide program had been set up in Winnipeg, so we kept it as two satellites of the main centres.

What it was meant to do was actually to decrease the cost of purchasing equipment because, in many cases, the machines were not operating at full capacity. It also meant that instead of having technicians running like lower operation, we could actually concentrate and have like a higher performance in a few centres. So we were constellating expertise (sic).

But we heard yesterday from Dr. Macdonald that there was a decision taken to stop work in fates

1 and transport of contaminants. Is that also a decision that came out of the review? 3 5 6 7 8 9 10 11 12 13

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DR. PARADIS: It came out of the Strategic Review. would say the general feeling was that after the Green Plan and a lot of that research, a lot of information was about like levels in the ecosystem and the environment, but for a lot of this information, it was very difficult for us to figure out what it really meant. So that's why people recommended that we had to strengthen the

biological impact side so we could actually interpret the numbers we were collecting in the ecosystem.

On the policy side, like there's a big issue in government about like creating a bridge from science to policy, so often the policy people will say there's three questions. Karen Dodds, who was my ADM at Health, says, you know, there's the "what", so what's out there. The "so what", what does that mean, and the "now what", like where are we going with this information.

So I think one of the issues was a lot of people were concerned about the fact that it was very difficult to figure out what "so what" was all about. We had all those numbers, but in many cases we couldn't actually say what was the real impact of those things.

It actually came up in the pesticide program that we've set up the capacity to be able to do a lot more of those biological impact and mixture (phonetic) studies, so in Winnipeg we've set up this lab with like a series of aquariums side by side where you can actually control like concentration, mix of chemicals, like on same species of fish so you can actually detect any changes in the biology or reactions and so on.

So we've actually promoted to do a lot more of that stuff because we needed to know better what was going on out there.

- Was there any consultation with Environment Canada through the National Science Directors Committee to review what changes would be made in the Toxic Chemicals Program at DFO? So was there communication between Environment Canada and DFO on the changes that were going to be made?
- DR. PARADIS: Not really while we were developing the proposal, because they were budget-related

proposals. If you look in the budget of 2005, this proposal has actually been approved and is listed in the budget. So there was no extensive communication. There might have been some, but I wasn't privy to those.

DR. CAREY: (Indiscernible - microphone not on).

DR. PARADIS: Okay.

Q Sorry?

- DR. CAREY: I think that just to clarify, in the development of the Strategic Review, there was consultation.
- Q With Environment Canada?
- DR. CAREY: With Environment Canada. I know that because I was the person who provided Environment Canada's views to the folks working on the Strategic Review. Early on in the review before Sylvain came on board and before this report was developed, we provided comments and we were aware of the process as it was being developed.

All right.

- DR. CAREY: So I haven't looked at it in a long time, but I believe later in the report it mentions Environment Canada's views with respect to some of their conclusions in their report.
- And once the decisions were taken to actually implement the cuts which flowed later on, a few years later, was there consultation with Environment Canada at that time?
- DR. CAREY: Not that I'm aware of. So just to be clear, we had input into some of the recommendations and the development of the recommendations, but the implementation of those recommendations was an internal DFO matter, in our view, and DFO were left to handle it to themselves. It did not involve us.
- Q Was there coordination role, though, between Environment Canada and DFO in terms of the work that was not going to be done any longer by DFO? Once the decisions were made by DFO on how they were going to implement these changes, was there not a need to go back to Environment Canada and say, okay, this is now what we're looking after, so that means you're looking after other parts of the puzzle.
- DR. CAREY: That would have been nice, but I wouldn't say that that happened systematically, no.

Q Okay.

- DR. CAREY: I would in fact say that, for some of the decisions, Environment Canada, i.e. myself and my ADM, learned about them when they were publicly announced, when everyone else learned about them.
- Or. Paradis, at the time you were implementing these changes to the Toxic Chemical Program, were you aware that DFO in the Pacific Region had decided to eliminate its Water Quality Unit?
- DR. PARADIS: No, I wasn't.

- Were you aware of the role the DFO Water Quality Unit had in communicating between Environment Canada and DFO in the Pacific Region?
- DR. PARADIS: No, I wasn't, 'cause the Water Quality Program was in the Habitat Protection Group, which is one of the clients we were servicing from a science perspective. I guess after the decision got made, a lot of interaction happened region by region, so in Pacific Region, the decision was to the Water Quality Unit would no longer exist, I guess, from what I've seen, and I wasn't part of those discussions.

In the Great Lakes, discussion took place around the Great Lakes Contaminant Program, so -- but in other regions, I don't know if there's been any formal interaction.

- Q Okay. You have said that the biological effects work in toxics was going to continue within DFO.
- DR. PARADIS: Yeah.
- Q Right? And no longer was this ESSRF fund -- so the acronym is what again? Environmental...?
- DR. PARADIS: Environmental Science Strategic Research Fund.
- Q Okay. And it was dedicated to toxics originally, right?
- DR. PARADIS: Not just toxics. All of the other issues, oil and gas, hydroelectricity, all the habitat-related areas.
- Q Okay. But by putting the ESSRF fund into the general Science funding, there was no longer a sort of dedicated amount of money for toxics anymore, that's right?
- DR. PARADIS: Not at the national level.
- Q Okay. And with the loss of dedicated funding for toxics, didn't it make it more difficult, then, for biological effects to be researched within DFO? How did that work, 'cause if the funding was delinked --

DR. PARADIS: Yeah. I think there were two different things happening. When I came to DFO, the feeling was that s. 36 had been delegated to Environment Canada and people were actually suggesting that DFO move out of toxic because they saw it as an area of duplication. I think the feeling was between s. 36 and **CEPA**, Environment Canada had all the tools and the capacity to do it, so we were told basically to kind of wind down.

The biological effect was recognized to continue to be an issue within DFO because we had the fish expertise to do those kinds of things.

- Q And was funding allocated for biological effects research nationally?
- DR. PARADIS: Not nationally. The NSDC made the decision further that, okay, the scientists would actually come closer to what we call the client, and it's in one of the decks you've presented yesterday and that are, you know, on the table.

The clients were basically the Species At Risk Program, the Fisheries Management Program, Aquaculture, Habitat, even Transport Canada and external other federal government organizations that needed to have scientific support from us.

So basically the idea was toxics should be funded through those programs to be more closely related to the specific issues and those.

- So which one of those clients, as you described them, Species At Risk, Aquaculture, Habitat, et cetera, felt there was some research that needed to be done, they could then access --
- DR. PARADIS: Yeah.
- -- through the science program that research.
- DR. PARADIS: Yeah. So, for example, in the St.
  Lawrence River, while we had like the ESSRF, we
  were funding toxic levels in Beluga. Then when
  the ESSRF got rolled up, the scientists turned to
  the Species At Risk Program because Beluga was on
  their listing, and they started to get funded by
  this program. So in fact the results were going
  directly to the managers of that program.
- MS. BAKER: Mr. Commissioner, we could take the morning break now, if that's convenient.
- THE COMMISSIONER: I would like to do that. Just not quite. I just, while I'm thinking of it, try to understand the time frame here.

1 QUESTIONS BY THE COMMISSIONER:

Q Dr. Paradis, in your c.v. - I hope I'm getting this time frame correctly - but you arrived at DFO in March 2006; is that correct?

DR. PARADIS: No. I came in, in 2003.

- Q I'm sorry, I was just looking at your c.v., so I'm not reading it correctly, but nothing turns on that. It's the timetable you became Director General I guess, Ecosystem Science Director.
- DR. PARADIS: Yeah, 2006, that's it.
- What I'm trying to do is in the discussions you've been having with counsel this morning, I'm trying to put this in the context of the Wild Salmon Policy.
- DR. PARADIS: Yeah.
- Q And, in particular, Strategy 3 which talks about ecosystem management. How, if at all, was there any discussion, consideration, views being tied together with respect to the Wild Salmon Policy in British Columbia, and its embracing as a national policy. What you're talking about here, that is to say, the objectives of the Wild Salmon Policy with respect to habitat, ecosystem management, which mentions chemicals specifically, how is all that, if at all, coming together as we see what you've been describing are programs going away and challenges being faced between DFO and Environment Canada with respect to these areas you've been giving evidence upon.
- DR. PARADIS: Well, the Wild Salmon Policy was largely managed out of Pacific Region.
- Q Correct.
- DR. PARADIS: Okay. So we didn't really -- we were not really part of the development of those. They were kind of brought in Ottawa to be moved into the system 'cause they were regionally specific.

What happened is with the toxic program, what we discovered is -- it's almost like if the toxic program had been a separate stream outside of all those other programs, so that links were very difficult to accomplish. So by suggesting that the regions would now manage toxic chemical research, they had the opportunity to roll it up into their own regional activities. The transition to an ecosystem perspective, by creation of the ecosystem research initiative, was

also an opportunity to bring all those scientists together, not to have them in isolation like we 3 had them in the past. So that's basically how it 4 played out. 5 And from a funding perspective? 6

DR. PARADIS: From a funding perspective, like the Pacific Salmon Policy, all the funding comes to Pacific Region. It doesn't stay in Ottawa in any form. So the idea was by closing the national research fund, which was like a competitive fund, there was still money in the regions to operate activities.

So the expectation was that it would be rolled up as a priority within regional programs and be dealt with.

- And insofar as relationship between Environment Canada and DFO in this area and the Wild Salmon Policy, were there any discussions around those --
- DR. PARADIS: Not in Ottawa.
- Not in Ottawa.
- DR. PARADIS: No. The discussions would have been in the regions.

THE COMMISSIONER: All right. Thank you.

DR. PARADIS: Thanks.

THE REGISTRAR: The hearing will now adjourn for ten minutes.

> (PROCEEDINGS ADJOURNED FOR MORNING RECESS) (PROCEEDINGS RECONVENED)

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THE REGISTRAR: Hearing is now resumed.

EXAMINATION IN CHIEF BY MS. BAKER, continuing:

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Dr. Paradis, we were talking about changes to the national program for toxics before the break and what you had indicated was that there were requests made to toxics researchers from the different client groups, like aquaculture or habitat or fish managers for specific research. How do managers or people in those different client groups make specific requests for research if there isn't -- can they -- how do they learn about new and emerging issues if they are the ones who need to make the request down to science. How does science then communicate up to those client groups that there are emerging issues they need to

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pay attention to? DR. PARADIS: Well, for most of the program and, you know, the way it operated is annually we have a priority-setting process. We're asking Region what the priorities are and we're talking with our -- like what we would call our clients, like fisheries management, habitat management, aquaculture management, species at risk, to find out what is it that they need and then, you know, our own scientists would propose activities and, you know, the regional scientists or the managers from the region would come to Ottawa or, you know, wherever we have, like the planning meeting to actually bring regional issues of concern in the system. Science managers? DR. PARADIS: Yes. Okay. And since the changes were made to the toxics chemical program in 2005 or '04 -- when were they actually implemented? 2004? DR. PARADIS: Yes, two thousand and... '04/'05? DR. PARADIS: Yeah, '04/05, like --Okay. Since the changes were made have any toxic research programs been prioritized in the Pacific Region? DR. PARADIS: I couldn't tell you. Okay. Tab 6 of the commission's list of documents is a PowerPoint presentation dated December 2005 and is this a document that you prepared? DR. PARADIS: Yes. Okay. And what was the purpose of this document? DR. PARADIS: I think it's a presentation we made to the National Science Directors Committee. To explain what? DR. PARADIS: Let me just have a look. So that's Tab 6 in the --Because there's been a lot of those DR. PARADIS: Yes. been presented. First of all, we wanted to describe what the structure of the new labs would Okay. Define the principle for those labs. Is that  $\overline{-}$  if you see on the bottom of the page

there will be an actual page reference number.

DR. PARADIS: If you look at page 7, for example, okay,

so it actually described where the various

you can show us what you're looking at, that would

be helpful.

activities would take place. The previous page was actually an explanation of what would be reduced and what would be added to some of the regions. And then, you know, explain some of the principles that it would provide analytical services to all the departments on toxic research be managed by National Board of Science managers like, you know, lab would be funded by A-base, which is like, you know, regional and national funds.

- Q So that would be on page 8 and 9 as set out?

  DR. PARADIS: Yes, that's it. Okay. Then we've gone into more detail about that, what it would require. Okay. And basically we appointed someone to take care of the transition, so like one of our scientists from Winnipeg became the lead to make the transformation. So -- and then, you know, there was some discussion about the resources required to manage the analytical lab and then the lab manager's job and evaluation, timing and, you know, the fact that there were some opportunities for promotion.
- Q All right. And the unknowns are on the last page, page --
- DR. PARADIS: Yes.
- 0 -- 16?
- DR. PARADIS: Yes.
- Q Okay.

- DR. PARADIS: And so you can see that the size and the nature of the National Toxic Chemical Program had not been decided yet. It was presented at a further -- like, you know, at a subsequent meeting. Okay. The relationship among the department had to be clarified and expectation from the marine environmental quality under the Oceans Action Plan, okay, and was how much should be done and who would be doing it.
- Q And these unknowns that are described on this last page, do they remain unknowns today?
- DR. PARADIS: No. Because like that's where the following meeting of the NSDC, where it got discussed, had two options: was to create a national fund to do those things; and the other one was to actually delegate to the regions the responsibility to establish how those things would be solved.
- Q This is the size and nature of the National Toxic

1 Chemical Program? DR. PARADIS: That's right. 3 Okay. The relationships among the different 4 agencies though, does that remain unclear? 5 DR. PARADIS: Well, in some cases it was fairly clear 6 and simple. In some other it was a bit more 7 complicated. 8 Right. And so we've heard today and yesterday 9 about some of the differences about responsibility 10 by DFO and Environment Canada and who's 11 responsible for what. There seems to be still 12 some grey areas there. Is that -- that remains 13 the case? 14 DR. PARADIS: Yes, I would believe so. 15 Okay. And expectations for marine environmental 16 quality under the Oceans Action Plan, has that 17 been resolved? 18 DR. PARADIS: Not really. 19 MS. BAKER: Okay. Can I have this marked, please, as 20 the next exhibit? 21 THE REGISTRAR: Exhibit 995. 22 EXHIBIT 995: DFO Toxics Program and National 23 24 Lab Operation, December 2005 25 26 MS. BAKER: 27 This -- maybe not this exact presentation, but a 2.8 similar presentation was made in the regions, was 29 it, to explain what the changes were going to be 30 to the program? 31 DR. PARADIS: I don't know. 32 Okay. Do you know how the regions reacted to the 33 changes being made to the toxics program? 34 DR. PARADIS: We certainly heard the scientists express 35 some concern about it, the fact that they would 36 have to actually seek funding from other sources 37 than the traditional one they had gone to, and so like, you know, a number of scientists were 38 39 wondering how they would get funded to do their 40 work. 41 Was there any concern in the Pacific Region that 42 the fates and transportation work -- or transport, 43 excuse me, work that was done for contaminants in 44 the Pacific Regions by DFO was not going to be 45 picked up or taken on by Environment Canada? 46 DR. PARADIS: I think it did.

All right. That was expressed to you at the time?

- DR. PARADIS: Well, not specifically for this region.

  Q But you did know about that being a concern in the Pacific Region?
  - DR. PARADIS: Yeah, I would say so.
  - Q Okay. Do you know if Environment Canada was able to and did pick up or continue or start doing work on non-point source contaminants and research and baseline monitoring, the work that was previously being done by DFO, do you know if Environment Canada did take on that work following the reorganization in 2004 and '05?
  - DR. PARADIS: Well, I think before I answer this one, I have to say that we didn't have a monitoring program for non-point source. It was usually done through the research activities, so when people were doing their work, we would collect numbers. You know, I wouldn't call it a specific monitoring program. If there was one prior to the time I was there -- when I got there, there was no such thing as a formalized monitoring program for non-point source.
  - Q Okay. Do you know if any of the monitoring that was done for DFO's research in the areas of fates and transport was taken on by Environment Canada?
  - DR. PARADIS: No, I don't.
  - Do you know who has responsibility for doing fates and transport work now in the Pacific Region for Pacific salmon?
  - DR. PARADIS: No, I don't.
  - Q And who do you think -- which agency do you think should have responsibility for research and regulating levels and impacts of non-point source contaminants on aquatic species and habitats?
  - DR. PARADIS: Well, that would be providing an opinion.
    You know --
  - Well, yesterday Robie Macdonald said he felt that should stay with DFO, that that was a DFO responsibility. Do you agree with Dr. Macdonald?
  - DR. PARADIS: Well, I think it's a machinery of government issue and, you know, it's not -- it's certainly not an area in which I'm specialized. I think both departments could do it and, you know...
  - Q Dr. Carey, I asked a question of the panel yesterday whether any ecosystem research was done on the Fraser. Do you know of any ecosystem research done by Environment Canada on the Fraser?

DR. CAREY: Environment Canada in the past has had two programs that — under a collection of programs that were known internally in Environment Canada as ecosystem initiatives and we've had two programs that were related to the Fraser. The first was under something called the Fraser River Action Plan, which when it was done morphed into the Georgia Basic Ecosystem Initiative. That is with respect to an ecosystem-based approach. I think those are the two programs that Environment Canada has had in the past and I think that the last year of the Georgia Basin Initiative would have been around 2007, I think.

MS. BAKER: Could we have Tab 33 put up, Mr. Lunn?

15 MR. LUNN: Yes.

MS. BAKER:

Q Is this the report from the Georgia Basin Initiative?

DR. CAREY: Yes.

MS. BAKER: Okay. Could I have that marked, please? THE REGISTRAR: Exhibit 996.

EXHIBIT 996: Yeow et al - Water Quality in the Georgia Basin 2003 to 2007

- DR. CAREY: I should say that the ecosystem initiatives were quite broad. They involved -- they were meant to involve wildlife and in some cases governance issues, gauging with provincial agencies, et cetera, and so reports like this but on a number of issues would have been prepared under that initiative.
- Q In the last ten years that you were part of the department, was any ecosystem contaminant research done on the Fraser?
- DR. CAREY: Well, in terms of the identification, the fate and transport of contaminants, yes.
- Q Under Environment Canada?
- DR. CAREY: By Environment Canada.
- Q Is that different from what's in the Georgia Basin report?
- DR. CAREY: Well, yes. I would say. Simply because prior to 2005, while the water quality monitoring, for example, was done through the regional group, reporting to the regional director general, the Water Quality Research Program, the Water Research Program in general, was a national program

 reporting to the director general of the National Water Research Institute and that was me. And they were independent programs. The national program was national in scope, so -- and it was issues-based, and so, for example, we had a national project on impacts of land use on water quality that looked into agriculture and forestry, for example, some of your traditional non-point source programs. It was one of our 12 programs and they're quite significant in scope, I would say.

Those program areas would involve between seven and 12 research scientists and that was the basic structure of our national research program. Some of that work would have happened in the Fraser. It would not have been targeted at the Fraser, because they were national in scope, but we would have collected data from the Fraser in some cases to do that. It's hard to put a handle on that because they were not targeted at the specific ecosystem. They're targeted at the issue itself.

- Q Okay. And so there's none -- no specific ecosystem project for the Fraser system then?
- DR. CAREY: Not that I'm aware of, no.
- Q All right. And how about any -- has Environment Canada, to your knowledge, done any research or provided science advice on Pacific salmon?
- DR. CAREY: I can't bring any to mind, no. Not that I'm aware of.
- Q Okay. We've talked--
- DR. CAREY: Not since -- not since the very early '90s.
- Q Okay. We have talked a little bit about pesticides in the last couple of days and I just wanted to talk to you about a report that -- I know it came out after you had left the department, but I think you were involved in some of the -- well, you knew about this project as the work was being done and that is at Tab 32, and this is --
- DR. CAREY: Just to clarify, I was one of the initiators of the project.
- Q Okay.
- DR. CAREY: So I'm --
- Q So you're well aware of it. So we'll get into this in a little bit. So I just wanted to identify it first. It's called Presence and

Levels of Priority Pesticides in Selected Canadian Aquatic Ecosystems. It's dated May 2011 but it's from your directorate, Water Science and Technology, where you were working before you retired in... January or December? December.

- DR. CAREY: Might -- I retired officially in July of 2010 but my job changed and I was in a pre-retirement mode from January 2010.
- Q So this report -- you've seen this --
- DR. CAREY: I was undertaking what they called knowledge transfer after January 2010.
- Q This report then you've seen this and you're familiar with it?
- DR. CAREY: I am familiar with this report, yes.
- Q Okay.
- DR. CAREY: At least its early drafts.
- MS. BAKER: Let me have that marked, please.
- THE REGISTRAR: Exhibit 997.

EXHIBIT 997: Presence and Levels of Priority Pesticides in Selected Canadian Aquatic Ecosystems - May 2011

- MS. BAKER: I don't know if we're going to make it to a thousand before the lunch break, but we're getting close.
- Q All right. So tell me about the reason this report was done. You said you were one of the initiators for it.
- DR. CAREY: Yes. We received, through a Treasury Board submission, the department received some new funding of a type we know as sunsetted funding, in other words it doesn't -- it's not ongoing. The funding comes for a period of years and then it disappears again. And it was also profiled in an odd way so that, as I recall, it was between one and \$2 million at the start and dropped down to \$1 million towards the end of the program.

The department set up a centrally-managed pest fund as we called it to manage research in pesticides to provide PMRA to Pesticide Management Regulatory Agency with advice on pesticides and rather than have the research fund decrease, the suggestion I made that was ultimately accepted was we take the money that was going to decrease and fund a surveillance study on the presence of pesticides across Canada in our aquatic resources.

 And this, because it was prior to the transformation, this would need to be delivered by the regional groups, including the group in Vancouver. And so they were funded to conduct over a period of several years some surveillance studies on presence of pesticides in water in this region, rivers in this region, that would be rolled up into a national report, the idea being to provide an overview the best we could of pesticide occurrence in waters across Canada for that time period.

- Was there a limitation on the data available in terms of what was sold -- what pesticides were sold and where and where they were applied?
- The most obvious -- what we -- we had DR. CAREY: envisioned, what I originally proposed, was that the PMRA - and they accepted at least to try would gather information on pesticides used and we would compare the information that they could gather on pesticide use with information we would determine on pesticide occurrence to see if there were any surprises. That turned out to be extremely problematic for PMRA and the only real data we had available, and it wasn't complete, was sales data and sales data is extremely unreliable. People can, it appears, buy pesticides and store them for years and then use them. They can buy pesticides in other regions. Sales data in a region is not a reliable indicator of pesticide use in a region for any given year, but that's the data that was available.
- Q Would you agree that it would be very helpful to have more data on what pesticides are sold and what areas they're sold in and when they're applied?
- DR. CAREY: Better sales data would be better, but I think the idea would be better use data.
- Q Mm-hmm.
- DR. CAREY: So that you could tell if there were surprises, if people were using -- see, just to be clear, when PMRA regulate a pesticide they regulate a pesticide for a specific application and they give directions on the label of the pesticide with respect to how it should be applied. And some of the issues we have are whether the pesticide is being used for its approved uses or used in other ways or it is being

 applied in the manner that it was approved to be applied or not. And it's hard to understand that, because it's happening at the individual level, individual woodlot, individual farm, et cetera.

And so one of the ideas we thought was if we could compare what was said to be used in an area with what was showing up, we might see some anomalies that would indicate non-registered uses or other anomalies. It's hard to get at that any other way at this time and sales data is not necessarily the best data to get that. It would be actual on-the-ground information of what people said they were using and compare that to what they appeared to be using.

- Q Did you -- did Environment Canada work with any DFO contaminant researchers on this project, such as Peter Ross?
- DR. CAREY: Not that I'm aware of. DFO managed their pesticide project quite separately. We did, just to be clear, we did sit down in an interdepartmental meeting I mentioned earlier these interdepartmental working groups. There was one on pesticides. We sat down together. We compared programs and we did not see enough overlap in the programs to collaborate on specific activities, and so we proceeded independently.
- The last couple of questions I have relate to the toxic chemical program within DFO and how that changed. What did you understand would be the responsibility of Environment Canada and what would be the responsibility of Fisheries and Oceans for toxic research in Canada? And I'm asking because you were involved in the early stages, you said, of the review of toxic chemicals in DFO.
- DR. CAREY: I was the point person to provide input -- Q Mm-hmm.
- DR. CAREY: -- on behalf of Environment Canada for DFO's toxics reviews, so I collected information and opinions and synthesized them and delivered them to DFO's Science Directors Committee and when they refer in their reports to EC's opinion, that's the information I delivered.
- Q So what did you understand was the split then in terms of toxic research between Environment Canada and DFO?
- DR. CAREY: If I may, could I just clarify a little bit

of background?

Q Yes.

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Specifically with respect to CEPA but also DR. CAREY: to a certain extent with our understanding of Environment Canada's responsibilities with s. 36, our understanding was s. 36 is a section that deals with the deposit of a deleterious substance. There is a -- what I know - perhaps it's not the correct legal term, but what I know is that the general prohibition in the Fisheries Act against deposit of a deleterious substance and s. 36 creates the possibility that a substance could be deposited if certain conditions were met, i.e., we set regulations and effectively my understanding is if those conditions are met, someone has authority to deposit that substance. If those conditions are not met, stated in the regulation, they do not have authority and the general prohibition applies and they are charged with deposit without authority.

All that being said, specifically those regulations are developed - and this is my point those regulations are developed at the level of toxic effects on individual organisms to a great If you think about a chain going from extent. individual organisms to local communities to populations, we focus in Environment Canada on effects on individual organisms, not effects on populations. In general, we feel that by protecting individual organisms we should be protecting populations and so we do not go and look for population level effects because if we've seen them, it more or less implies that we've failed to do our duty with respect to protecting individual organisms.

So I have seen cases where a -- we'll take a -- I don't want to say sockeye, because I haven't seen specific examples on sockeye, but take a lobster that has an intersex condition, condition's been exposed to endocrine disruptors and has developed sexual organs for both males and females, we don't need, we don't feel, to demonstrate that the lobster population is at risk to know that's a bad thing. And so we believe it's efficient to focus on the effects on individual organisms, both for s. 36 and the effects of deposits and certainly for **CEPA**. And

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that's been a philosophy of ours.

So that led our input to this toxics review, because we maintained a very significant research program and post-'95, post-program review, we picked up some DFO scientists who had been working on fish, individual fish, not populations, and so we maintained a significant research program to support our development of regulations under s. 36 and our development of regulations under CEPA on toxic substances and to some extent, it was duplicated in DFO and we communicated to DFO that Environment Canada thought it was their business to do that and we would be happy to continue to do that. We communicated to DFO that we did not think it was our business to look at the overall effect at the population level of toxic substances and that we would be very comfortable and encourage DFO to focus their toxics work at the population level. And that would be relevant to their mandate with respect to the management of populations of commercially-harvested fish and that would help us out because it would give us more information but not specific information that we would keep our programs focused on the specific information we felt we needed to develop our regulations under s. 36 and to conduct our responsibilities with respect to the general management of toxic substances under CEPA.

So that's what we communicated. That's what's reflected, I believe, in the documents that you've presented, both the decks and the report, and so when we left, what we saw was our input had been reflected in the documents and we anticipated that when DFO implemented the changes, they would implement them in a manner consistent with the priorities mentioned in the documents. And that's where I left it.

- Q Do you know if that actually happened?
  DR. CAREY: Well, it seems it did not happen
  consistently. And certainly now there seems to
  be a bit of a change in wording that I was not
  aware of at that time with respect to how DFO now
  interprets Environment Canada's responsibilities
  under s. 36.
- When the Department of Fisheries and Oceans changed its toxic chemical program, was any nonpoint source contaminants research that was

previously being done by Department of Fisheries and Oceans taken on by Environment Canada?

DR. CAREY: Taken on?

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- Either accommodated into existing programs or actually taking over a program?
- DR. CAREY: Well, let me -- I can give you a longwinded answer to that then and a bit of background. When -- as DFO implemented these changes, I would say that the communication was very inadequate with respect to what was going to happen and my supervisor -- I went from being an acting ADM to having an ADM to being acting ADM again, so partially when I was ADM I did it myself and partially when I had an ADM boss, I did it with him. We visited DFO labs, we visited folks in headquarters, we asked for information about what might be happening with a view of understanding its impact on Environment Canada's programs. We did not specifically take the approach that we were looking for things for Environment Canada to pick up that we thought were DFO's business, but we were very, very interested on the degree to which these changes that were happening when we could get the information would impact Environment Canada's mandate. And we tried to get information of that type.

With respect to what we picked up in the end, in terms of a program, the only program that I'maware of that we picked up as a program involving the moving of people and resources to Environment Canada was the Great Lakes Fish Contaminants Monitoring Program. With respect to the changes we made internally, and I'll emphasize that Environment Canada had a very significant research component already in the aquatic ecosystem effects of atmospherically transported contaminants of agricultural practices, of urban runoff, wet weather pollution, combined sewer overflows, and also of forestry practices. And so what we tried to determine is if any of the things that DFO seemed to be getting out of would be gaps in our program that we needed to modify and so our approach was to look at how might we modify our program given we had a fixed budget to cover off things that Environment Canada -- that would be important to Environment Canada.

The second thing I'll point out is that as a

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result of program review in 1995, Environment Canada picked up seven or eight toxic chemical researchers from DFO, one of whom is an international expert in long-range transport of atmospheric pollutants, Derek Muir, a couple of them were fish specialists, et cetera. So that by the time these changes had occurred, we had already changed our program to cover off some of the things that were covered off in these changes. So I would say in some cases we made small internal modifications, in some cases we said we have an adequate enough program without DFO's contributions and in one case we said this is a gap that we -- that we don't have a duplication for, that's the fish surveillance program in the Great Lakes. It's clear federal mandate, international treaty, that it addresses its commitment to the Americans to do it and our minister approved us picking it up as a program. Was any contaminants work or monitoring associated

- Q Was any contaminants work or monitoring associated with research that was being done by Fisheries and Oceans in relation to Pacific salmon incorporated into --
- DR. CAREY: I don't --
- Q -- Environment Canada's work?
- DR. CAREY: I don't believe so, no.
- Q We hear a lot about funding pressures. Does Environment Canada have the budget to do all of the toxic chemicals work that it thinks it needs to do to meet its mandate?
- DR. CAREY: Well, you know, that's a very open-ended question. Environment Canada has a very significant toxics research mandate. The Water Quality Research Program in its full scope -- now I'm speaking prior to my retirement. I think it's probably changed a bit now, but it varied between 35 and \$50 million annually. And we set priorities and I'm not aware of a big issue that we missed with respect to our mandate.

The fact of the matter is there were a lot of things we couldn't do. There's a certain feature of the kind of decisions that you have to make where you pick the big ones and you do them, you look for the next ones and it's kind of like the law of diminishing returns. So we think we got the most important ones. We tried very hard to do that. If we didn't do that, then we would have

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recognized it as a failure on our part to get it right. But we didn't do everything we wanted to do, but it may be that the ones that we didn't do were somewhat less important.

So could we use extra money and justify it? Yes. But I don't know that I would say that we don't have the money necessary to do what's important for our mandate.

- Q Would you say that as some of the reprioritization that's had to be done or I suppose it's always been done within Environment Canada there's been a movement away from traditional fates and transport work, including effects on fish in recent years?
- DR. CAREY: I think we still do plenty of fate and transport work. Just to be clear, we don't -- our work is organized now, our work structure is around issues. So we don't have, you know, a pesticide group only working on pesticides. We have a multidisciplinary team working on a project on aquatic ecosystem impacts of agricultural practices that will include a chemist who's doing pesticide work along with a hydrologist, along with some soil specialists, et cetera. I don't know how I got off on that.

What was your question again?

- I was asking if there had been a movement away from traditional fates and transport research for fish.
- DR. CAREY: I'm sorry. I'm sorry. As part of that organization, we do reviews every year of the priorities and we change them and about every three years we do reviews of the actual mix of expertise in the projects and we move people between projects, so we have a flexible structure that allows what you're talking about and expects it on an annual basis. And about every three to five years, we do a complete review of the 12 projects seeking our clients' input to try and find out if we've got the right 12 projects from the point of view of our internal clients in the department and our department's mandate.

So I would say short answer to your question is we do that on a routine basis, modifying our program as necessary.

Q Within the different project areas you're working on?

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PANEL NO. 41
In chief by Ms. Baker (cont'd)
Cross-exam by Mr. East (CAN)

DR. CAREY: Correct.

MS. BAKER: Okay. Thank you. Those are my questions for these witnesses. The first questioner will be Mark East for Canada.

MR. EAST: Mr. Commissioner, I'll keep my questions to

MR. EAST: Mr. Commissioner, I'll keep my questions to the next 15 minutes so I'll be done at 12:30.

## CROSS-EXAMINATION BY MR. EAST:

Q I'd like to first start, ask a series of questions, so Dr. Paradis and to start, I'd like to call up Exhibit 47 and I believe that is Tab 8 of Canada's list of documents. So this is a document that, based on its number, I suspect came in relatively early in the hearing process and Dr. Paradis, are you familiar with this document?

DR. PARADIS: Yes, I do.

- And I just wanted to follow up with the question Mr. Commissioner asked you about, you know, where all the stuff we've talked today about toxic chemicals program or lack of program and its reduction, how that fits into things like the Wild Salmon Policy and I just want to take you to this document. Perhaps if we can go to page 1 under the introduction. And I just want to read a section and then perhaps ask you a question based on that. And so where it says in the second paragraph starting with the Science Management Board, and it explains what the Science Management Board is do you have that in front of you?
- DR. PARADIS: Yes, I do.
- Q Okay.
- DR. PARADIS: It's on the screen.
- Q A little further down it talks about in October 2005, that's right around the time that a lot of this discussion is taking place, some of these decks that you're doing; is that right?

DR. PARADIS: Yes.

... in October 2005, the Science Management Board confirmed that the highest priority for DFO Science is providing scientific support for ecosystem-based management. To provide this support, DFO Science needs a framework for realigning its focus to ensure the long-term stability of the monitoring and data management programs, and to maximize

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flexibility in the area of research and the provision of products, services, and, particularly, scientific advice to respond to changing needs.

Can you talk about a little bit of what those changing needs are? Do you know what they're referring to there?

DR. PARADIS: Well, I think in Canada and internationally, people came to the conclusion that managing line program or, you know, standalone program, was not the right way to do the business. The idea is in the ecosystem there's interaction between different factors and, you know, people in this region would know about the interaction between the species at risk, the different salmon species that are at risk and, you know, the wild salmon in general. And, you know, so we couldn't treat the invasive -- like, you know, the species at risk separately from the rest of the other species because, you know, they're blended in the same ecosystem. They operate together.

So I think, you know, the idea was to move our science program to stop looking at issues one on one, but to put them in a broader perspective where all of the interaction would be assessed at the same time.

- Q Okay. Thank you. And then maybe go to Tab -- I believe it's Tab 7 of Canada's documents and that's Exhibit 40. And I actually just want to take a look at the Table of Contents. Now, I don't want to get into these different areas because they don't necessarily directly relate to our subject area today, but I'm interested in where it says "4.2 Research Priority Areas".
- DR. PARADIS: Yes.
- Q And there's ten. I notice that toxic chemicals research is not listed as any of these priorities.
- DR. PARADIS: No, it's not, because it was agreed that, you know, toxic chemical could actually be undertaken under a number of those issues, so toxic chemical who would have an impact on fish population in the species at risk, it would have on habitat issues, it would have, like, you know, in invasive species, aquatic animal health, so generally speaking, people thought that, you know,

toxic chemicals could be linked to all of those or should be covered in all of those things.

So if there was funding allocated nationally or in

- Q So if there was funding allocated nationally or in the region to a priority and a project or a program and that project or program had a component that required toxic chemicals research --
- DR. PARADIS: Yes.

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- Q -- is that the idea where some of that -- where that -- where the toxic chemical scientists would get some of their funding?
- DR. PARADIS: Well, that was like, you know, for example, I think in the Pacific region Peter Ross did a lot of research on toxic chemical and killer whales, I believe. Or, you know, he did certainly on marine mammals and seals. So it was actually like getting funding from species at risk programs and other sources of funds.
- Q Okay. Thank you. Well, maybe then just to follow on this theme, I'd like to take you to Tab 1 of Canada's documents. I believe that was marked as an exhibit yesterday.

THE REGISTRAR: 981.

MR. EAST:

- Q Exhibit 981. And Dr. Paradis, are you familiar with this deck? It's a strategic review of toxic chemicals research presentation to the NSDC?
- DR. PARADIS: I do.
- Q And did you have an involvement with this deck?
- DR. PARADIS: Yes, I have.
- Q In fact, were you the --
- DR. PARADIS: I prepared the deck.
- Q You prepared the deck. Okay. I wanted to go, and in the interests of time, I wanted to go quickly to page 7, Slide 7. And the first bullet talks about the funding as it existed at that time, or I guess it was over five years and the first subbullet, and it talks about the percentage between what we call A-based O&M, is that what we call core funding?
- DR. PARADIS: Yes.
- Q So 11.7 million over five years versus 14.3 million O&M in leveraged funds.
- DR. PARADIS: Yeah.
- In the government context what does leveraged funds mean? What do you mean by leveraged funds?
- 47 DR. PARADIS: Well, it's accessing other sources of

funding, either through inter-departmental collaboration or, you know, working with provinces or, you know, industry groups or whomever would be interested to partner with the Government of Canada on specific science issues.

- Q So we've heard reference, I think you just referred to Peter Ross and some work he does for PMRA; would that be an example of that kind of leveraged funding?
- DR. PARADIS: Could be an example.
- Q Okay. The next bullet, I just want to clarify something because I wasn't quite clear in your earlier evidence when you talked about what happened to the ESSRF, and I think you indicated that the ESSRF had over \$5 million of funding, that was merged, I guess, into the Strategic Science Fund?
- DR. PARADIS: Yes.

- Q And at the same time you talked about there was a need to cut some \$2 million from the toxic chemicals activities.
- DR. PARADIS: Yes.
- Q I'm not quite clear if that two million was a cut in addition to the loss of the ESSRF funding or is that -- is that the loss of \$2 million of ESSRF fundings that went into toxic chemicals research? Can you clarify that for us?
- DR. PARADIS: Okay. The ESSRF was not money that was lost. It was merged with the rest of the -- you know, the Science Strategic Fund. So the money didn't disappear. It stayed in the department. And then out of the overall science program, \$250 million, \$2 million specific to toxic chemical research was taken out of the system.
- Q Okay. Thank you. So -- and according to this, this loss was serious, I suppose, because there was 82 percent of A-based O&M is from the ESSRF?
- DR. PARADIS: Yes.
  - Q The idea -- what was the idea behind this -- was it the Strategic Science Fund? Where -- what did that fund -- what activities did that fund fund? What other areas was it funding other than toxic chemicals?
- DR. PARADIS: Well, like, you know, oil and gas research, habitat, hydroelectric development, fisheries science, animal health, like aquatic animal health issues. There was a variety of

issues that were covered with the Science Strategic Fund. So just to give you an example, a lot of Canadian products got stuck on ships at the European borders because they were not certified for fish health certification. So we had to take money away from other programs and move it to actually develop the capacity to confirm, you know, that Canadian products didn't have any disease into them before they access European market. So that's an example.

You know, invasive species were the same. Like, you know, we had a growth of invasive species in Canada. In fact, the mussel industry in PEI was under a lot of pressure by a new kind of invader called the tunicates, so when it got all rolled together, the Science Management Committee, instead of having two pots setting two sets of priorities, actually had only one pot to set all the priorities for the sector.

- Thank you. I'd like to go on to the next slide then, it's Slide 8 and we've looked at this before a couple times. And if you look at the line that -- this is the ESSRF funding from 1997 where at the start of 1997 a yellow line that seems to go into a bit of a precipitous fall is chemical contaminants research, other lines are going up. Looking at some of these other topics that seem to be growing in funding, recognizing the ESSRF eventually gets merged, are some of these other priorities or other areas, do they include areas where toxic research funding may be required?
- DR. PARADIS: Yes, they do. For example, if you take oil and gas, we look at produced waters, okay, who do have like, you know, toxic substances into them, and we look at like, you know, what the mixture of those like produced waters are, their concentration and the risk they represent.

  O Okay.
- DR. PARADIS: That's an example.
- Q So what we're seeing here then, perhaps, is funding for toxic chemicals as a stand-alone activity, is it being moved into more project or program-specific areas of research?
- DR. PARADIS: Well, I would say a number of them got -- like, you know, that's what NSDC decided. They asked the scientists to connect better to the other priorities area of the sector to get funded

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to do toxic chemical research in connection. I'd like to go back to the statement you made about the mission drift, okay? And I think we've gone through this one quite quickly.

Yes.

- DR. PARADIS: But the fact that there was a lot of research for toxics allowed our toxics scientists to connect to a lot of partners and do a lot of work. It doesn't mean that all that work was actually fully directed to departmental priorities or client within the department. So like in the fact that, you know, we could provide, like, free analytical lab access actually made our scientists quite good competitors on the market and, you know, so it attracted a lot of attention. Mm-hmm.
- DR. PARADIS: But, you know, some of that research didn't really feed directly into policies like, you know.
- And maybe -- that's maybe a seque into going to Slide 9 and I want to talk about the bullets on this page. Based on what you've said, looking at the second bullet, "New Directions":

Allocate higher priority to studies on biological effects of toxic chemicals on fishery resources and habitat (and lower priority to stand-alone studies on fate or residues not linked to effects)

And then looking at the next bullet:

Focus on solving practical problems that are essential to DFO's mandate/obligations and needs of clients

Is this another statement of what you just said now about orienting the research toward the needs of DFO's internal clients?

DR. PARADIS: Yes. Because yesterday Dr. Macdonald mentioned that clients in a much broader perspective, having been the one who wrote this deck, I can tell you that clients at that time didn't mean external people. We didn't have any structure to consult with First Nations or like, you know, industry people. It was largely internal clients like as habitat protection,

habitat management, fisheries management,
aquaculture management, species at risk program.
Those were the clients we were actually servicing.
And that's the clients that you're referring to in
the context -
DR. PARADIS: That's the clients we're referring to.

O -- of this deck? And bringing this back to where

- Q -- of this deck? And bringing this back to where we started, talking about the ecosystem-based approach to science, and maybe using even the Wild Salmon Policy as an example, is this a situation where the toxic chemicals research that's being done would be oriented to clients internally in government that would need that research on a program or project-specific basis?
- DR. PARADIS: Yes. And I think, you know, it would actually refer to the fisheries management program in this region, the habitat management program, and by extension, some of the other commitments we have with the Pacific Salmon Commission and other the Pacific Salmon Treaty. So that's what was directed to do is to make sure that the research we would be doing would actually be servicing directly people who have to do policies and regulation.
- Q Okay. Thank you. And I've just got one more question for Dr. Paradis, and that's going to now to Tab 16 of commission's list of documents, Exhibit 982. And I think you're familiar with this deck, Dr. Paradis. I believe you said that you presented this deck?

DR. PARADIS: Yes.

Q Go to Slide 10. DFO Toxic Chemical Review Directions. First bullet, and I think you've said this already:

DFO does not have a toxic chemical research program.

DR. PARADIS: Yeah.

Q And secondly, the second bullet, and this is what I really want to focus on:

Toxic Chemical should not be done as standalone, need to be linked to other issues (habitat, 0&G --

What's O&G?

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MS. WALLS: Oil and gas. 1 DR. PARADIS: Oil and gas. 3 Being B.C. I wouldn't have known that one. 4 5 -- aquaculture, fisheries, etc...) 6 7 So this is again, would you agree -- is this where the Department of Fisheries and Oceans was going 8 9 with the toxic chemical research? 10 DR. PARADIS: That was a direction. 11 Okay. And then over on the next page, I just --12 just to maybe give some examples, and last bullet there, there are Sidney Tar Pond, National Dioxin 13 14 Program, St-Laurent & Great Lakes Contaminants 15 Monitoring, were these national priorities at that 16 time? 17 DR. PARADIS: Yes. They -- well, actually, they were 18 original priorities rolled up into the national 19 program. 20 In the regions, if a region identified a priority, 21 would it be able to obtain toxic chemical funding? 22 Or is that something you can answer? 23 DR. PARADIS: Well, when the fund was in existence, 24 they would get it through the ESSRF. 25 After the ESSRF rolled up within a region, if it 26 was -- if a regional priority needed toxic 27 chemical funding, where would that funding come 28 from? 29 DR. PARADIS: Well, it was, like, you know, decided 30 that, you know, the programs -- we would look at the research -- the other research programs to 31 32 support like, you know, the requirement of toxics 33 research. 34 Q Okay. Thank you. If I may just ask one other 35 quick question just to leave the last word for Dr. 36 Carey and Ms. Walls. We've heard a lot of 37 discussion about gaps between Environment Canada 38 and DFO about regionally and nationally, 39 especially back in the mid-2000s. Now, I'm going 40 to bring it forward to today and just ask a very

simple question. In the time that you were still

there now, did Environment Canada at the national

organization, did you talk to the people that you

needed to talk to at DFO to get the information

that you required from DFO? It's just an open-

with Environment Canada, and I know you're not

or regional level, at all levels within the

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ended question if you could just comment on that. DR. CAREY: I did more than -- I would say I did more than talk for some specific issues, for example, from 1988 to 1992 I led Environment Canada's portion of the science that went into the regulatory amendments for pulp and paper that brought all mills in Canada under the Fisheries Act regulations for pulp and paper and developed some new CEPA regulations. That involved a half a dozen DFO scientists who worked as part of the team and we worked as a coordinated unified team on that issue. So when we had specific issues, we certainly talked and when we had issues of joint interest, for example, there was a project done between individual scientists within DFO on the East Coast, Wayne Fairchild in particular and in our -- one of our leads, Scott Brown, on the impact of some spruce bud worm spray adjuvants on Pacific salmon, so very interesting work. That was joint programs and we did more than talk. worked together on that issue and both departments funded their scientists to work on them. So when the need arose then, when it became obvious, yes, we talked and we worked together. There was no annual meeting, so to speak, but we certainly crossed paths from time to time and compared notes and we knew each other personally and kept each other informed.

Ms. Walls?

MS. WALLS: I'd say yes, where we had programs of common priority and interest, for example, the Contaminated Sites Program, environmental emergencies, project-specific environmental assessments, Environment Canada and DFO specialists would work together, talk to each other. DFO's input was focused on the biorequirements for protection of the biophysical habitat of the fish and Environment Canada's work was focused on preventing pollution at the source. But where we had common areas of common program work that we did coordinate and collaborate, yes.

MR. EAST: Thank you very much for your time, and those are my questions, Mr. Commissioner.

THE COMMISSIONER: Thank you.

THE REGISTRAR: Hearing is now adjourned until 2:00 p.m.

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PANEL NO. 41
Cross-exam by Mr. East (CAN)
Cross-exam by Mr. Hopkins-Utter (BCSFA)

(PROCEEDINGS ADJOURNED FOR NOON RECESS)
(PROCEEDINGS RECONVENED)

THE REGISTRAR: Order. The hearing is now resumed. MR. EAST: Mr. Commissioner, it's Mark East for the Government of Canada.

THE COMMISSIONER: Mr. East.

MR. EAST: Just, I talked to Ms. Baker about making a quick clarification question based on the last answer given by Dr. Carey.

## CROSS-EXAMINATION BY MR. EAST, continuing:

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- Dr. Carey, in your last answer you talked about, in particular, some work that was done by a DFO scientist by the name of Dr. Wayne Fairchild, and I believe we've heard some evidence in this, in these hearings, about the work that Dr. Fairchild has done with respect to, I believe it's, nonylphenols and spruce budworm pesticides in New Brunswick and their impacts on Atlantic salmon. In your answer, I understand that you referred to work that Dr. Fairchild did with respect to Pacific salmon. I just want to know if you meant to say "Atlantic salmon" in your answer?
- DR. CAREY: I absolutely meant to say, "Atlantic salmon". I apologize for that if I said "Pacific".
- MR. EAST: Thank you very much.
- MS. BAKER: Mr. Hopkins-Utter is next. He's got five minutes of questions.
- MR. HOPKINS-UTTER: Mr. Commissioner, Mr. Shane
  Hopkins-Utter, first initial S., for the B.C.
  Salmon Farm Association. I initially estimated 10
  minutes. I will do my best to keep it in five.

## CROSS-EXAMINATION BY MR. HOPKINS-UTTER:

- Q Dr. Carey, you had, this morning, spoken briefly about lobsters and invertebrates and the effects of endocrine disrupters; is that correct?
- DR. CAREY: I mentioned it, yes.
- Q Yesterday, I spoke to Dr. Macdonald about some of the evidence that we have in the Commission Policy and Practice Report telling us that endocrine disrupters can, for example, suppress a salmon immune system, effect migration, olfactory systems

and maturation rates.

I want to take you to Commission Tab Number 25. This is Exhibit 983, Integrated Water Quality Monitoring Plan for the Shuswap Lakes, B.C. At page 8 of this document on the pdf it reads, and I'm going to quote here, the very top:

The degree to which emerging contaminants (e.g. personal care products, flame retardants, pharmaceuticals) are present in Shuswap Lake, Mara Lake and major tributaries is unknown; due to limited monitoring budgets and the traditional scope of regional water quality monitoring programs.

It goes on to say, a little further below:

...although the concentrations are likely quite low, and the ecological implications uncertain at this time.

But it says right here:

...it is likely that some emerging contaminants are already present in Shuswap Lake, Mara Lakes and some tributaries...

Is that correct, that those emerging contaminants are likely present?

DR. CAREY: Well, first of all, I'm not familiar with this report, I haven't read it, and I'm not familiar with Shuswap Lake, so my response must be very general. Flame retardants, brominated flame retardants, fluorinated surfactants, contaminants of that type we believe are atmospherically transported and are likely to be deposited in most aquatic systems in the Northern Hemisphere. So for those contaminants I would say, yes, they are likely to be present in Shuswap Lake. I see -- I know of no reason why they wouldn't be.

For personal care products and pharmaceuticals of the type we've been worried about now, they are over-the-counter materials that we believe are entering aquatic systems through municipal waste water systems, and I'm not aware of there are municipal wastewater systems on that lake and, therefore, I couldn't comment. If

there are municipal wastewater systems on that lake, then we would probably be able to detect them in the municipal wastewater effluents, possibly not in the lake, itself, depending on dilution.

- Now, one of the issues with personal care products, as I understand it, is that many of them have antimicrobial properties which contain the chemicals, is it, am I pronouncing it right, triclosan? A major concern about that is that they are, in fact, endocrine disrupters; is that not true?
- DR. CAREY: I'm not aware of that. I believe the major concern with triclosan is that it, as an antimicrobial, could impact the operation of municipal wastewater treatment plants, which are microbial based, but I am not personally aware that triclosan is considered an endocrine disrupter.
- Q Do those have any impact on algae in water; are you aware of that?
- DR. CAREY: I couldn't --
- Q Outside your area --
- DR. CAREY: -- comment.
- Q -- of expertise?
- DR. CAREY: Yes.

- Q All right. Is it generally accepted that a longer exposure to contaminants is more likely to effect fish health?
- DR. CAREY: As a general rule, the effects are related to dose, and a longer exposure would give you a higher dose.
- Q All right.
- DR. CAREY: In some cases, where there's a sensitive life stage, it's that exposure at that life stage that's important, not a lifetime exposure, so it would not be true in those cases.
- Q Okay. And this document on the screen is from 2007. It identifies emerging contaminants as being likely present. What research has been conducted to determine the degree of contamination in those particular areas, do you know?
- DR. CAREY: Geographical areas?
- 44 O Those particular lakes identified, the --
- DR. CAREY: No, I have no knowledge of that.
  - Q Turning to Tab 26, this is Exhibit 826, the Commission Technical Report 2, Potential Effects

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of Contaminants on Fraser River Sockeye Salmon. We don't need to necessarily go into too much depth here. At page 94, though, this report notes that there are limitations on the available data, and it goes on to explain that Harrison River stock, I'll quote here:

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...which spends the least time rearing in freshwater habitats has exhibited increasing productivity over the same period. observations suggest that one or more factors associated with freshwater systems could be contributing to the decline of Fraser River sockeye salmon.

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Now, based on that, would you agree that given this increased productivity of the Harrison that there is, in fact, a strong possibility or probability that exposure to contaminants of concern, these emerging contaminants that were identified in that last document, have, in fact, contributed to the decline of sockeye salmon over the last 20 years?

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DR. CAREY: I would not agree that I would consider it strongly probably. There are a number of other factors that influence populations and they act in a cumulative fashion, and I just don't have any knowledge that would lead me to conclude it be probable. Possible. I would say possible, because I have no knowledge to rule it out. also have no knowledge to consider probable. Q

I believe this report actually uses the term - Mr. Lunn, page 7 - it says:

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There is a strong possibility that exposure to contaminants of concern...

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and those others, so a strong possibility, would that be a fair characterization, then; would you agree with that?

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DR. CAREY: I'm sorry, I wouldn't, no, not unless I knew the contaminant you're talking about and I had some indication there was a mechanism by which it could act in that way. I would not consider it a strong possibility.

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In five minutes of time I don't think that I'd be able to take you through that, so thank you for

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those answers.

- DR. CAREY: I'm not familiar with the document, in any case, sir.
- Absolutely. Understood. Just one last question, then. Isn't it hard to assess likelihood or unlikelihood of impacts when it turns out there's been what seems to be relatively little directed studies on some of these issues? They're often identified knowledge gaps and limited data. Is it not too early to be making these types of decisions or the calls?
- DR. CAREY: In terms of probabilities, et cetera, there is a growing body of research. I can inform you that in Burlington, DFO and Environment Canada have invested 2.6 million dollars in a new aquatic life research facility that will permit research into life, full life cycle research into fish and other aquatic organisms, and with species like fathead minnows as our model species. And this will allow us to investigate sensitive life stages of compounds like this that would give us information that mechanisms exist for them to act, then one might be able to make some generalizations with respect to whether they would act on other species, such as sockeye. At this point we can't, as far as I know.
- MR. HOPKINS-UTTER: Okay. Thank you very much. Those are my questions, Mr. Commissioner.
- MS. BAKER: The next questioner is Judah Harrison, for the Conservation Coalition, and I asked him if he can keep his questions to 15 to 20 minutes.
- MR. HARRISON: Good afternoon, Mr. Commissioner and panel. As Ms. Baker just told you, my name is Judah Harrison. I represent the Conservation Coalition, which is a group of six nongovernmental organizations and one individual.

## CROSS-EXAMINATION BY MR. HARRISON:

And I'll start with you, Monsieur Paradis. This morning you were talking about ESSRF funding and the elimination of funding for toxic research, and yet after that, after this funding expired, we heard the story of Peter Ross and this PBDE and the passing of science from DFO to Environment Canada which, in my clients' view, had a very good outcome, which led to one PBD of three being

banned.

So my question for you, first, my first question is: You claimed, this morning, that passing off this information to Environment Canada was a fairly difficult process; is that correct?

DR. PARADIS: Well, I think because it has not been done on a regular basis we kind of had to pave the

- done on a regular basis we kind of had to pave the way to do it. So that's why I say it was like, you know, a bit of a difficult process, because, you know, the scientists suggested we do it and then we went back and said, "We prepared a CSAS review," and when it was done it was transferred. But, you know, it's -- you know, originally, I think the scientists thought it would go straight to Environment Canada, and within DFO we have set up this CSAS process to ensure like, you know, a series of criteria of, you know, to protect the interests of all parties.
- Q Okay. Thank you. And can you explain, and I guess you talked about this, this morning, in depth, but post-ESSRF lapse, post the lapse of that funding, this project was still funded, was that -- or this science was still funded; is that correct?
- DR. PARADIS: Well, some of it was still funded.
- Q And some of it was --
- DR. PARADIS: Well, okay, yeah, I guess in reality is although we transferred away the scientists who was accessing the funding, the majority of our scientists are still doing toxic chemical research and are still very well recognized for the work they do. So like, for example, Dr. Macdonald, Dr. Ross, you know, Catherine Couillard in Quebec Region, like you know, most of our toxic chemical scientists are still in place, like apart from those who've retired. Just the sources of funding have changed. And then, you know, in the case of Dr. Ross, it did find something worth, like you know, interest, moved it up the system and we found a way to address the issue.

So I would say the system's not broken in the sense that things cannot happen but, no, they could be made simpler.

- Q Okay.
- DR. PARADIS: That's what my statement would be.
- Q Thank you. And this is a question I wanted to ask each of you. Can you briefly explain how the

1 precautionary principle guides your work and actions, specifically with respect to 3 contaminants? I'll start with you, Dr. Paradis. 4 DR. PARADIS: Well, basically, like you know, there is 5 a policy in the Federal Government that says that, 6 you know, decisions cannot be held back due the 7 fact there is no scientific evidence to support 8 them. So the precautionary approach to decisions 9 still have to be made to protect people and limit 10 like your reversible harm, okay, although 11 scientific evidence may not all be on the table. 12 So would you say that the precautionary principle 13 quides your current worth with respect to 14 contaminants? 15 DR. PARADIS: Well, it has to be, like you know, it's 16 part of the federal policies that we have to do 17 it. 18 Okay. Thank you. Dr. Carey? 19 DR. CAREY: Yes, I'll respond to that as well, but I'll 20 respond by first saying that "precautionary principle" is one of those terms like "sustainable 21 22 development"; it means a lot of things to a lot of 23 people. 24 I agree. 25 DR. CAREY: And the principle, as I understand it, that 26 came out of UNCED and was incorporated in CEPA, et 27 cetera, deals with a situation where there's evidence of harm and there's cost-effective 28 29 measures that could be put in place to address 30 them, and the principle is that governments will 31 adopt a precautionary approach in that case and 32 not use a lack of full scientific certainty as the 33 excuse for doing nothing. That's the principle. 34 Thank you. 35 DR. CAREY: That's been incorporated in the CEPA, and 36 the way we actually -- now, this -- I was a science person, not a risk assessor or risk 37 38 manager, which is where the precautionary approach 39 has been incorporated. If you look at the 40 decisions that are made under CEPA on individual 41 chemicals, you will see that there are some 42 decisions with respect to s. 64, with respect to 43 whether we're going to put it on the schedule of

Toxic is another word that

addresses specifically the definition under CEPA,

list then we get to a risk management phase where

as I'm sure you know, and once it's put on that

toxic substances.

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we discuss basically putting on the list means that we feel that it's a substance whose risk should be considered for management, not that it's going to kill things.

And then in the risk management phase we discuss things like its distribution exposures, et cetera. This is quite different from other jurisdictions. It's quite different from what's done in the United States, where exposures distribution is part of the risk assessment phase, and it isn't until you've concluded that a risk needs to be managed and specifically what it is, that it goes to risk management. In Canada, we do a preliminary assessment where the precautionary principle is applied, and many of the considerations that other people do in the risk assessment phase we do in the risk management phase.

So I would say the -- and the consequence of that, frankly, is that we've put many things into -- onto the list, the schedule, the list of toxic substances, for which the scientific evidence, if we were doing a classic risk assessment of the type they do in other jurisdictions, the scientific evidence isn't there. But we do it in advance of the scientific evidence being there so that we can actually consider a risk management approach to it. And I would say that's a clear example of how Canada actually employs a precautionary principle in moving things forward to risk management, even though the scientific evidence isn't there.

And that gives rise to a number of challenges when industry who are being -- perceive that they are going to be regulated worry that just by putting on that list -- road salt is a classic example. We put it on the list, even though we knew the risk could be managed, but when we put it on the list people thought we were going to ban it, and so that creates a -- the application of this creates some specific problems for us.

The second avenue I would say that Canada has done in advance of many, many other jurisdictions is we created a second track in our risk assessment process, which has to do with persistent bioaccumulative toxic substances. The philosophy there was we've seen enough of them

already, with respect to PCBs, DDT, et cetera, we know we don't want them in the environment, so we will not require complete risk assessment/risk management actions -- activities. We will put them on a Track 1 list, as it's called, which means our policy goal is virtual elimination of releases to the environment without doing complete risk assessments.

And we are now in the process, Environment Canada, since '99, and amendments, is attempting to screen something like 25,000 chemicals on the domestic substance list for those properties to determine which ones should go to track one, without the multi-year risk assessment/risk management phases.

So I would say those are two examples by which the precautionary approach is applied in Canada in our regulatory decisions on toxic substances.

Q Thank you very much for that. If it's okay, I'll move on, Ms. Walls, thank you.

Can you bring up Exhibit 997, please, Mr. Lunn? This is, again, for you, Dr. Carey. This morning you were talking about this study, and as you can see, the study is titled, Presence and Levels of Priority Pesticides in Selected Canadian Aquatic Ecosystems. Focusing on the word "selected" my question for you is: Does this document or report include any assessment of chemicals in the marine environment?

- DR. CAREY: It was not meant to, no.
- Q And in your view, do contaminants and contaminant exposure in the marine environment, is that part of Environment Canada's responsibility and mandate?
- DR. CAREY: I do not think it is, no.
- Q Thank you. Dr. Paradis, same question for you. In your opinion or in you review, is marine contamination and exposure to contamination within DFO's mandate?
- DR. PARADIS: You know, all along the Department has claimed that s. 36 had been transferred and that **CEPA** should be providing the report to do it. That was the internal, you know, position the Department's been taking.
- DR. CAREY: Could I just clarify my answer? O Yes.

DR. CAREY: I guess I'm -- I'm a scientist and I ran a science program and I sometimes forget that you're 3 asking questions about the Department as a whole. With respect to your question and our scientific 5 research programs and monitored programs, I do not 6 believe it's Environment Canada's business to 7 conduct research on the effects of pesticides, the 8 occurrence of pesticides in the marine 9 environment, except if there's a s. 36 enforcement 10 action of some type and we are requested to 11 support that activity internally by our 12 enforcement group, in which case we would support 13 It would not be our decision to do it, it them. would be an enforcement decision under our 14 15 responsibilities with respect to s. 36. 16 the circumstance under which we might do it. 17 Thank you. Going back to your answer, 18 Monsieur Paradis, I would just, I guess, request 19 some additional clarification. I understand that 20 there has been, well, the memorandum of 21 understanding and a transfer of 36(3) to 22 Environment Canada, but I guess from what I heard 23 from Dr. Carey, they do not believe that marine 24 contamination, except as it comes in with 36(3), 25 applies to them. I would just ask you to, again, 26 answer that question. Do you believe that marine 27 contamination and monitoring of marine 28 contamination falls within DFO's mandate? 29 this is going back to the concern that Dr. Carey 30 raises. This is in your own opinion. 31 DR. PARADIS: Well, in my own opinion it could, but, 32 you know, clearly the Department was like, you 33 know, assuming it wasn't something we would do 34 and, in fact, after the decision was made that, 35 you know, the ESSRF was rolled up and we would 36 like back out, there hasn't been any request from 37 DFO for funding on toxic chemical activities to 38 the government. It was assumed it was the 39 responsibility of Environment Canada. 40 The only program for which toxics or chemical 41 substances has been requested is the contaminated 42 site program for which the three first year of the 43 program the science sector didn't get any money. 44 So I guess what I interpret out of all of this is 45 that, you know, the feeling was that like the 46 responsibility was Environment Canada, that was 47 the perspective within DFO.

Q Okay. Thank you. Back to you, Dr. Carey. These are about science, so now I'm out of my depth, so excuse me if the questions are a bit off, but you mentioned that there was a focus, an intended and explicit focus by Environment Canada to focus on biological effects and do science related to biological effects and contaminants, as opposed to, and I don't want to put words in your mouth, but I guess as opposed to the impact of contaminants on the environment at large, or the ecosystem at large, or as opposed to what?

- DR. CAREY: I'm not sure that I did say that. But I'll try and address it.
- Q Well, if I'm wrong, then please do not...
- DR. CAREY: I'll just -- perhaps I can I don't want to take up your time just give you a little bit of background. In the early '70s there was one department, the Department of Fisheries in the Environment, and a number of biologists worked in that department. When the Department of Fisheries and Oceans was formed in 1978, with the intention of, if you remember, there was a 200 mile limit established and fisheries to be managed by DFO. They actually took nearly all the biologists with them out of the department, and the philosophy, then, the operating principle, then, was much of the biology with respect to ecosystem work would be done by DFO, both in freshwater and in marine systems.

Approximately as **CEPA** came into place and more responsibility was placed on Environment Canada to consider biological effects, Environment Canada did what the could to increase their expertise in that area, culminating in 1995, when we actually brought some fish people from DFO to Environment Canada, and we have been increasing our capacity with respect to biological effects. If that's what you're referring to, I agree with that.

But we have been focusing, as I mentioned earlier, on individual organisms, not on populations for -- with respect to populations we left that to DFO, in our opinion.

Q Well, thank you for that last comment, because then it shows that I was not completely off base, but science that focuses on individuals as opposed to populations.

My question to you is: Does focusing science on one, as opposed to the other, does it, in your view, do more or less for assessing the cumulative impacts of contaminants over and above the other one? That's the first question. The second question would be: Does it do better or worse with respect to doing an ecosystem impact assessment, or taking an ecosystem approach? If you can please --

DR. CAREY: Well, I would say there's two separate things, then. With one I was referring to effects on individuals, I was referring to science supporting regulatory decisions and the level at which those are made within Environment Canada's mandate.

Within our research program, I mentioned we had three broad areas of research, this morning, with individual issue-based projects underneath them. One of those three broad areas is in ecosystem impacts research. And we've done -- and we have and maintained active research programs in how to actually assess ecosystem impacts precisely because of what you mentioned. Precisely because we cannot measure every mixture everywhere under the regulatory program, and ecosystems are subject to stresses from all over, and a rational approach would be, we think, to focus our regulatory actions on specific chemicals and effects on specific individuals, but to maintain the capacity to work in ecosystems to determine if things seem to be happening that are unexplained to go back and try to understand why they're happening.

So we do have a significant science program on freshwater ecosystems partially culminating by the CABIN program that I mentioned this morning, how we could go to sites such as sites on the Fraser and use the benthic invertebrates that live there to tell us if they look like they've been impacted in general or not by whatever stressor or whatever combination of stressors.

Is that responsive?

- Q Yeah, that's very responsive. Thank you very much. Monsieur Paradis, do you have anything to add to that, in your expertise?
- DR. PARADIS: No, not really.
- Q Thank you. Ms. Walls, you've been quiet for my questions, because I have not asked you one, so I

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            will ask you one. I've noticed from your C.V.
            that you currently work at the Canadian
 3
            Environmental Assessment Agency; is that correct?
       MS. WALLS:
                  That's correct.
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            Can you just explain the role of CEAA, the
 6
            Canadian Environmental Assessment Act, in all of
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                  I mean, how -- explain, please, the role of
 8
            CEAA in ensuring the Fraser River has less
            contamination in it, if you can, please?
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10
                  Okay. So the Canadian Environmental
       MS. WALLS:
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            Assessment Act ensures that projects for which the
12
            Federal Government has a decision-making
13
            responsibility are fully assessed as to their
14
            likely environmental effects before decisions are
15
            made that can enable those projects to proceed.
16
            And there's, you know, there's three different
            levels or types of environmental assessment that
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18
            can be undertaken: a screening; comprehensive
19
            study; or panel. But any project that is proposed
20
            -- development project within the Fraser Basin for
21
            which there is a federal decision-making
22
            responsibility that would be required for it to
23
            proceed would be subject to one of those three
24
            types of environmental assessment. Does that --
25
            Okay, thank you. Other --
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       MS. WALLS: -- answer your question?
            Well, it's very general. It's a very general
27
28
            question.
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       MS. WALLS: I mean, it's --
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           And so it's okay --
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       MS. WALLS: -- the precautionary principle is one of
32
            the guiding principles and it's also an Act to
33
            support sustainable development, so --
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            No, that's helpful, thank you. Yesterday, Ms.
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            Walls, again, you mentioned streamlining and then
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            you spoke specifically about the reduced capacity
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            for enforcement - this is when you were with DFO,
38
            I guess - and reduced capacity -- no? Sorry, I
39
            thought you were --
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       MS. WALLS: Sorry, this was when I was at Environment
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            Canada --
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            Sorry.
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       MS. WALLS: -- until 2009, and I spoke about reduced
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            capacity for compliance promotion and compliance
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            verification.
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            I wanted to ask you about --
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MS. WALLS: Pursuant to the -- related to the s. 36(3)

which is the general prohibition against pollution provisions of the *Fisheries Act*.

Thank you. I just wanted to ask you what the word

- Q Thank you. I just wanted to ask you what the word "compliance" or the term "compliance promotion" means.
- MS. WALLS: Well, it's defined quite well in the **Fisheries Act** compliance promotion policy document, but it refers to a number of different activities that are undertaken to ensure the regulated community fully understands their obligations to comply with, in this case, the pollution prevention provisions of the **Fisheries**Act and the development of guidance material, best practices, and ensuring that the regulated -- or whoever the best practices are directed at fully understands what they need to do to ensure that they do not deposit a deleterious substance into water frequented by fish. So it's efforts to stop the pollution at the source.
- Q And is this where the suite of tools that DFO or Environment Canada --
- MS. WALLS: Mm-hmm.

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- Q -- have available to them, as discussed, or referenced?
- MS. WALLS: Well, we talk about a compliance continuum that ranges from compliance promotion, as I just described, right through to inspections or investigations and enforcement activity if there is a suspected violation. We also refer to a toolbox, and a toolbox can include, you know, all different types of regulatory instruments that can be used to ensure that pollution is avoided.
- Q Okay. Thank you. And my question, then, is: Has there been any assessment by either Environment Canada or DFO about the effectiveness of each of these suite of tools? I mean, we hear there's various --
- MS. WALLS: Mm-hmm, mm-hmm.
- Q -- options --
  - MS. WALLS: Mm-hmm.
  - Q -- and we hear that whether maybe not directly, but certainly indirectly, that investigations or is a last option. So has Environment Canada --
  - MS. WALLS: Mm-hmm.
- 45 Q -- in your knowledge, done any assessment --
- 46 MS. WALLS: Mm-hmm.
- 47 Q -- of the usefulness or effectiveness of each of

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these tools? MS. WALLS: Well, that is the exact purpose of the environmental effects monitoring programs that are in place with respect to the pulp and paper effluent regulations and the metal mining effluent regulations. Those programs are designed to assess whether or not the regulatory limits are adequately protective of the aquatic environment.

Other regulatory instruments, in terms of the effectiveness, there are specific studies that are undertaken. For instance, in the agriculture sector there was a lot of work done under the Fraser River Action Plan where we, you know, looked at development of best practices, and then there were receiving environment studies that were done to determine whether or not there were impacts, what the level of impact on the receiving environment, using tools such as CABIN, but those will be more specific studies. The only formal evaluation that I'm aware of would be the EM programs.

- Okay. Thank you for that, Ms. Walls. This is my final question, back to you, Dr. Carey. I forgot to ask you this question. With respect to Exhibit 997 and that report, you discussed trying to get information on use of pesticides for PMRA, and you then said that that was more difficult than you thought it would be; is that correct?
- DR. CAREY: Yeah, please let me clarify that. were a partner in the original project, and their role was going to be to try and provide you some pesticides, and it provided more difficult for them to participate in that way. We had to go back and rely on sales information, which, as I mentioned this morning, is faulty. So it wasn't difficult to get information from PMRA; it was difficult for PMRA to get information to participate in the project as originally hoped.
- MR. HARRISON: Okay. Okay, those are my questions. Thank you very much.
- MS. BAKER: Our next questioner is Crystal Reeves, for the First Nations Coalition.
- MS. REEVES: Good afternoon, Commissioner. For the record, Crystal Reeves, First Nations Coalition. For the benefit of the witnesses, that includes the Haida Nation, the First Nations Fisheries Counsel, tribes up and down the Fraser River to

Prince George, as well as some Douglas Treaty
Nations.

#### CROSS-EXAMINATION BY MS. REEVES:

- Q So for my first set of questions, that's going to be directed towards you, Dr. Carey, and if Mr. Lunn, could you please pull up Exhibit 993, please. Dr. Carey, this morning you went through with the Commission the Canada-BC Water Quality Monitoring Agreement that's in place; is that correct?
- DR. CAREY: We referred to it, yes.
- Q Yes. And I'd like to go to page 6 of that document, if you could. And just on the second bullet there down from the top, thank you. So on page 6 it talks about 39 stations in British Columbia measuring water quality, and I think you confirmed this morning that six of those are on the Fraser River; is that correct?
- DR. CAREY: Yes. Thank you for asking that question, because I'd learned, afterwards, that since my retirement additional stations have been added, and particularly with respect to the water quality indicator funded through that program. So I have now learned that, although I don't know where all of them are, there's between eight and 12 stations on the Fraser system.
- Okay. Thank you. And then, if you look at the bullet point there, it says:

...the Canada - B.C. Hydrometric Agreement currently operates about 475 flow stations in the province.

And I was just wondering if you know anything about that?

- DR. CAREY: I'm familiar with the program, yes. It's one of the programs that was not under my direction, but --
- Q Right.
- DR. CAREY: -- I'm familiar with it.
- Q Okay, thank you. So I guess my question is:
  Would you agree that if we're concerned about
  water quality that perhaps we should be putting
  resources into upping the amount of water quality
  monitoring stations, particularly on the Fraser

River and to the same extent that perhaps we have stations for flow?

DR. CAREY: I think we could use more stations. I think we need to be a little bit careful comparing these two networks. A flow measurement is a simple physical measurement. It's relatively inexpensive to do. These days, we can do it in real time and report via telephone or satellite. A water quality program is a values-based program. It measures -- it can measure literally hundreds of parameters, if you've got the budget, and frankly, we don't have the budgets for that.

And part of the problem with a water quality program, in my experience, has been, at least in the past, we get many, many measurements that come back "non detect"; in other words, we've looked for something that's below our detection limit or not there. And as you get into environments where people are looking for programs that are ineffective, if 75 percent of the data in your database is non detect, auditors look at that and think they're paying a lot of money, millions of dollars, for zeros, and it's ineffective. That's one of the reasons why we've attempted to devise a system for the biological assessment of water quality, which is more cumulative and more informative with respect to general conditions and water quality, and keep, as part of our arsenal, these surveillance studies to go on and look in more detail on a less regular frequency.

That's been the philosophy to -- rather than establish more routine monitoring stations that will give us more non detects that will be harder to justify, to adopt a different philosophy where we look for problems than go and try and identify them using biological and then chemical measurements.

- Q Okay. So of the, I guess, eight to 10, now, water quality stations, are you aware of whether they are actually measuring new emerging contaminants at these stations?
- DR. CAREY: No, I'm not aware of that. New emerging contaminants, you mean pharmaceuticals and siloxane, personal care products, things like that, or --
- Q It could include that. We've also heard, previously at the Commission, about PBDEs, as well

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1 as other --2 DR. CAREY: Diphenyl ethers, yes. 3 Yes. 4 DR. CAREY: Okay. I don't know the degree to which 5 they're employed in the biweekly sampling. 6 would suspect, however, that they would be more 7 likely the target of surveillance studies, if 8 they're measured, than in the routine core 9 parameters. 10 Okay. And also, would you agree that it would be 11 useful to have some water quality monitoring 12 stations in the marine environment? 13 DR. CAREY: Useful for the Government of Canada? 14 the people of Canada? 15 Well, useful, I think, for managing the long term 16 sustainability of Fraser River sockeye? 17 DR. CAREY: Yes, I agree it would be useful to have 18 those stations. 19 Thank you. To flip over on the same document to 20 page 12 and 13, Mr. Lunn, so on page 12 and 13, 21 this is a list of principle partners, 22 contributors, clients, and customers of, I quess, 23 of this agreement and the business plan, and I 24 didn't see any First Nations put on this list and 25 I was wondering if you could confirm that? 26 DR. CAREY: Well, I don't -- no, I can't confirm that. 27 I'm sorry, I just don't have the report memorized 28 to that extent. 29 Well, I can tell you that it doesn't say Okay. 30 And so I guess my question is: Does 31 Environment Canada view First Nations as a partner 32 in water quality monitoring in the province? 33 DR. CAREY: I think they would view First Nations more 34 -- I'm not sure they do view them as a partner, 35 no, I couldn't say that. I'd think they'd view 36 them more as a user of information, somewhere like 37 a client or a customer. 38 Okay. Thank you. 39 DR. CAREY: And I'd like to point out that the data

> Right. But they're not identified as a partner, customer, client on the list within the document?

available by Environment Canada, so it is

available to First Nations and others.

generated by this program has been made publicly

DR. CAREY: It's probably an omission.

Thank you. And I guess is -- what is specifically being done, I guess, by Environment Canada or DFO

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for that matter, to include First Nations as a partner in water quality monitoring work, that you're aware of?

- DR. PARADIS: Well, us, we don't have like water quality monitoring and science program in DFO. Maybe the habitat management people could respond to this, because it would have been managed out of the region, and sitting in Ottawa I wasn't part of those direct interaction with the community people. But DFO has a number of agreements with First Nations, so I would assume there might be something, maybe not on water quality, but on other issues.
- Q And anything at Environment Canada?
- DR. CAREY: Only in a very general way. I can't specifically comment, because I'm not aware of what activities may or may not happen. I'm not aware of any, I'll make that clear --
- Q Okay.

  DR. CAREY: -- but I will point out that, as I mentioned this morning, this switch to the CABIN monitoring program, one of the commitments Canada and B.C. have made is to keep the reference database up to date so that anyone, a First Nation or a pulp company who wish to assess water quality use in the CABIN system could only -- would only have to do that at their particular site in the area they were interested in and not develop their own database, et cetera, to apply the program. So they would be supported in that way if they chose
- Q Okay. Thank you. My next set of questions are for Ms. Wells to start, and then if others want to add. This morning and yesterday we heard, I guess, about the lack of formal communication between DFO and Environment Canada on contaminants and on s. 36 *Fisheries Act* matters; would you agree with that, about the lack of formal communication, that there's a lack of formal communication?
- MS. WALLS: Well, in the regional office where I worked, we lost a good coordination mechanism which was through the water quality unit at DFO, and once that wound down we kind of reformulated our pathways of communication on a programspecific basis for select programs that I've previously articulated, such as environmental

to do it.

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emergencies and contaminated sites. But with 1 respect to coordinating a priority setting on the 3 compliance promotion for s. 36(3) general 4 prohibition pollution prevention provisions, we 5 didn't have a formal mechanism in place. 6 Okay. And are you familiar with the CESD report 7 that was done in 2009? 8 MS. WALLS: Yes. 9 That was a review --10 MS. WALLS: Yes. 11 Okav. 12 I'm familiar with it, because it's come out MS. WALLS: 13 as part of the list of documents for this hearing 14 process and I've read it. 15 Okay. 16 MS. WALLS: It was actually submitted just after I left 17 Environment Canada, but it's a public document. 18 MS. REEVES: Okay. If we could have Exhibit 35, Mr. Lunn. And if you can go to page 44. 19 20 On paper or the pdf? MR. LUNN: 21 MS. REEVES: Sorry, on paper. But maybe, first of all, 22 I should get her to confirm that this is actually 23 the report. It's chapter 1 of the CESD report. 24 Does that look familiar to you, Ms. Walls? 25 MS. WALLS: Yes. 26 If we could go to page 44, it's number 38 Okay. 27 in ringtail. And if you could go to 1.133. 28 as part of the review, what it says there is: 29 30 There are no formal arrangements by which 31 Fisheries and Oceans Canada and Environment 32 Canada establish the expectations for 33 administration of the pollution prevention 34 provisions of the Fisheries Act. Environment 35 Canada's administration of the provisions 36 have been left to its discretion. 37 38 Would you agree that that's a correct 39 characterization?

MS. WALLS: Well, there was a -- the formal arrangement that was put in place was the 1985 MOU; however, you know, from the time of 2004 until when I left, I would say that it was not operationalized in terms of any formal arrangement or management structure or leadership for how the Department would fulfil its responsibilities for the s. 36(3) of the **Fisheries Act**, in particular, on the

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> s. 36 Fisheries Act issues? MS. WALLS: Yeah, I -- I mean, this is an MOU between

involved in that would be something that -- I

two departments with respect to how they

question is: Was consideration given in Ottawa to

compliance promotion side of things. Okay. Thank you. And if maybe we can just go to the next page at the very top, and the top paragraph here has Environment Canada's and Fisheries and Oceans Canada's response, and both appeared to accept the recommendation and suggested that they would review, by March 31st, 2011, the administration of s. 37 of the Fisheries Act, a renewed Memorandum of Understanding of the, I quess, 1985 MOU to better establish expectation, and responsibilities for Environment Canada.

Do you know if this review has been completed?

- MS. WALLS: No, because I -- I don't know if it's been completed, but I understand that, you know, the Department has accepted this recommendation and is proceeding with that along those lines. recommendation was tabled after I left the Department. I certainly agree with this recommendation and I think it would go a long way to addressing some of the issues that we've heard about tin this panel.
  - Okay. And Dr. Paradis, are you aware of where things are at with the renewal, I guess, of the MOU?
- DR. PARADIS: No, I don't know. And, you know, the management is with the habitat protection management program, so science would not be the one to renew the agreement.
  - Thank you. I guess a question I would have is for you, Ms. Wells, is you agree with the renewal of the MOU, and do you think this could be a place where -- a way to engage, I guess, First Nations and how they might be involved in some of the work going forward with Environment Canada and DFO on

administer a piece of federal legislation so, you

know, a question about how First Nations would be

don't know the answer to that. You should ask the people that are working on the renewal of the MOU. Right. Okay, thank you. Moving onto you, Dr. Paradis, we've heard a lot about the loss of the toxic chemical program, and I guess my first

how the lack of a specific research program on toxic chemicals might impact upon our ability to understand the effects of contaminants on Fraser River and Fraser River sockeye?

- DR. PARADIS: Well, I would say that by moving to the ecosystem perspective, all of those dimensions are important to be considered. And you know, like there were like concerns about the fact that some research was not taking place, but basically the idea was that it would be moved to the regions to make those decisions based on needs and requirements, because they're quite varied across the country.
- Okay. So I guess, then, if it's moved to the region, are you aware of studies being done on Fraser River sockeye and the Fraser River with respect to contaminants, then, since the move to, I guess, a more ecosystem-based management and the funding going towards that?

DR. PARADIS: No.

- Q Okay. I guess my other question is: When reductions like this are being made or, I guess, imposed in Ottawa, how are the risks assessed whether you keep it as a separate program or whether you move it to sort of a more regional based, and who provides you with an assessment of what the risks might be to a species such as Fraser River sockeye?
- DR. PARADIS: Well, usually the regions are assessing, you know, what the risks and the needs are for your own regions. And, you know, like I would say priority setting is a constant issue. We keep doing it all the time, based on new information So like, you know, I think there is and shifts. always this balance where Ottawa was keeping the competitive funds and, you know, the regions would actually do the assessment and apply for funds from Ottawa to actually deliver, except for those programs, which were regionally based. Like, you know, some programs, like for example, the Pacific Salmon Program is all based in Pacific Region. it was expected that if something about toxics would be identified, this program could actually look into it or, you know, like with a mix of different programs try to tackle the issue.
- Q Right. But you're unaware of any scientists applying for funds to do that?

- DR. PARADIS: Well, because, you know, the national fund was actually disbanded. You know, there was still A-based funding in the region, so there might have been studies in the region that I wasn't aware of.
  - Right. Earlier today you also said that when the decision was being implemented and the ESSRF cuts were being made or rolled out, you didn't know that the water quality unit was also being cut; is that correct?
  - DR. PARADIS: Yeah, that's true.
  - Q And it was also during this period, I guess, in 2004/2005 that the Wild Salmon Policy was being finalized as well?
  - DR. PARADIS: I would assume so.
  - Q Right. And so did these factor into your decision when to implement, I guess, the cuts to the toxic research program?
  - DR. PARADIS: Well, every region came in and, you know, assessed what the impacts would be, like, you know, I think the transformation of the funding envelope was not done on a case by case basis; it was done as more of a general program assessment.
  - Q But did anybody specifically provide you with an assessment of how a devolvement of the funds might impact Fraser River sockeye, specifically, particularly if the water quality unit was being dismantled and, at the same time as we have the Wild Salmon Policy being finalized?
  - DR. PARADIS: Well, I don't think those things were connected. Like I don't think it came into a global assessment, certainly not at my level. And you know, in fact, about the water quality unit, I only found it out through the Commission, because, you know, I didn't know habitat had this office or this unit so, you know, in fact, at first I thought people were talking about the transformation we were doing to our research lab in Victoria and then, you know, it says, "DGs have exchanged correspondence," so I said, "Well, I haven't exchanged correspondence with anybody," and what I discovered was Mr. Macgillivray, I realized there was another component that I had not been informed of.
  - Q Okay. Thank you. Moving on, I think this may be directed to the entirety of the panel, if you wish to speak on it. I guess it's important to our

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clients to understand how Environment Canada, DFO, as well as First Nations, can work together on Fraser River sockeye matters going forward. And I guess, given what we've heard in the last two days about working together and some of the challenges with DFO and Environment Canada, would you agree that Environment and DFO should have a specific research team working directly on the long term sustainability and monitoring of Fraser River sockeye, and this would include data management programs and as well as working on the implementation of the Wild Salmon Policy; would you agree that such a research team would be useful?

- DR. CAREY: Sure. The short answer is, yes, I would.
  MS. WALLS: There is a current initiative that is
  potentially relevant to this, which is the Salish
  Sea Initiative, which is a joint program between
  -- or a gathering of Environment Canada, DFO and
  the First Nations, the Coast Salish First Nations,
  and they do meet on an annual basis and talk about
  joint areas of interest and priorities. So there
  is some dialogue going on through that forum.
  It's not necessarily the groups that you're
  representing, but it's certainly an opportunity to
  have that input and discussion.
- Right. And would you agree that perhaps a similar thing should happen perhaps for the Fraser River then, of something similar to what you've just described?
- MS. WALLS: Yeah, I think it would be useful in terms of, you know, a shared dialogue on issues of common concern and interest. That's not the same as a research program.
- DR. PARADIS: If I might add, I think, you know, such approach, like research program would be desirable, but I think people should look at best practice. There are programs that have actually demonstrated extremely good results and I'd like to mention the Northern Contaminant Program, where there was a joint table where, you know, the aboriginal people, the government, would come together, set priorities and work together at integrating the information.

So for example, DFO may have done toxic chemicals in fish, Health Canada was there for human exposure, and Environment was there for

other issues. There was an open dialogue on research issues and priorities were done collectively. So I think there are best practices. You know, another one could be the International Polar Year where, you know, academia and all the partners came together and set priorities and worked together. So I think, you know, there would be huge benefits to look at what actually has allowed First Nation communities and Inuit communities to be a real partner in the research efforts.

- Q Right. And then perhaps this could be done on the Fraser River?
- DR. PARADIS: Could be done, yeah.
- MS. WALLS: There's one other group, the Fraser Basin Council, that was certainly in existence when I left Environment Canada, which First Nations are a full partnership in, and it's an opportunity to have that discussion and dialogue. And I think, you know, I would defer to those groups to decide what their priorities would be to work together, whether it be toxic research or other types of initiatives.
- Right. And I guess I'm just wondering if that would work together, though, with Environment Canada and DFO to try and sort of better coordinate their working relationship within that basis as well?
- DR. CAREY: I'd just like to -- you know, I responded positively and perhaps a one-word answer is not appropriate here. I think that what you described is precisely what I tried to indicate we're moving towards, which is our monitoring program is trying to detect problems rather than trying to provide information for everybody everywhere, and us using the programs to identify priorities that we can then develop action plans for.

So I'm not talking about establishing some sort of general sort of infrastructure; I was really supporting, we appear to have a problem here, this is a significant enough problem to bring people together to develop a science action plan to address it, and that's what I was supporting. I think it's a rational way in this environment that we're in, now, and I heard the finance minister announce we're in for yet another set of cuts, and the environment we've been in

since 1995, of cutting, we need a rational way to set priorities and to bring people together to get the most we can for the resources we've got, and I believe what you're proposing is a way to do that. Okay. I just have a couple final questions. We've already heard in this Commission about en route mortality issues - this is dying without being caught, if you're unfamiliar with that term - pre-spawn mortality issues of climate change, sea lice, all of those things affecting the Fraser River sockeye, and it's clear that we may need to do research obviously on contaminants and genetics. We heard from Dr. Macdonald, yesterday, that he would definitely support a dual research program such as that. And I guess our question is: Who would be the best, if such a program was going to go ahead, that was going to look at contaminants, look at genetics, perhaps look at climate change, which of DFO or Environment Canada would best be able to do this work going forward? Or should it be a collaboration between you?

DR. PARADIS: Well, I think the best successes that I've seen is the Department gets the lead, but it is recognized that the funding envelope is a shared envelope. You know, I think the problem is when the money falls in one place, you know, sometimes it's hard for people to access the funds.

You know, when I spoke about the Northern Contaminant Program, one of its beauty was that, you know, there was this joint fund and, you know, although it was like Indian Affairs that was managing the program, every other department were actually working with them in collaboration. So I think, you know, I'm not sure if it cares if it's DFO or Environment Canada, as long as the lead is clear and access to collective funds. And you know what, there were this position for aboriginal to access federal funds to do activities in the north.

I think that's just -- if the rules of the game are clear, I think, you know, it should work. Okay.

DR. CAREY: I think I'm clearly in favour of collaboration, but I would think -- and you mentioned a bunch of environmental factors.

There's other factors, too, and, frankly, there's

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fishing pressures, et cetera. I think to address the population level impacts the lead would have to be with the department that had responsibility for the population, which would be DFO, but Environment Canada would have to be strongly supportive of that and collaboratee with that. So there would need to be joint work plans, et cetera, but I really believe the lead would be DFO.

- MS. REEVES: Anything to add? Okay, that's all my questions, thank you.
- MS. BAKER: Okay, Mr. Commissioner, I wonder if we could just cover off any re-examination points and then we can let these witnesses go? Canada, do you have any re-exam?
- MR. WEST: I do have one question on re-examination.

CROSS-EXAMINATION BY MR. EAST, continuing:

These are questions for Dr. Paradis and Dr. Carey, and just to follow up on a question Mr. Harrison asked you about the respective mandates you'd require with respect to toxic chemicals research. Id like to go to Tab 14 of Canada's documents. I believe that's Exhibit 980. That would be page 14 of ringtail.

So this is the Strategic Review of Toxic Chemicals Research document, and Dr. Paradis, you indicated you're familiar with it.

DR. PARADIS: Mm-hmm.

Q I just want to go to the heading that says, Federal Departments or Agencies with Responsibilities for Toxic Chemicals, and I just want to clarify something. And it says, under the subheading Mandates, Fisheries and Oceans Canada, and I just want to read the first couple lines:

DFO's mandate states that DFO is responsible for policies and programs in support of Canada's economic, ecologic and scientific interests in oceans and inland waters, and for the conservation and sustainable utilization of Canada's fisheries resources in marine and inland waters. Policies and programs undertaken to implement this program must be based on an understanding of how marine and freshwater ecosystems function and

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Re-exam by Ms. Baker

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how they are affected.

So this refers to both the marine and inland waters. Has this mandate changed since 2003? DR. PARADIS: No.

Thank you. Maybe we can go to the next page.
This would be for Dr. Carey. And under the
heading, Environment Canada, and I won't read the
whole thing. I'll just read the first sentence
and the last sentence:

Environment Canada [EC] conducts research to protect aquatic ecosystems from the impacts of toxic chemicals by developing knowledge and understanding of priority pollutants to support informed environmental decision-making and sustainable management practices.

And the last sentence:

The primary focus of such research is in freshwater ecosystems.

Recognizing this is a DFO document, Dr. Carey, do you agree with basically how that's written?

DR. CAREY: I do.

MR. EAST: Those are my questions.

MS. BAKER: Thank you. And I have one re-examination question.

# RE-EXAMINATION BY MS. BAKER:

Q Dr. Paradis, when Mr. Harrison was asking you some questions you stated that, when talking about the change in science funding, you stated that in reality, "We transferred the funding over and our scientists are still doing toxic work, it's just the sources of funding that have changed," and I just wanted to confirm, though, that prior to the changes in 2004/2005, 42 percent of the toxic chemical work being done by science in DFO was with respect to fate and transport research, and that is no longer being done by DFO science; is that fair?

 DR. PARADIS: Well, there's still work done on fate and transport, but the source of funding are not the traditional ones. They may come from Environment

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46 47 or Indian Affairs or other programs. But certainly in the Pacific Region the work from

people like Robie Macdonald, as we heard yesterday, is no longer being funded? DR. PARADIS: Yeah.

Thank you. MS. BAKER: Sorry, Mr. Commissioner, those are all the questions I have for these witnesses.

THE COMMISSIONER: Mr. Lunn, could you just bring back up Exhibit 980, and the two pages that Mr. East has referred to. It was page 14, and I'm not sure if the other one was page 15 or not.

### QUESTIONS BY THE COMMISSIONER:

Just to the Panel, perhaps more to Mr. Paradis, because he addressed this a little bit earlier, but the two descriptions there of the mandates, I think the panel were in agreement that those are the mandates for the DFO and the Environment Canada. And to the extent that within those mandates programs are adopted by either DFO or Environment Canada or there's some collaboration around a program which requires funding and a funding source is established, and then later on changes are made to the funding envelope or to the requirements or to the distribution, whatever, I was trying to understand, at that same time there are, in the regions, implications that flow with respect to adopting certain national policies, but they are adjusted for regional requirements and so

And I was trying to understand whether you were suggesting that when it comes time for you, at the federal level or the national level, to sit around the table and decide upon continuation of a program or adjustment of a policy and a program or a practice, whether there's a disconnect between that consideration and all of the activity that's taking place at the regional level; in other words, changes are being made at the national level and the implications are there for the regional programs, but there's no connection at that level with regard to the implications.

So is it sort of, "We make the decision and then we let you know about it, and you just have to make do, or you just have to adjust accordingly, or you have to come to us later and tell us how the implications are"? Just give me a general sort of picture of how that works.

DR. PARADIS: Well, the policy decision were made by

- DR. PARADIS: Well, the policy decision were made by the National Science Directors Committee, and were actually passed along to the Departmental Management Committee. And on both those bodies there is regional representation.
- Q Right.

- DR. PARADIS: So the regions have had a chance to express their views.
- Q But before the policy --
- DR. PARADIS: Well, before everything got rolled out. O Right.
- DR. PARADIS: So, you know, it's not like Ottawa decides and throws it out. In fact, the reality is DFO is an extremely decentralized program and, you know, so like so the regions have quite a bit of capacity.
- Q Right.
- DR. PARADIS: The reality is, in the case of Pacific Region, they had a specific MOU with Environment Canada that almost no other regions had.
- Q Right.
- DR. PARADIS: So I would say I would certainly disagree with the fact that we make decisions in Ottawa and we threw it out like, you know, when we consulted it's -- those things are not easy to manage, you know, they had a lot of repercussions, and so I think the region brought their views to the table and then there were other views about the fact that, you know what -- I think in this case the mandate is the one of the Department. I think the little trigger that would really need to be fixed is what does the delegation of s. 36 means for real?

I think, you know, there's a bit of a confusion. You know, some people have interpreted this delegation as a fact that Environment Canada was to take it over. You know, like I was pleased to hear like Dr. Carey say it wasn't the interpretation Environment Canada had and, you know, I think it's been a long lasting issue to figure out what that really meant. But, you know, like there's been a lot of papers written and MOUs tried to fix that issue. So I think clarifying this would certainly help everybody.

DR. CAREY: Your Honour (sic), if I may, with respect

to Environment Canada, not a lot of attention was focused, today, on our transformation, for which I'm grateful, but generally speaking, the net result of the transformation was more integrated programs at the national level, as opposed to what we had prior to 2005, which was these regional — individual regional programs that may or may not have had some consistency. But we specifically created, and it's very confusing to get into, but we separated the management of programs from the management of people and created groupings of outcome projects, as we call them, that are national in scope, but involve regional folks who bring their regional aspects to the table.

And so our funding, now, for water, and quite different from my responsibilities as director general for the water folks in terms of managing people, I led the outcome project grouping for water, which had people who didn't report to me from the meteorological service and from other places, and they received their funding through that single avenue. And so the objective of our transformation, and, frankly, there was two years of, maybe more, of just outright pain trying to figure out how it was going to work, the objective was to have a more nationally consistent program and have the ability to set priorities, even regional priorities, at the national level and to redirect work from these national funding sources on an annual review-type basis towards some of these issues.

So I believe we created the mechanism for these to be raised and to be funded. Unfortunately, we also created it in an atmosphere that we've been in, in the Federal Government, now, for 15 years, where these days every three years these strategic reviews occur and departments are expected to identify the lower five percent of their programs for governments to consider cancelling.

And so at the senior management level, sir, it becomes a preoccupation. You're either preparing for a review, you're in the middle of a review, you're implementing a review, or you're getting ready for the next one. That coupled with the sunset programs make me wonder if it's actually going to be possible to deliver some of

these integrated targeted programs that would be necessary to manage things like sockeye salmon. 3 really, really am concerned about that. THE COMMISSIONER: Thank you. Anything that members of the panel want to add to Dr. Carey's -- okay. 5 6 Anything arising that counsel may want to 7 address? 8 Well, thank you very much, members of the 9 panel. I take it, from Ms. Baker's invitation to 10 me, that this panel is now, I won't say "terminated", but at least finished for the day. 11 12 I want to thank you very much for attending at the 13 Commission, for providing us with your knowledge, 14 and for answering the questions of counsel. I'm 15 very grateful for that. Thank you so much. Thank you. If we take the break now, we 16 MS. BAKER: 17 can return with a new panel of people to meet. 18 THE COMMISSIONER: All right. 19 THE REGISTRAR: The hearing will now recess for 10 20 minutes. 21 22 (PROCEEDINGS ADJOURNED FOR AFTERNOON RECESS) 23 (PROCEEDINGS RECONVENED) 24 25 THE REGISTRAR: The hearing is now resumed. 26 MS. BAKER: Thank you, Mr. Commissioner. 27 afternoon we're going to start dealing with the 28 panel that we've described as Changes to Physical 29 Habitat. And we have two witnesses with us from 30 Department of Fisheries and Oceans, Michael Crowe 31 and Corino Salomi and we have Stacey Wilkerson 32 from the province. 33 THE REGISTRAR: If you would just first of all just 34 turn your microphones on, please. 35 36 MICHAEL CROWE, affirmed. 37 38 CORINO SALOMI, affirmed. 39 40 STACEY WILKERSON, affirmed. 41 42 THE REGISTRAR: State your name, please. 43 Michael John Tudor Crowe. MR. CROWE: 44 THE REGISTRAR: Thank you. 45 MR. SALOMI: Corino Salomi. 46 THE REGISTRAR: Thank you. 47 MS. WILKERSON: Stacey Wilkerson.

THE REGISTRAR: Thank you. Counsel? MS. BAKER: Thank you.

#### EXAMINATION IN CHIEF BY MS. BAKER:

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- Q I'll start with Michael Crowe, your c.v. is in Tab 2 of the binder in front of you, Mr. Lunn. So you are the -- well, maybe you can just describe. What's your current title with the department?
- MR. CROWE: I am the section head for the Habitat Management Program for the Southern B.C. Interior area of the B.C. Interior, for the Department of Fisheries and Oceans Habitat Management Program.
- Q Okay. And this is the branch that's now been renamed; is that right?
- MR. CROWE: Right. We were the Oceans Habitat and Enhancement Branch. We are now the Ecosystem Management Branch due to a recent change announced officially in Pacific Region in April.
- Q Okay. So if we refer to OHEB, that's your department but you've got a new name.
- MR. CROWE: That is correct.
- That's more likely I'm going to make that mistake than remember the new name. All right. And you've been with DFO for 16 years?
- MR. CROWE: That's correct.
- Q All right. And as you said you're in the B.C. Interior and what part of the Fraser system does that cover?
- MR. CROWE: That essentially covers the essentially halfway between Kamloops and Prince George, south of that line approximately about 100 Mile House and everywhere between the Coast Mountains draining eastwards and the Alberta border. There's been a recent, somewhat recent change that the Kootenays was managed separately. It's very recently been amalgamated with that area but essentially it's the Columbia and Fraser drainages south of approximately 100 Mile House.
- Q And where does it end in the southern end?
- MR. CROWE: Sorry, and the southern end essentially is generally in the Yale area, the Fraser Canyon.
- Q Okay. And Mr. Salomi, you are also with Fisheries and Oceans -- oh, sorry, yes, we should mark your c.v., sorry, the c.v. for Mr. Crowe should be the next exhibit.
- THE REGISTRAR: Exhibit 998.

1 2		EXHIBIT 998: <i>Curriculum vitae</i> of Michael Crowe
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4	MS.	BAKER:
5	0	Mr. Salomi, your c.v. is at Tab 1.
6	м̃к.	and the second s
7	Q	And you're the sorry, you're the area manager
8	~	of the new Ecosystem Management Branch formerly
9		OHEB?
LO	MR.	SALOMI: Correct.
1	0	And your area is the Lower Fraser; is that right?
12	~	SALOMI: Correct.
L3	Q	So basically from where Mr. Crowe's area ends
L 4		right out to the ocean?
L5	MR.	SALOMI: And through Howe Sound up to Squamish,
L 6		Sea-to-Sky, Pemberton area.
L7	Q	Okay. And how long have you been with Fisheries
18		and Oceans?
L 9		SALOMI: Since 1998.
20	MS.	BAKER: Okay. Could I have Mr. Salomi's c.v.
21		please marked as the next exhibit?
22	THE	REGISTRAR: 999.
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24		EXHIBIT 999: Curriculum vitae of Corino
25		Salomi
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27		BAKER:
28	Q	And Ms. Wilkerson, her c.v. is at Tab 10 and
29		that's your c.v. you see?
30		WILKERSON: That is.
31	MS.	BAKER: Okay. Can I have that marked, please. You
32		get the prize, I think, 1000.
33	THE	REGISTRAR: Exhibit number 1000.
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35		EXHIBIT 1000: Curriculum vitae of Stacey
36		Wilkerson
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38	MS.	BAKER:
39	Q	Ms. Wilkerson, you are with the Ecosystems Branch
10		in the Ministry of the Environment in B.C.?
11	MS.	WILKERSON: Yes. I was.
12	Q	Oh.
13	MS.	WILKERSON: We've had a change in name, so
14	Q	Right. Sorry. So what's your ministry now or
15		what part of what new ministry are you?
16	MS.	WILKERSON: I'm in the Fish, Wildlife and Habitat
17		Management Branch of the Ministry of Forests,

1 Lands and Natural Resource Operations. 2 Okay. Hopefully I won't have to remember that for 3 these questions. You are the Riparian Area 4 Regulation Coordinator still? 5 That's right. MS. WILKERSON: 6 Okay. So your job hasn't changed. The title of 7 the organization you are situated in has changed. 8 MS. WILKERSON: Right. My role has not changed. 9 Okay. And you've been the Riparian Area 10 Regulation Coordinator since 2007? 11 MS. WILKERSON: I have been. 12 All right. I think I'll begin my questions 13 directed to the DFO witnesses just for some basic 14 background, what -- I'll ask either of you to 15 answer, Mr. Salomi or Mr. Crowe, what are riparian 16 areas? We'll be talking about that a lot today, 17 so we should get some basic grounding in that. 18 MR. CROWE: Riparian areas are essentially the 19 vegetated shorelines of a stream or lake, a water 20 body. They are variable in width and essentially 21 the width of a riparian area is dependent 22 essentially on the function, and that is the 23 elements or characters of a riparian area that --24 or the forested streamside area that contribute to 25 the stream or the quality of the stream. That can 26 include functions such as shade, litter fall, 27 contributions of large woody debris through the 28 falling of trees. There is also many benefits to 29 actually maintaining the structure of the channel 30 directly through the root structure of the trees. 31 They can actually hold the banks together and 32 control sediment introductions. They can control 33 the meander patterns of the streams. They control 34 the quality of the sediments and there's also 35 effects such as even to the temperature. 36 So essentially, a riparian area is a critical 37 component to a stream. If the riparian area is in 38 poor condition, essentially a stream's condition 39 will change dramatically and therefore, the fish 40 habitat values will be affected directly. 41 All right. If you could, just following on that, 42 explain why riparian areas are important for 43 sockeye salmon or are they used by sockeye salmon? 44 MR. CROWE: I would first like to qualify that by 45 saying that we don't necessarily manage for one 46 specific species, but all salmon species benefit

from riparian areas. But essentially, salmon key

in on certain physical habitat features that -and essentially, that would be good-quality 3 spawning areas where the substrate is clean, there is good groundwater movement, there is cover areas 5 that cover essentially would be large woody 6 material or other features in the stream that 7 would provide hiding areas. That would be for the 8 adults, as well as juveniles. They're looking for 9 moderate temperatures, depth and velocities. A 10 lot of that essentially is a direct result of the 11 features and functions of the riparian area. 12 Okay. Mr. Salomi, in the Lower Fraser, in your 13 area, what kinds of riparian areas are of 14 importance for Fraser River sockeye? 15 Quite similar to the Interior area, MR. SALOMI: sockeye rear in lakes, the riparian area of the 16 17 lake is important for some of the reasons that Mr. 18 Crowe has identified. And similarly, the spawning 19 areas within a stream are dictated by riparian 20 And in the Lower Fraser there's also areas. 21 stream-rearing sockeye. The juveniles have a life 22 phase where the quality of the riparian area in 23 the areas that they rear is important, as well. 24 MR. CROWE: Excuse me, could I offer one more piece? 25 Yes. 26 I forgot to mention something quite MR. CROWE: 27 important for some stocks of -- or conservation 28 units of sockeye is the -- is that they will 29 actually spawn along shorelines of lakes, so they 30 don't only spawn directly within streams but, like 31 I say, in lakes, as well. And therefore the 32 riparian areas on lakeshores are critical, as 33 well, to ensure that the spawning quality of those 34 shoreline areas is productive, as well as 35 providing good cover for the juveniles when 36 particularly those that emerge either from the 37 lakes or from the streams and looking for 38 transitional area as they get ready to move deeper 39 into the lake. 40 And are the majority of -- not all of them, but 41 the majority of the lakes in which Fraser River 42 sockeye salmon rear in your area, Mr. Crowe?

Are the majority of the rearing lakes for Fraser

Okay.

MR. CROWE:

MR. CROWE: Sorry? Can I --

River sockeye in your area?

That is correct.

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THE COMMISSIONER: Ms. Baker, can I just ask while you're on defining this, relate riparian areas to habitat, because we've used that term throughout these proceedings. I take it we're talking about similar but not necessarily the same definition for habitat as you are for riparian areas?

- MR. CROWE: We consider riparian areas part, a critical part of the habitat. They are actually a component of the habitat in that they contribute shade, which moderates temperatures, there is leaf litter and other nutrient drops that the fish depend upon. The trees that fall become cover and change channel structures, provide direct cover, as well as maintaining the channel shape, sediment quality, controlled groundwater, the -- so essentially we manage riparian areas as a critical component of fish habitat.
- THE COMMISSIONER: All right. And what else would be included within the definition of fish habitat beyond what you've just described as riparian areas?
- MR. CROWE: There would be water quality parameters, that would be part of fish habitat. But essentially, the life cycle of the fish, the fish are dependent on different habitat units throughout their life cycle, so part of that would be the freshwater stream component, the freshwater lake component, both the in-shore transitional period when they're -- when they first emerge but there's a habitat requirement for the deep water portions of lakes, as well.

Then there's the migratory habitat which is essentially where they need to transfer to the marine environment, as well as migrate back up as adults; therefore, we're interested and it's very important that they have -- you know, we're protecting those critical migratory routes, the estuary piece, as they are transitioning to the marine environment, as well as the marine habitat. But for the streams and lakeshores, we consider the riparian areas to be an integral part of that habitat.

- THE COMMISSIONER: Okay. And just finally, when you use the term ecosystem where does riparian areas and the habitat you've just described fit within the concept of ecosystem?
- MR. CROWE: I guess I'm not quite sure, but we consider

that, I would say, an integral part of the ecosystem, yes. It's -- the fish habitat would not essentially function very productively if there was not that riparian component to that ecological unit.

THE COMMISSIONER: Okay. Thank you.

MS. BAKER: Thank you.

- Q I'd like to start -- just continue with you, Mr. Crowe, and then I'll ask Mr. Salomi just to chime in with any risks that are more specific to the Lower Fraser, so I wanted to ask what are the primary risks and sources of risk to riparian areas which supports sockeye salmon habitat?
- MR. CROWE: Within my area, there's a wide spectrum of risks to riparian habitat and that essentially is many of the land and water use activities we see occurring have potential and frequently affect fish and fish habitat, including riparian areas. Where transportation corridors and infrastructure systems often run parallel to our water bodies, that's roads, rails, pipelines, transmission lines, with regular crossings, we have urban development issues, settlement of construction of buildings, both residential and commercial, often are in close proximity to water bodies. Recreational developments, both of a sort of single family dwelling to multifamily resort type developments with associated marinas, boat launches, and so on, will have a -- regularly have likelihood of impacts to fish and fish habitat for sockeye.

There's a component here which is that much of the B.C. Interior is quite mountainous -- well, much of B.C. is quite mountainous, so settlement patterns are often in the lower valley bottom areas, so there's a constraint, a landscape constraint that pushes a lot of settlement to be in quite close proximity to streams. Added to that, water is a very attractive feature that draws people to want to be in very close proximity to it for many reasons, many which is personal pleasure and recreation.

- Q In the Interior, have you experienced an increase in recreational development on the lakes in the last, say, ten years?
- MR. CROWE: Most definitely. There has been a very substantial rate of increase in recreational

development throughout the Southern Interior. Now, I appreciate that part of my answer expands to the Okanagan, which does not have Fraser sockeye but even added to that, the Shuswap area, the Thompson, Nicola, there's a great amount of effort to expand recreational opportunities along our lakeshores. That's particularly prevalent in the Shuswap drainage. It's a very, very popular lake. There's a lot of money coming from Alberta, the Lower Mainland, and even overseas to expand recreational and resort opportunities.

There has been somewhat -- there's been a slowdown over the last three years with economic change, but if you take it out to the last ten to 15 years, a very marked increase in the numbers of resorts, redevelopment and expansion of recreational properties, marinas, houseboats and other recreational type activities.

- Q Thank you. And Mr. Salomi, are there other risks in your area that are of particular interest beyond what we've just heard about.
- MR. SALOMI: The risks in the Lower Fraser are similar. The recreational component is somewhat less significant but the intensity of impacts in the other areas is perhaps greater in the Lower Fraser, just due to the density of people, the value of the land and the intensity of development of that land for things like urban residential development, agriculture, et cetera.

The other thing is in the Lower Fraser a lot of the watersheds which feed into the Fraser River itself are highly developed, highly urbanized, and so there's significant impacts on the streams which feed sockeye habitat.

- Q Is there an impact of agriculture in either of your areas?
- MR. SALOMI: There's significant historical impact of agriculture on salmon habitat in general and sockeye habitat due to things like dyking and draining of land over the last century or so for agriculture and then there's ongoing impacts of agriculture on things like riparian areas, water quality, et cetera.
- MR. CROWE: We have also experienced an ongoing increase in agriculture in our area. It essentially has existed for well over a hundred years, a steady increase over that period. What I

 would say though in the last decade or possibly slightly more, there's been an intensification in the character of that agriculture. Two examples I would use is the conversion of different crops over to grapes, which have a much higher water intensity, as well as many -- some cattle operations are converting over to dairy.

So it may not seem like -- substantial at face value but when you understand the management of the livestock on the land, the increased use of smaller pieces of land, much greater demand for water, then you start realizing that it does start having an effect over the quality of these -- the habitat of these systems.

Water in the B.C. Interior can be quite a substantial problem due to the fact that it's a relatively dry portion of British Columbia and the -- many -- because of historic licensing, many systems are already dealing with low water conditions and now when we're actually intensifying the water use of these areas, it just contributes to an ongoing challenge to manage to protect what we do have for habitat.

Q If I could take you to the Policy and Practice Report which is now marked as number 14, is that -- do we have it? Okay. If you could put it on the screen and turn to page 32, paragraph 66. This sentence says that:

Dramatic changes to the pattern of flooding on a floodplain and the most serious losses of floodplain fish habitats are due to urban development

Would you add anything to that paragraph? For example, some of the agricultural impacts you've just identified?

- MR. CROWE: I think we would agree, I would agree that in the process of trying to protect high quality agricultural land from flooding, that substantial amount of flood plain alteration through both dyking and ditching has dramatically changed many flood plains.
- Q And then if you could turn to page 45 of the same document and go to paragraph 101. You have talked today about some of -- some additional impacts of agriculture on riparian areas and that included

things like ditching and dyking, as you just mentioned, livestock watering; are there any other additions you'd like to make there?

- MR. SALOMI: If I may? So I would agree with that statement and what Michael has said. Much of the impact has, you know, happened over the last century and quite some time ago when large areas of the Lower Fraser were dyked, but we're also seeing conversion of agricultural areas from simple crops such as hay to other crops such as blueberries or cranberries and we're seeing, you know, ongoing alteration of flood plains to support those kinds of crops as well.
- Q Okay.

- MR. CROWE: I would also add that what we're also seeing is a conversion of important components of systems such as wetlands and off-channel habitats, they're being lost through infilling and the expansion of agricultural land.
- Q On Canada's list of documents there is document number 15, there's the 1992 Land Development Guidelines. This is an older document that Fisheries and Oceans has and used and may continue to use in some circumstances. Can you explain, Mr. Salomi, how this document was used in the past and where it's still used today?
- So I actually found an earlier version of MR. SALOMI: the Land Development Guidelines. I believe the date was 1978. I find it interesting because the 1992 version isn't a lot different in that it identifies the key aspects of land development that impact fish habitat and it very simply lays out steps to minimize or avoid impacts to fish habitat: Section 2, leave-strips, i.e., leave strips of riparian vegetation and protect them; Section 3, control erosion during development so that you don't fill salmon spawning areas and fish habitat with sediment; Section 4, manage storm water and conversion of landscapes to minimize flooding and high flows that destroys fish habitat; Section 5, when you have to work in a stream, do it following appropriate best practices; and includes sections like 8, which provide examples of model development to minimize impacts on fish habitat.
- Q Okay. And how is that actually used in your work? MR. SALOMI: Well, this was a document that came out

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circa 1992. It was part of documents created by the Fraser River Action Plan. It was part of a stewardship series and it was well-delivered to local governments, consultants, developers and it was well taken up as a quiding document for land development all the way through the '90s until about 2000 when there was a realization that it did need to be updated. There was newer technologies and better approaches. That being said, it's still often referred to by people as a general guidance document because it's straightforward and simple and IDs the kinds of things that need to be considered. So is this a primary tool at the moment in your

work?

MR. SALOMI: Like I said, around 2000 it was obvious that there was need to update this document. And there was some efforts with the province to be less engaged in project review of individual projects. It's more of a results-based approach. So there was an effort to produce more of a general guidance document that was updated. There's an in-stream works and best practices document from 2004, for example. The Stream Site Protection Regulation which was introduced circa 2001 and which was replaced by the Riparian Areas Regulation or updated by the Riparian Areas Regulation sort of takes care of the leave-strip component of this document. So it has been replaced by similar but less consolidated documents.

MS. BAKER: Could I have this marked?

MR. CROWE: If I could -- sorry, if I could offer --Yes.

MR. CROWE: -- I think what I would say is that it was foundational to the Habitat Management Program. It was an attempt to try to take a lot of development issues and tried to provide guidance and direction on how they should be managed in a manner that would minimize or prevent impacts to fish and fish habitat. So I would say it was an early document that tried to codify or standardize how development should be approached in B.C. I should recognize that it was a joint document between DFO and the Province of British Columbia.

MS. BAKER: Could I have that marked, please, as the next exhibit?

THE REGISTRAR: Exhibit 1001.

EXHIBIT 1001: Land Developments Guideline for the Protection of Aquatic Habitat

# MS. BAKER:

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- All right. We will talk about changes that happened in the 2000 period, but I want to talk a little bit about prior to that. Prior to changes that happened within the department in the 2000 period, what processes were used by Fisheries and Oceans or the habitat people like yourselves to address potential impacts on sockeye habitat through development, planning and that sort of thing?
- Probably the best way to approach this MR. CROWE: answer is to just sort of explain that we took somewhat of a stratified approach towards managing habitat. Early intervention processes through stewardship, education and outreach where you would essentially try to engage as many people as possible to provide a general understanding of the values of these areas and then hopefully start to develop an interest and an understanding of the need to protect them. Then there would -- the next level would be to coordinate with partner agencies and other sectors that would have a similar interest or outcome that they would like to see with their programs objectives, so that would be integrated planning and partnerships. The next level would be the review of development applications, so where we would take projects -project plans by developers and provide detailed reviews of them and provide quidance and direction either in the form of a letter of advice or an authorization or other similar direction.

Then the next would be sort of a monitoring and compliance and enforcement level of engagement that particularly is for the -- those circumstances where we don't believe we've achieved the objectives through any of the other levels of stratum.

- Q Did you involve yourselves in environmental review committees with local governments?
- MR. CROWE: Yes. I would say that would be an example of one of these integrated planning or partnership approaches, so there was a number that we would

engage in and environmental review committee is essentially a partnership with a local government, often in combination with the province, so we would coordinate reviews and comments on proposed development plans.

- Q And were those environmental review committees commonly used in your area in the B.C. Interior?
- MR. CROWE: No. No. We had one with the City of Vernon. We had attempts at starting something similar with a number of other local governments, but what I would say is that compared to what I saw in the Lower Fraser Valley, we didn't necessarily have the same degree of cooperation or sophistication with local governments in the Interior where they are ready to engage with us in those types of partnerships. It was an objective we would have liked to have gotten to but we had definitely varying degrees of cooperation with the Province of B.C. but not as much success with local governments.
- Q And Mr. Salomi, they were actively used in the Lower Fraser; is that right?
- MR. SALOMI: They were really essential to delivering fish habitat protection in the Lower Fraser due to the volume of projects and the amount of work. We found them quite useful. For example, the City of Surrey is very large, rapidly developing, significant annual maintenance budget just with the municipality itself, significant development. There was no way that the provincial group could handle all the Water Act referrals they were receiving and there's no way that the Department of Fisheries could review all those projects. we would sit down together, the province with their legislation, DFO with our legislation, and the local government with their tools, to figure out how we could streamline basically review of projects and development proposals.

At the simplest level, we did things like map all the water courses and codify them. And then when the municipality did their massive annual maintenance works, they would know what kind of an approach to apply in each of those water courses. We might only review one document as opposed to numerous individual works.

The planning phase, we had both provincial and federal experts there to work with the local

government to identify appropriate bylaws or development of OCPs that would help protect fish habitat as they grew. And a lot of the municipalities did adopt standards, for example like those in the Land Development Guidelines. Some of the regional districts, as well, were involved. For example, we partnered with the Fraser Valley Regional District to do an inventory of streams that would help aid in development planning or in maintenance activities.

- All right. Then I understand in the 2000s, in that period of time, there was a change in your group, OHEB's relationship with the province and the areas and how habitat was managed and can you confirm that and tell us a little bit more about it?
- MR. SALOMI: Basically, the provincial ministry in our area indicated they'd be no longer actively involved in reviewing individual projects and they would be moving to more of a results-based approach, one of providing standards and guidance documents but not one of being actively engaged in ERCs or project review.

They still were involved to some extent in some key areas. They still had representative, for example, on the Burrard Inlet in Fraser River Estuary Management Program ERCs, but for the vast majority of the area, they were not involved.

Q Okay. And what did that mean to DFO?
MR. SALOMI: It left a vacuum. Most people were under the impression that they had to submit something to somebody if they were going to work near a stream and so DFO began receiving all of those quote referrals. So we had to fairly quickly put in measures ourselves to cut off that workload in a reasonable way. So we put together our own information requirements document to help guide individuals in terms of what information they would need to submit if they were working near a stream or not, depending on the nature of the programs.

We also worked with the province a little bit to prepare a number of fact sheets and eventually, for example, update the 2004 in-stream works best practices document. It helped guide people in their project planning around fish habitat, so they could, to the extent possible, avoid impacts

46 47 and therefore avoid the need for us to review their work. It still meant we had to review those projects that did impact fish habitat and would require *Fisheries Act* authorization, but we did put guidance in place to stave off the lower impact projects.

Q And did you have --

THE COMMISSIONER: Ms. Baker, I note the time. Is this a convenient place to --

- MS. BAKER: Well, I wonder if I could ask Mr. Crowe if it was the same in B.C. Interior and then that would be the last question on this topic.
  - Was the impact the same in B.C. Interior?
- MR. CROWE: It was quite similar, yes, so it's the provincial changes in approach, we definitely had -- we described it as referral streams drying up. We had relied on provincial regulations and systems to bring development applications to us. They essentially no longer existed for the most part. We did, however -- we were able to manage a number of relationships with provincial colleagues that essentially at a collegial level where they agreed to continue working with us and we maintained, particularly one important referral stream, that being Water Act referrals out of the Ministry of Environment in the Kamloops area but, yes, there was a period where -- and we still are affected by the fact that types of projects we traditionally reviewed provided comment and quidance on did dry up.
- MS. BAKER: Thank you. And we could break now for the day.

THE COMMISSIONER: Thank you.

THE REGISTRAR: Hearing is now adjourned for the day and will resume at ten o'clock tomorrow morning.

(PROCEEDINGS ADJOURNED TO JUNE 8, 2011 AT 10:00 A.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.

# Diane Rochfort

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.

### Susan Osborne

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