

February 2019

**BC SEAFOOD ALLIANCE RECOMMENDATIONS TO THE HOUSE OF COMMONS STANDING
COMMITTEE ON FISHERIES AND OCEANS ON THE REGULATION OF WEST COAST FISHERIES.**

The BC Seafood Alliance (BCSA) is the largest commercial fishing organization on the West Coast and we represent the owners and operators of commercially licenced vessels ranging from less than 40 to over 120 feet. We appreciated the chance to testify before the committee earlier this month but wanted also to make some specific recommendations for the study on the regulation of West Coast fisheries, specifically in relation to fishing licences, quotas, owner operator and fleet separation policy and the impact of the current regime on fisheries management outcomes.

RECOMMENDATIONS

1. Conservation Must Remain the Top Priority

The last 25 years have seen a huge shift in fisheries management towards conservation and sustainability, often but not always through the introduction of Individual Transfer Quotas (ITQs). The 2/3 of BC landings managed under the Canadian Groundfish Integrated Program (CGIP) have gone from regularly exceeding Total Allowable Catches (TACs) and failing to account for bycatch and discards, to being recognized as “among the best managed fisheries on the planet” (David Suzuki Foundation). This 100% accountability at sea and at the dock could not happen without leasing to account for bycatch. These fisheries have invested heavily in stock assessment, monitoring and technology. For instance, groundfish trawl invests about \$3.5 million in science and sustainable management annually, geoduck \$1.5 million, halibut just over \$1 million and prawns just under \$1 million. It’s unlikely that the Department of Fisheries and Oceans (DFO) would or could replace these investments so that would mean lower TACs and even fewer fishermen on the water.

2. Make Socio-Economic Considerations an Explicit Component of Fisheries Management

There is a human cost to conservation. Some of that may be inevitable—reducing harvest levels by 30-60% in an industry with overcapacity is bound to lead to consolidation and a reduction in participation. But no management system is perfect, and ITQs have had unexpected and unintended consequences beyond self-rationalization (reducing the number of participants without taxpayer funded buyouts). In collaboration with stakeholders, DFO needs to find a balance which employs approaches that address socio-economic consequences while complementing existing effective conservation and ecological measures.

There are lessons here for Marine Protected Areas (MPAs) development on the Pacific Coast and whether Species at Risk Act (SARA) listings for species such as Interior Fraser Steelhead are too blunt a tool compared to good fisheries management. Get these wrong and whatever the committee recommends will

be irrelevant because commercial fisheries will be of marginal benefit to anyone, including the public who should have access to safe, local, high quality seafood.

3. Improve Data Collection in Pacific Region

In order to do this, DFO will need baseline data. The extent and quality of data in Pacific Region, especially socio-economic data, is poor. Some recent reports on the Pacific fishery as well as some recent testimony before the Committee rely heavily on anecdote in part because data is either not available, hard to find or hard to interpret. For instance, DFO has virtually no ability to develop a baseline profile of commercial fishing activity because it simply does not have information on the current socio-economic status of the fishery—its revenue base, costs, employment, community/regional footprint, etc. The most recent fleet profiles are more than a decade out of date and so do not reflect the many changes since then. Without baseline data, DFO cannot assess the impact of policies or activities whether these be MPAs, SARA listings, or licencing policy.

We recommend that DFO immediately begin collecting information on current fleet and processing activity in order to provide a base year to permit analysis of changes in regional and coastwide activity and economic impacts. This work must then be kept up to date.

Such work would also make it less easy to misinterpret landings and landed value data and tax filer data. Landed value comparisons between jurisdictions depend on species mix while tax filer data does not delineate the mix of labour and capital in self-employed income.

4. DFO Support for a Fishery by Fishery Process to Look at Division of Risks and Benefits

Many BCSA members—dive fisheries, trawl, halibut, sablefish, prawns—have started a process to consider how best to mitigate the unintended socio-economic impacts of responsible fisheries management. DFO needs to support this process which must begin with the sectoral advisory committees.

BC fisheries have shown over the last 25 years that they can fix conservation problems with innovative solutions. These processes have been most successful when DFO has established clear overarching principles—staying within TACs, accounting for bycatch, reducing discards, etc.—but the participants themselves have developed the approach and structure to achieve these ends. Top down approaches rarely work in fisheries. We can learn from other jurisdictions but we cannot and should not import their solutions wholesale.

We note, for instance, that owner-operator and fleet separation while nominally in effect in Alaska and Atlantic Canada have not fixed the problems the committee is considering. It is also true in BC that some fleets that are almost entirely owner-operated with de facto fleet separation are amongst the worst performing—salmon gillnet comes to mind. This is because the available catch in most years is not enough for most fishermen to cover their costs.

5. A Licence and Quota Registry

The BCSA has long supported the recommendation in *Treaties and Transitions: Towards a Sustainable Fishery on Canada's Pacific Coast* (Donald M. McRae and Peter H. Pearce, 2004) for a formal licence registry capable of tracking licences, quota entitlements and transfers. This would have the double benefit of providing transparency while improving access to capital. DFO should immediately engage with the province of BC and industry on what information to track and how to do it.

6. Establish a BC Fishery Loans Board on the Model used by Atlantic Provinces and Quebec

BC is the only province that does not have a loans board to facilitate access to the fishery. For instance, the Nova Scotia Fisheries and Aquaculture Loan Board is a crown corporation that assists fishermen with financial resources. As of December 2018, it held loans for more than \$127 million to support fisheries and aquaculturists by providing loans with a competitive interest rate. It recently reduced loan approval wait times, increased lending limits to \$5 million, reduced interest rates and increased amortization terms. These recent improvements are designed to help young fishermen and new entrants, especially with the purchase of quota. Assuming a full kit lobster licence costs about \$1 million, the Nova Scotia board would require a 5% down payment (often provided by friends and families or through supply agreements).

Alaska also has similar programs to encourage access to the resource and access to capital such as the Alaska Department of Commerce, Community and Economic Development Division of Economic Development's Commercial Fishing Loan Fund for Vessel Purchase. The US is also moving to pass the *Young Fishermen's Development Act* to create a competitive grant program to provide meaningful resources for younger generations of Americans entering and progressing in the fishing industry.

We recommend that DFO and the province of BC move immediately to set up a loan board and to develop training and other programs for young fishermen and new entrants. DFO and the province may in addition wish to consider developing a community licence bank with licences acquired on the open market that could provide young fishermen and new entrants with low cost licences.

7. Conclusion

The BCSA encourages fisheries to find solutions to specific problems within their fishery with support and direction from DFO and the respective advisory processes.

Commercial fisheries on the West Coast face very real future challenges. How will Reconciliation affect fisheries and fisheries management, even in an industry that is already 1/3 Indigenous? How will marine protection affect fisheries—by 2030 we will have protected 37% of the BC Coast? What would be the implications of a SARA listing for Interior Fraser Steelhead if it puts the entire South Coast salmon fishery out of business? How should we manage salmon fisheries without relying on COSEWIC recommendations?

And that's before we get to questions about climate change, ocean acidification, technological change and geopolitical challenges.



We do not believe that a top down approach or one devised by other jurisdictions is best suited for BC. We urge the Committee to encourage a way to empower commercial fishery participants to develop a flexible, practical made in BC solution.

Respectfully submitted,

BC SEAFOOD ALLIANCE

A handwritten signature in brown ink that reads 'Christina Burridge'.

Christina Burridge
Executive Director

Full Members

Area B Seine Association
BC Tuna Fishermen's Association
Canadian Sablefish Association
Deep Sea Trawlers Association
Fisheries Council of Canada
Gulf Troll Association
Pacific Halibut Management Association
Pacific Prawn Fishermen's Association
Pacific Sea Cucumber Harvesters Association
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