Cognizant of the principle that governments should favour industries that have real positive economic impact, the Committee recommends that:

- (9a) The provincial governments concerned provide assurances that decisions favouring the recreational fisheries over the commercial fisheries take into full consideration all relevant information, including the fact that economic hardship for commercial fishermen may be engendered in areas where alternative employment is not available. It follows from this that commercial fisheries in these areas should be closed or curtailed only if the presence of the sports fisheries results in alternative employment opportunities or commensurate economic benefits for the displaced commercial fishermen.
 - (9b) Stock enhancement programs be instituted to increase the quantities of high value species for commercial fishing.
 - (9c) The allocation of game species to commercial fishermen be used to increase their incomes where possible, especially in the northern fisheries facing high transportation costs.

4.1.6 Environment

The Churchill River diversion project was constructed by Manitoba Hydro to increase the flow of the Nelson River. This changed the water levels of a number of lakes, raising some and lowering others, resulting in debris and increased sediment levels. The project had a severe impact on commercial fisheries in the Nelson House, the South Indian, Ilford and the Split Lake areas.

The most immediate impact was the decline in the level of landings. This has been attributed to the disruption of spawning beds by water level changes and increased amounts of sediments in the water. The project also resulted in the downgrading of whitefish stocks in South Indian Lake from export to cutter grade. There was also an increase in the natural mercury levels found in the higher valued species (pickerel and northern pike), possibly as a result of leaching from the sediment.

Fishermen from South Indian Lake received a \$2.5 million one-time settlement, but the fishermen from the Nelson House fishery have yet to settle although it has been ten years since the project was completed. With respect to the above, the Committee recommends that:

- (10a) The Department of Fisheries and Oceans, in collaboration with the Department of Environment, continue its evaluation and monitoring of large industrial projects with a view to preventing environmental damage to the fisheries.
- (10b) Should environmental damage be inevitable, individuals or groups whose livelihoods will be affected should be consulted and mutually agreeable terms for compensation worked out prior to the implementation of the project.

Another environmental issue in the Western Region is the Garrison water diversion project designed to irrigate areas of North Dakota in the U.S. Had this