



**CANADIAN  
AQUACULTURE**  
INDUSTRY ALLIANCE

ALLIANCE DE L'INDUSTRIE  
**CANADIENNE DE  
L'AQUACULTURE**

**20  
21**

**CANADA'S SEAFOOD  
FARMERS**

**PRE-BUDGET  
CONSULTATION**

**SUBMISSION TO**  
The Standing Committee on  
Finance



## Summary of Recommendations:

*A \$1 investment in aquaculture will result in \$10 of benefit to the Canadian economy (reference: High Level Panel for a Sustainable Oceans Economy, 2020).*

### 1. Competitive Access to Fish Health Products:

- Fish Health Coordinator: **\$250K per year for 3 years: \$750K**
- Minor Use Minor Species (MUMS) Program: **\$5M over 3 years**

### 2. Financial Backstop for Sector (Business Risk Management):

- **\$20M over 3 years**

### 3. Technology & Innovation Partnership: Renewal of DFO Sustainable Technology Funding Program (FACTAP):

- **\$35M over 5 years**

### 4. Shellfish Program Modernization: Canadian Shellfish Sanitation Program

- **\$5M led by DFO**

**TOTAL: \$65.75M**

*Of Interest to Multiple Sectors (e.g. Industry, Wild-Capture Fishers, ENGOs, as applicable)*

Broadband access and improvements for remote, coastal and indigenous communities

DFO Wild Salmon Health Baseline Data Development

- **\$30 Million over 5 years**

Prioritized Wharves/Small Craft Harbours Renewal:

- **\$500 M split East/West over 5 years**

## Introduction

**There are likely no other sectors in Canada that have the capacity to simultaneously drive job creation, provide domestic food security, support meaningful indigenous reconciliation and realize sustainable food production, as the seafood farming sector can.**

Canada's farmed seafood sector is young and has been recognized by economic experts as having tremendous potential for sustainable growth. We will create jobs and sustain economic development opportunities in remote and coastal communities. Global demand is very strong, and our sustainable growth opportunity is almost limitless.

Canada is a signatory to the global High-Level Panel for a Sustainable Oceans Economy (HLP). Their most recent expert paper, *"A Sustainable Oceans Economy by 2050: Approximating its Benefits and Costs,"* asserts that the net benefit of investments in developing ocean-based proteins is 1:10: for every \$1 invested, there is \$10 in payback.

And yet our biggest challenge is that Canadian governments have not championed or embraced the opportunity, instead leaving the sector in a morass of confusing departmental accountabilities and regulatory complexity. This, at a time, when rural, coastal communities – many within traditional indigenous territories – struggle to find meaningful employment and economic development solutions.

It also must be stated plainly: this government's commitment to develop a "transition plan for B.C. by 2025" for salmon farming, B.C.'s largest agricultural export, and a driver of innovation and sustainable food leadership, adds unfortunate and unnecessary investment uncertainty for the entire seafood farming sector in Canada. Private-sector led evolutionary innovation and technology development is the path forward. Marine farming continues to be the greatest opportunity for Canada for all species.

What is asked for below has been asked for many times before. We ask the Government of Canada to take important steps to address longstanding issues that constrain the sustainable economic development of this sector.

### ***Recovery from COVID-19: Job Creation, Sustainable Food Production, and Food Security***

The 2015 Senate Study "Oceans of Opportunity" and the Agri-Food Economic Table (2018) have summarized the great potential for the sector: *"Achieving our growth targets hinges on all sectors meeting their full potential. Right now this is not always the case. A key example is the Canadian aquaculture sector, which has the potential to nearly double production from 200,565 tonnes in 2016 to 381,900 tonnes in 2028 to meet rising demand."* (Report of the Agri-Food Economic Strategy Table, 2018).

This is a sustainable food development opportunity. A multinational expert collaboration on developing the global oceans economy, the HLP mentioned above, to which Canada is a signatory, says this: *“The largest potential (carbon reduction) gains for food production lie in the sustainable expansion of marine aquaculture.”* (High Level Panel for a Sustainable Oceans Economy - Expert Paper on the Future of Food from the Sea 2019).

Fostering the sustainable growth of seafood farming in Canada is of particular importance to economic recovery. Despite the tremendous challenges that the COVID-19 pandemic presents, this sector remains a reliable source of local, sustainable food production and economic resilience for communities across Canada.

While Canadian producers were all hit by market decline during the COVID-19 pandemic, and challenges remain, *our major fish farmers did not lay off any employees due to the virus.* Many kept hiring. Enhanced bio-security protocols and safety measures were immediately put in place to protect employees from the virus and maintain production. The transition was seamless. This was a great source of comfort to the employees, the communities that rely on them as well as consumers.

This remarkable outcome confirmed this sector as a stable presence in rural and remote communities. This stability is a springboard for economic recovery and future sustainable growth.

### ***Critically Aligned with Canadian Priorities in Economic Recovery***

**Food security is a high priority:** Canadians need to have the confidence that their food supply is secure and are increasingly interested in local and Canadian food. Seafood farming provides fresh fish and seafood year-round. Canada has almost unlimited capacity to produce farmed seafood.

**Real and lasting Indigenous Reconciliation:** There are many opportunities for partnership and leadership of indigenous people in seafood farming. Already close to 20% of workforce in B.C. in the salmon sector is indigenous. Partnership is the cornerstone for new development in the finfish, shellfish and kelp farming sectors.

**Low-carbon foods remain acutely important:** The long-term future of society will remain a concern and the challenges of minimising greenhouse gases must be addressed. Farmed seafood is amongst the lowest carbon-producing animal proteins. Additionally, the product uses very little space and fresh water for production – ***at present only ~1% of viable Canadian waters*** are used for seafood farming.

**Consumers seek products that support health now more than ever:** The importance of health has never been in such sharp focus. Health benefits of eating seafood are well established as Canadian consumers carefully consider the food they eat and prepare.

**Blue Economy Strategy & 2030 Agenda for Sustainable Development:** The oceans continue to be a major area for exploring untapped sustainable development potential. Seafood farming is central to this. ***With amongst the greatest ocean and water resources in the world,*** Canada needs to be a leader in the expansion of the global Blue Economy. Doing so will be an important contributor to the United Nations' Sustainable Development Goals.

## Requests

Seafood farming in Canada is a stable foundation for economic recovery, local sustainable food production, and global leadership. To realize its full potential, Canada's seafood farmers put forward the following recommendations.

### **Specific to Seafood Farming Development:**

#### **1) Coordinated Fish Health Program**

- CAIA has identified for many years the lack of competitive access to fish health treatments.
- This has been recognized as a major impediment for our sector both by the Agri-Food Economic Strategy Table (2018) and the Treasury Board Secretariat's Regulatory streamlining initiative: *Targeted Regulatory Review: Agri-Food and Aquaculture (2018)*
- The registration process for fish health treatments involves considerable cost, multiple agencies, and oftentimes these agencies do not have the resources to effectively and efficiently assess products for approval, even when these products have been approved in leading competitor nations such as the UK and Norway
- We propose a senior "Fish Health Coordinator" position be created in order to be the point person for applications and navigation through the federal system
- CAIA is also seeking funding for DFO to lead development of a pilot Aquatic *Minor Use Minor Species* (MUMS) program, working in partnership with Health Canada, CFIA and the Pest Management Centre, to facilitate equivalent access as international competitors to fish health products in Canada. The funding would be used for data development to support applications for priority fish health products.

**Fish Health Coordinator:** \$250K per year for 3 years: **\$750K**

**MUMS Program:** **\$5M over 3 years**

#### **2) Business Risk Management (BRM)**

- Seafood farming is a farming sector, yet we do not enjoy many of the programs that benefit land farmers.
- In cases where there are major losses that are not privately insurable, land farmers have access to a suite of programs that act as a "backstop." This is particularly relevant in our sector in the current COVID situation with much product in the water and little market demand, and also related to climate changes and volatile weather and temperature patterns.
- These funds would only be accessed if necessary and industry would need to make contributions as with other insurance programs.
- The *Canadian Federation of Agriculture* also recognizes this need for our sector and have asked for support.

**BRM Program for sector:** **\$20M over 3 years**

#### **3) Renewal of Fisheries and Aquaculture Technology Advancement Program (FACTAP):**

- Innovation in our sector is strong and there is great potential for major advancements
- Marine semi-closed containment pilot facilities are being introduced and considered in British Columbia, as one example.
- The current FACTAP fund has been concluded. We would support the renewal of this program, with additional funds to \$7M/year for 5 years

**FACTAP Program Renewal:** **\$35M over 5 years**

#### **4) Modernization of Canadian Shellfish Sanitation Program**

- There is great opportunity for shellfish development, especially in northern BC, and for Indigenous leadership in this area.

- The current CSSP is dated and inefficient and needs to be modernized. Funding is necessary to advance research and to identify a new model and process to achieve health and environmental outcomes while better facilitating economic development.

**CSSP Modernization: \$5M led by DFO**

**TOTAL: \$65.75M**

**Of Interest to Multiple Sectors (e.g. Industry, Wild-Capture Fishers, ENGOs, as applicable)**

**5) Broadband access and improvements for remote, coastal and indigenous communities:**

- Broadband access is very limited in remote and coastal communities.
- With the seafood farming opportunity, developing connectivity needs to continue to be a major priority.
- We join others in remote communities in asking for a targeted connectivity program for coastal and remote communities that have seafood farming opportunities

**6) DFO Wild Salmon Health Baseline Data**

- DFO must establish its own science baseline for the health of wild salmon
- DFO's processes are dated, and new methods of establishing baseline science (e.g. environmental genomics) promises much lower costs than traditional methods
- This absence of government science leads to polarization of debate and suspicion amongst communities that should be working and collaborating together

**DFO Wild Salmon Health Baseline Data: \$30 Million over 5 years**

**7) Infrastructure – Wharves and small craft harbours upgrades**

- Marine infrastructure across Canada continues to be in dire condition. DFO and TC should perform an audit to identify those wharves with the most economic potential to support job growth and fund their renewal.
- Wharves and small craft harbours are the “highways” of coastal economic development
- A long-term commitment to prioritized wharves and small craft wharf renewal and upgrading is critical for the future health of the sector and opportunity for job creation.

**Prioritized Wharves/Small Craft Harbours Renewal: \$500 M split East/West over 5 years**

## Conclusion

Canada must move forward with a proactive strategy that will accelerate sector sustainable growth, build on success, and enable the Canadian farm-raised seafood sector to reach new heights of performance and excellence. We want to be and can be the best in the world.

The measures outlined in these recommendations ask for commitments that should result in ten times the economic benefits for Canadians. Working together we can restart the Canadian economy while realising truly sustainable local food production, jobs, community revitalization, indigenous reconciliation and global leadership.

## **Canada's Seafood Farming Industry**

Farmed seafood is today among the fastest growing and most important food sectors in the world, accounting for over fifty per cent of the world's total seafood production. Canadian seafood farmers produced \$1.43 billion of fresh, nutritious seafood in 2018. Farming and processing activities generated over \$6 billion in economic activity, \$2.45 billion in GDP, and more than 25,000 full-time jobs for Canadians in largely rural and remote coastal communities, earning an estimated \$1.14 billion in wages in 2018, with significant Indigenous participation across the nation.

Canadian Aquaculture Industry Alliance (CAIA) represents over 95% of the aquaculture industry production (volume and value) in Canada, including finfish and shellfish sectors, marine and freshwater operations, regional aquaculture associations, feed suppliers and other companies across the aquaculture value chain in Canada.