

Report On

THE FUTURE OF B.C. COMMERICAL SALMON FISHING

An Active Fishermen's Guide to a Viable, Vibrant, and Sustainable Commercial Fishery

Submitted by: Area C Harvest Committee, Area D Gillnet Association, Area E Harvest Committee, Area G Trollers Association, Commercial Fishing Caucus, Native Brotherhood of B.C., Native Fishing Association, Northern Native Fishing Corporation, Northern Trollers Association, UFAWU-Unifor and others.

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EXECUTIVE SUMMARY

This Report was the result of extensive consultation with active salmon harvesters on what needs to be done to rebuild a viable and vibrant commercial salmon fishery.

The regular commercial salmon fishery, made up of trollers, seiners and gillnetters is failing. At one time, over 6,600 licenced vessels participated in the salmon fishery. However, these days fewer than 1,000 fish. For the few active fishermen that are left, their earnings barely cover the cost of operations. There is little or no income to take home to provide for their families. In 2015 the last major salmon canning plant closed in B.C. — leaving only one small boutique salmon cannery. Any canned salmon on B.C. grocery store shelves now comes from Alaska. If the salmon fleet goes under, the only B.C. salmon found in stores will be farmed.

The problems are not easy to solve and are mired in politics — in fact, nothing seems as politically driven as fishing.

Fishermen developed recommendations on improving salmon runs, allocation, access, governance and licensing entrance and exit plans. They made these recommendations in the spirit of reconciliation and supportive co-existence with First Nations fisheries programs. Salmon harvesters have given advice on how to grow and sustain wild salmon stocks. Without healthy habitat and healthy salmon, there is no future. They proposed governance structures that would provide better ways to determine allocation and access of salmon between sectors. They also provided thoughtful recommendations on licencing and entrance and exit plans.

Salmon harvesters believe that there is a way to have a viable and vibrant commercial salmon fishery. This report provides a guide.

SUMMARY OF RECOMMENDATIONS

Improving Salmon Runs

Increasing salmon available for harvest must be the priority for all levels of government and all salmon fishermen. Improved habitat and hatcheries can build up salmon numbers while steps taken to reduce threats to juvenile and adult salmon can help maintain healthy runs. There is potential for the commercial salmon fleet to have a great future if everyone cooperates to increase salmon numbers. Recommendations fall under two broad categories:

- Produce More Salmon Wild salmon and the habitat it depends on must be properly assessed, protected, restored and enhanced. Hatcheries are key to providing production for harvest. A responsible made-in-B.C. Regional Salmon Development structure should be developed and implemented immediately.
- 2. Increase Survival/Reduce Threats Salmon survival not only depends on great habitat, it also depends on reducing known threats. Of immediate concern: Pinniped populations should be reduced with a program of ongoing control. Salmon farms need to be contained or decommissioned. Science and monitoring should be improved by focusing in the immediate term on the recommendations in this section.

Allocation of the Resource

Stable and accessible allocations are necessary for a successful future for all sectors. The fishery is fully subscribed yet every sector has a right to exist and make a fair livelihood. Fishermen note that allocations and a fair living are easier to achieve on growing harvests. Recommendations that would create equitable sharing arrangements to allow for reconciliation with First Nations and supportive co-existence between sectors fall under five themes:

- 1. Monitoring Compliance Good data is a must to ensure fair and enforceable allocations. Rules should apply equitably to all sectors; the program should be affordable and harvest rules should be such that every sector can catch its allocation.
- **2. Priority Allocations** Conservation first, then FSC fisheries have priority. Other than that, there should be no priority fisheries, just allocations or allocation agreements.
- **3.** Preferred Methods of Allocation Fishermen preferred other methods for establishing allocations: TAC allocation, percentage allocation or local allocations established by round tables or a combination of the three.

- **4. Compensation** Compensation for reallocations to other sectors must be transparent, fair and bear in mind that fishing infrastructure requires a minimum fleet size. The issue of increasing paper allocations must be resolved.
- **5. Reconciliation** Is the overarching principle and needs to be kept uppermost in mind when considering allocation, and in the end, everyone must be able to co-exist.

Access to the Resource

Once a commercial allocation is established, there must be access to that allocation by commercial fish harvesters. If the fleet is to exist, there cannot be "paper allocations" where salmon is allocated but not permitted to be caught. Policies need to be changed to permit access to harvestable surpluses. Fishermen developed four broad recommendations:

- Fisheries Planning and Access Pre-season fishing plans should be negotiated at local round tables — with the objective that all sectors get enough access to harvest their allocation. Local DFO fisheries managers should have more autonomy, flexibility, and authority to manage local area fisheries during the season.
- Opportunities to Fish Test fisheries should be developed to facilitate earlier openings and fisheries should be spread out over the whole of a run so not any one stock is impacted. Some salmon stocks can be maintained at low but stable levels in order to provide more fishing opportunities on productive stocks.
- **3.** Science, Politics and Access All science is not treated equally. We recommend that science not be used for political expediency to resolve difficult political issues. Instead, science should give advice on how to benefit salmon and other species while at the same time supporting commercial fisheries.
- 4. Other Access Issues Many times, it is not a lack of fish it is another set of policies or governmental priorities that impair commercial fisheries. We recommend that they be revisited to see if they can be altered to support commercial fisheries.

Governance

There is a governance crisis in salmon today. There is no transparency — nor any clear explanations of why decisions are made. Accountability for decision making is obscure; it is difficult to find out who made a decision. A set of priorities has been created that is not public to satisfy a set of internal rules that again are not public, that are supposed to manage a public fishery. Instead, they are collapsing our fishery. If the salmon fishery is to survive, the entire decision-making system must be restructured. Recommendations on governance at the DFO, provincial, advisory board, and round table levels and internally, among fishermen follow:

- Provincial Government The Province should play a much larger role in the commercial salmon fishery. They should actively promote fisheries policies that support B.C. coastal communities, working fishermen and local processors.
- 2. DFO's Relationship with Active Fishermen Fishermen are in absolute agreement that there is no productive relationship between active fishermen and the Department of Fisheries and Oceans. This must change.

DFO should be empowered to answer questions thoroughly and clarify the reasons for decisions. Management decisions should be based on research designed to find solutions that will protect salmon stocks and our fisheries, not based on the political climate.

- 3. DFO Advisory Bodies Advisory committees should be made up of active working fishermen and their organizations not fish buyers. This will help make decision making and governance more relevant and equitable, particularly when discussing allocation, access and licensing issues.
- 4. DFO Management Process Fisheries management processes should be reviewed to find ways to be more transparent and responsive to meaningful input. Commercial fishermen should not be excluded from input into any fishing plans that will impact them. Fishermen recommend that the management process be decentralized, made on a local level at a round table process.
- 5. Round Tables Round tables, where there is a real dialogue between DFO and the round table group, have been proven to work well. Fishermen make numerous recommendations on how well-functioning round tables can work, including an open, inclusive and transparent process, engaging stakeholders in meaningful ways, being informed by science and up-to-date stock assessment, and being consensus seeking. Fishermen recommend that political influence should not be used to change the outcome of the round table.
- **6.** Commercial fishermen governance Fishermen feel they need better organizational structures to support their common interests and speak effectively with one voice.

Licensing: Entry and Exit Plans

Fishermen made recommendations on a licensing policy that protects active fishermen, encourages new entrants, and enables those that don't want to fish anymore to transition into a comfortable and secure retirement. A buyback linked to licence retirement (not access transfer) was recommended as part of a total exit strategy. 1. Made in B.C. Owner-Operator and Fleet Separation Policies — Fishermen are adamant that quota investors, foreign corporations, processors, or fish buyers should not own licences, and that harvesters should own and operate their own fishing licences. They recommend a process to design how to move from a corporate model licensing system to an owner-operated licensing system that reflects the needs of B.C. harvesters.

Suggestions on how to move towards owner-operator licences included using the 5-5-5 rule (similar to dairy quota), provisions on writing the cost of licences down on taxes, supports for young entrants, and the creation of a new owner-operator (OO) licence category.

2. Exit Plans — Fishermen strongly support a voluntary licence retirement buyback at fair prices as long as the allocation remains with the fleet. Fishermen recommend against a "reverse-bid" buyback and support tax deferment on the sale price for retirees and a program to incentivize sales of unused vessels to new entrants

Fishermen also strongly recommend that, concurrent with the buyback, other initiatives take place: Estate/succession planning initiatives to keep the licence in the community or fishing family, community-fishermen licence banks, a severance package for non-licence holders leaving the industry. A pension plan should be investigated so future fisherman would not have to rely on their boat and licence as a "retirement package."

- 3. Community-Fishermen Owned Licence Bank Fishermen recommend the creation of a licence bank that protects active fishermen, enables retirement and encourages new entrants. Salmon licences would be held by the licence bank until stocks rebuild when they are then released. Fishermen and communities would determine the details.
- 4. Entry Plans New Entrants-Young Fishermen Fishermen recommend encouraging and incentivizing new entrants with an owner-operator designation. For young fishermen to be successful, low-interest loans and funding for vessel modifications are important as are training and other support from the government. A provincial or federal loan board or grant program could assist new entrants.
- 5. Licence Issues: Married, Stacked and Length Restrictions These licence issues can become very costly and fishermen generally agree that they should be loosened. Many fishermen wanted a reconsideration of area licensing.

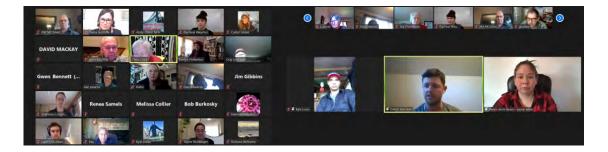
INTRODUCTION

Conference Background

In November 2020, 30 leaders from various organizations in the commercial fishing industry came together to discuss the distressed state of the B.C. commercial fishery. Brought together over a shared concern for the future of the industry, these leaders explored the initial steps needed to be taken in order to revive the struggling fishery.

It was decided to concentrate on the commercial salmon fishery as many were doubtful it could even survive. Over the month of December, ten salmon fishermen's organizations united to develop a conference to discuss the future of the commercial salmon fishery.

The conference was held virtually over Zoom on January 21 and 22, 2021.



Left: Screenshot of conference attendees at The Future of B.C. Commercial Salmon Fishing Conference. Right: Screenshot of the Young Fisherman's Panel at The Future of B.C. Commercial Salmon Fishing Conference.

One hundred and fifty harvesters attended. Workshop moderators took extensive notes which were brought together in conference proceedings. A report was compiled out of the proceedings and was sent out to the conference participants, and subsequently, to as many active salmon fishermen as could be reached, for comment. The comments and corrections collected during this review period were then added to the report. The amended draft report was sent out to fishermen a second time for comment.

As this report is purely collaborative in nature, the organizations that sponsored the conference may not agree with every recommendation included in the final document, and neither may some individual harvesters. However, there is solid support for the report as a whole. Although the recommendations may require further detail, we feel that, if followed, this report will create a viable and vibrant commercial salmon fishery.

Attention salmon harvesters:

The commercial salmon fleet can no longer make a decent living.

The purpose of this Conference is to put together a series of recommendations for the government regarding what needs to be done in order to rebuild a viable and vibrant commercial salmon fishery.

To accomplish this, we must figure out how to best coexist with other sectors while keeping reconciliation in mind as we draft recommendations.

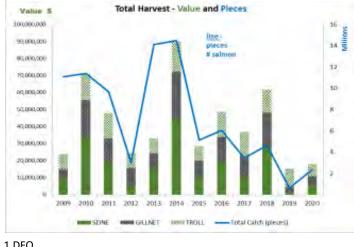
As there are so few commercial fishermen, it is essential that we keep and develop allies in all coastal communities to support commercial fishing.

However, most of all, active commercial fishermen and our organizations need to put differences aside and unite around a program that rebuilds a vibrant and sustainable salmon fishery.

Special thanks to Chief Bob Chamberlin for your wise words on working together, Ecotrust Canada, UFAWU-Unifor, T Buck Suzuki and many others for helping to facilitate the The Future of B.C. Commercial Salmon Fishing Conference.

Is There A Crisis In The Commercial Salmon Fishery?

In 2019, the commercial salmon fishery collapsed. There was hope that this collapse was an aberration, but 2020 proved to be as bad or worse, depending on gear type. DFO outlook for 2021 is equally as poor.



Value of all catch in current \$\$				
	2020	2019	Ave 2009-2018	
A seine	4,234,921	851,208		
B seine	1,516,268	319,983		
Total seine	5,751,189	1,171,191	19,585,200	
Cgillnet	1,009,548	2,485,051		
Dgillnet	3,712,162	2,022,484		
Egillnet	553,148	0		
Total gillnet	5,274,857	4,507,535	14,516,000	
F troll	5,385,806	8,608,528	in the second second	
G troll	1,637,217	2,312,730		
H troll	162,152	0	•	
Total troll	7,185,175	10,921,257	12,488,500	
Total	18,211,221	16,599,983	46,589,700	
1 DFO				

1 DFO

Both the number and value of the salmon caught in 2019 and 2020 was well below the past ten year average. Licence fees paid to DFO account for 1.8 million or 11.5 per cent of 2019 gross value and ten per cent of 2020 gross value. Fishermen's take home earnings are such that many did not earn the qualifying \$2,500 for minimum EI or \$5,000 for CERB.

Salmon fishermen are, for the most part, at or well above retirement age. Large numbers of licences are not being fished with DFO reporting that in 2020, only 53 per cent of the licenced salmon vessels had landings.

Most fish harvesters have spent a lifetime in the salmon fishery and have invested heavily in boats, gear and licences. However, without a viable commercial salmon fishery, their boats and licences are worthless.

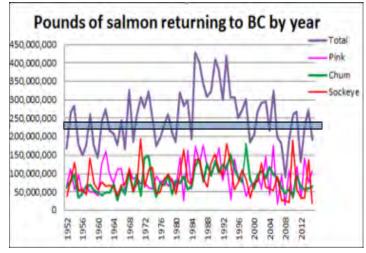
Yes, there is a crisis.

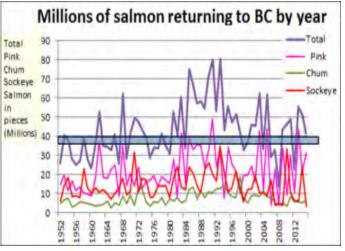
What Are The Challenges Facing Commercial Salmon Fishermen?

The challenges identified by active fishermen can be broken into five main topics: Lack of salmon to harvest; insufficiency and uncertainty of salmon allocation to the regular commercial fleet; management policies that prevent fish harvesters from accessing their allotted allocation; limited participation in governance; and unworkable licensing entry and exit policies.

The lack of salmon to harvest in regular commercial fisheries is connected with salmon production and commercial allocation and access. Licensing issues are also related to harvests. Governance, Federal, Provincial, and First Nations, impacts salmon production, allocation, access and licencing. These issues are all interconnected.

Gregory T. Ruggerone and James R. Irvine (DFO Nanaimo Biological Station) published a paper in *Marine and Coastal Fisheries* in April 2018. The paper, "<u>Numbers and Biomass of Natural- and</u> <u>Hatchery-Origin Pink Salmon, Chum Salmon, and Sockeye Salmon in the North Pacific Ocean,</u> <u>1925–2015</u>," ⁱ provided tables on Pink, Chum and Sockeye salmon returns to British Columbia. These tables show, whether plotted in pounds or pieces, that between 1952 and 2015, returning Pink, Chum and Sockeye salmon all remained at relatively stable levels.





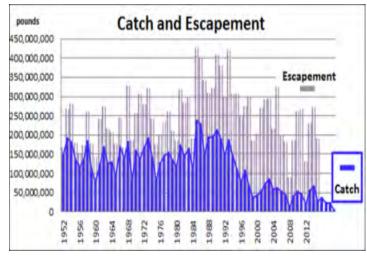
2 Ruggerone/Irvine

This is noteworthy as it does not seem to coincide with the present public view that salmon stocks have been significantly decreasing over the last few decades. Certainly harvests in the regular commercial fishery have greatly decreased, while the Ruggerone and Irvine data show total salmon returns remaining constant over time.

Unfortunately, this data set does not include Chinook and Coho and ends at 2015.

However, we do know that Chum returns in 2016 and Sockeye returns in 2018 would have kept the total salmon returns to B.C. relatively high, while poor Sockeye returns to the Fraser in 2019 and 2020 would have depressed the total B.C. salmon run size.

² Ruggerone/Irvine

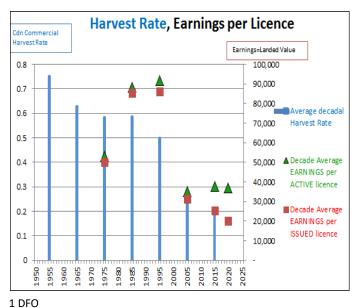


1 DFO 2 Ruggerone/Irvine

The Catch and Escapement graph (left) shows a steep increase in escapement that begins in the 1980s as compared to the previous three decades. In the 1980s, catches grew slightly, while escapements almost doubled. In the 1990s, commercial harvests in the regular fishery plunged, while escapements grew beyond the levels seen in the 1980s.

When the salmon runs returned from the high productivity levels of the 1980s and 1990s to the same levels seen in the 1950 to 1980 period, instead of returning to the same commercial harvest rates as before, regular commercial harvests were further reduced.

In other words, commercial catches were depressed while total returns remained steady. In the Catch and Escapement graph (above), the fish uncaught in the regular commercial fishery is all accounted for as escapement. However, some could have been reallocated to other users. It seems doubtful that decreasing harvests in the regular commercial fishery from the 1980s to 2018 were solely, or even mostly, due to a lack of returning salmon.



The Canadian Commercial Harvest Rate (HR), in the Harvest Rate graph (left), was calculated using the catch provided by DFO divided by the Ruggerone and Irvine total return data.

This graph shows the harvest rates (blue bars) from 1955 to 2015 in ten year averaged increments.

DFO has managed the regular commercial fishery to reduce its HR from over 70 per cent prior to 1955 to a 20 per cent average HR in the decade from 2005 to 2015.

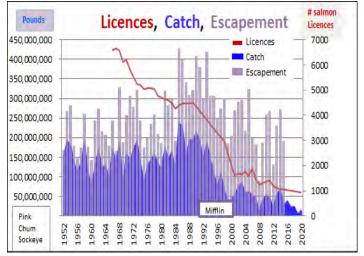
Earnings (landed value) per licence were also plotted on this graph. Earnings per issued

licence (square marker) were compared to earnings per active licence (triangle marker) based on ten year averaged increments.

As average earnings (landed value) per issued licence declined, more harvesters stopped fishing salmon. With fewer vessels engaged in fishing, the still active fisherman's average earnings

\$600,000,000

increased. The result of the ongoing reduction in harvest rates and catches is that the fleet has been forced to "self-adjust" — by lowering participation levels and negatively impacting employment and the well-being of coastal communities.



¹ DFO 2 Ruggerone/Irvine

Salmon vessel licences (graph to left) with recorded landings (active licences) from 1966 to 2020 have been added to the Catch and Escapement graph.

From a high of 6,603 active licences in 1968 to less than 1,000 today the decline in active fishermen (and salmon licences) has been steady.

With stable salmon returns, and increasing escapement, the reduction in salmon licences was driven by policy decisions — not by a lack of fish. In the 1990s a fleet reduction plan (the "Mifflin Plan") that included a buyback,

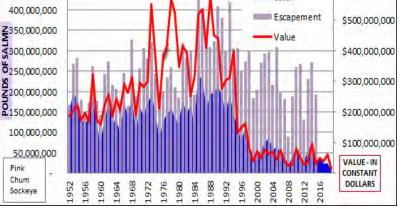
single gear licensing, area licencing and stacking, reduced the active salmon fleet by more than one half. The promised gains in income did not occur, in spite of the large "escapements" and the assurances from Department of Fisheries officials and economists. Fishermen bought the idea that with half the fleet, and stable runs, their income would double. Unfortunately, this was not the case.

450,000,000

The Value, Catch, Escapement chart (right) shows that from 1994 to 2000, as harvests declined and the value paid to fishermen (landed value) also declined.

There was a 72 per cent drop in harvests from the 20 years pre-1995 to the 20 years post-1999.

There was an 87 per cent drop in landed value from the 20 years pre-1995 to the 20 years post 1999.



Value, Catch, Escapement

From 1975-1994, the average annual value of the salmon harvest was \$404 million. From 1999-2018, the average annual value dropped to \$52 million.

¹ DFO 2 Ruggerone/Irvine

After 20 years of low harvests and income, by early 2019 the fleet was in a poor financial position, fragile, and unable to withstand the impacts of the significant drop in 2019 and 2020 B.C. coast-wide salmon returns.

It is clear that commercial salmon harvesters will not be able to survive unless immediate and deep changes are made to salmon production, allocation, access, licensing and governance.

What Do Active Salmon Commercial Fish Harvesters Recommend?

In spite of this economic devastation, active commercial salmon fishermen have developed a program that they believe, if followed, will create a way forward for an economically viable and vibrant salmon commercial fishery.

Commercial fish harvesters accept that the fishery of the future will be different. In fact, their recommendations would create a very different fishery — from its relationship with DFO, the Province and First Nations though to fishery management and licensing. Recommendations are made on how to increase salmon numbers, better approach reconciliation through allocation, improve fisheries planning, management and opportunities to fish, improve governance, and propose entry and exit plans.

The present Gordian Knot will be difficult to untie. However, saving the commercial salmon fishery is not just about producing more salmon. It is about solving access and allocation issues, it is about transparency and involvement in governance, it is about licensing. It is about reconciliation and relationships with First Nations' governments. It is about improving the economic and social life of coastal communities and about re-creating connections that are being severed between communities and salmon, because fishermen, tendermen and shoreworkers have always been the link between the two.

This report is not conclusive; it provides a chart with navigational aids and sets a general course but fishermen expect to be further consulted on more detailed directions. Each section of this report should be fleshed out through discussions with active fishermen, their organizations, First Nations' commercial fishery organizations, and with governments, Federal, Provincial and First Nation.

There is hope for a regular commercial salmon fishery as long as changes are comprehensive and the benefits of fishing flow to active fishermen and their communities.

What needs to be done to rebuild a viable and vibrant commercial salmon fishery?

THE FUTURE OF B.C. COMMERCIAL SALMON FISHING

An Active Fishermen's Guide to a Viable, Vibrant and Sustainable Commercial Fishery

I. IMPROVING SALMON RUNS

Increasing salmon available for harvest must be the priority for all levels of government and all salmon fishermen. Improved habitat and hatcheries can build up salmon numbers while steps taken to reduce threats to juvenile and adult salmon can help maintain healthy runs. There is potential for the commercial salmon fleet to have a great future if everyone cooperates to increase salmon numbers.

Recommendations fall under two broad categories: Produce more salmon and increase salmon survival by reducing threats.

Produce More Salmon

- a) Salmon Habitat Funding for protection, identification, restoration and data collection needs to be adequate and sustained over the long term and should come from multiple sources, not just the government.
 - i. Protection: There is a big need to protect the quantity and quality of salmon habitat and water resources. This must apply to small streams and large rivers, wetlands, lakes and estuaries. Salmon habitat should be checked on a regular basis, a log kept and should involve First Nations and local residents as they can best monitor and observe impacts. Protection includes industrial pollution (including agriculture, forestry, mining, pipelines and shipping), urban impacts, increased water temperature due to dams, road runoff and deforestation. Habitat that supports or could support salmon needs protection and should be first in competing uses.
 - ii. Identification: In order to increase wild salmon populations, there was a general agreement that increased funds should be made available to study B.C. watersheds for an evaluation of restoration potential and the potential of increased contribution to commercial salmon fisheries. Impacts from climate change such as altered hydrology and water quality from forest fires and drought and past impacts especially from forestry, other industries, urban development, need to be identified.
 - iii. **Restoration:** After evaluation, increased and sustained funding needs to be available to restore habitat. First Nations, communities, local residents and other industry workers should be involved in restoration. However, there

If the government makes a decision to permit habitat destruction by competing uses, it must be a deliberate decision that is documented and the

must be accountability and transparency by the responsible decision makers

on priority, project funding, and outcomes.

negative salmon impacts researched and either replaced through habitat development on the system or hatcheries and the spawning requirements adjusted accordingly.

- iv. Enhancement: Barriers to increased egg deposition and juvenile rearing areas need to be removed where possible to enhance spawner success and the number and health of juveniles. Habitats should be enhanced by such methods as increasing back channels, wetland areas, spawning channels, fish ladders and lake fertilization. The resulting increase in wild salmon from the enhanced habitat should be used to improve salmon fisheries. It was suggested that increases could be split between spawners and harvest, with half of the increase going to extra spawners (to see if we are yet at our optimum spawning escapement) and half to harvest.
- b) **Hatchery Production** policies to increase salmon hatchery production for harvest by the commercial fishery are essential if the commercial fleet is to survive.
 - i. Hatcheries: Commercial fishermen support DFO's Salmon Enhancement Program, including Community Economic Development Projects and First Nations managed hatcheries, whether rebuilding stocks with conservation concerns or producing salmon for harvest. The last hatcheries were brought on line in the 1980s and hatchery production has since decreased substantially. Commercial fishermen would like to see that trend reversed. In recent years, salmon from Kitimat, Snootli, McLaughlin Bay, Conuma, Nitinat and Barkley Sound hatcheries have provided much of the commercial salmon harvest.

Hatcheries were initially brought in to replace lost habitat and increase fishing opportunities.

- ii. **Ocean Feed Studies:** Hatcheries in Alaska, Russia and Japan have been so successful that some scientists believe that there are too many salmon in the ocean. Other scientists do not believe that to be true. DFO should work with international fisheries agencies to reach a common opinion.
- Alaska-Style Community-Fishermen Regional Salmon Development (RSD): RSD Increases salmon production though fishermen-community hatcheries, which produce salmon for all fisheries (FN, commercial, recreational), reduce

pressure on wild stocks, contribute financially to the hatchery program and is done in a sustainable and responsible manner.

B.C. Community-Fishermen RSD is supported by most salmon fishermen as long as it acts responsibly. Fishermen recommended that our governments follow Alaska's lead. We do not need to reinvent the wheel, Alaska has had many years to create a very successful program. Alaskan hatchery releases are located in similar places to many of our coastal hatcheries — on short streams in areas where the hatchery surpluses can be most fully harvested in commercial fisheries.

Fishermen were willing to help fund the hatcheries by supporting a policy of cost recovery fisheries (using some hatchery production to cover hatchery costs) or by direct "royalty-style" payments. Fishermen supported an approach using smaller hatcheries releasing a variety of species, spread out coast-wide in areas where mixed stock problems would not occur. Where hatchery infrastructure is not being fully used, fishermen would encourage increased hatchery production that could be released in carefully located remote release sites. Increased hatchery production and remote releases could increase employment in remote communities by contracting nearby First Nations to look after the facilities and juvenile salmon in their area. Unused salmon farm facilities could be used to increase hatchery production.

Community-based regional organizations of all user groups were preferred so that there is broad-based support and salmon are produced for all users (First Nations, sports, commercial). The fish produced would be a common-property fish — in that no one would own the fish privately. Once wild stocks increase in numbers the hatchery releases can be dialled back, if necessary, for biological reasons.

Discussions should take place with First Nations, and commercial communities and recreational fishermen to gather support and to institute a pilot project based on the Alaskan program.

Alaska Private Non-Profit Regional Aquaculture Associations — Alaska Department of Fish and Game

Alaska Private-Non-Profit Regional Aquaculture Associations (such as NSSRAA, SSRAA and PWSAC) are regional non-profit fishermencommunity groups (funded by a self-imposed tax and by a costrecovery fishery) who release salmon to sea from an area where fishing can happen on returning adults with minimal impacts on wild stocks. The Alaskan government passed special legislation in the 1970s to allow the associations to operate salmon hatcheries to rehabilitate the state's depressed salmon fisheries. Around one-third of Alaska commercial salmon catch at a value of over \$120,000,000 comes from these operations. Hatchery production in Alaska is designed to supplement — not replace — wild stock production. With the introduction of the hatchery program, both wild stocks and commercial salmon harvests have increased in size.

Increase Survival/Reduce Threats

- a) **Pinniped Populations** Science and fishermen's observations agree that pinniped populations have exploded and seal and sea lion populations coast-wide need to be reduced if salmon, Steelhead and fishermen are going to prosper.
 - i. First Nations Harvests/Pinniped IFMP: First Nations harvests for FSC or commercial purposes and a Pinniped IFMP are supported to bring pinnipeds into historical balance. A pinniped harvest should be substantial and a 50 per cent reduction in their population would not be out of order, particularly in estuaries. Pinniped growth is a coast-wide issue, and the reduction should be done in all areas of the coast where they are identified eating juvenile salmon (especially the larger Spring, Coho, Sockeye Smolts and Steelhead Parr) and returning adults. This is not just a salmon predation issue; predation on herring is also an issue as herring are a salmon food source and an important fishery for many salmon fishermen. DFO needs to support both Pacific Balance Marine Management Inc.'s submission of its Marine Management Plan and the Pacific Balance Pinniped Society.

There is an increasing body of scientific evidence that shows that without pinniped control, salmon and Steelhead will be driven down to such small numbers that they will not support any fisheries. The joint DFO/Provincial

Thompson and Chilcotin Recovery Potential Report conclude that a reduction in seal population by 50 per cent is necessary for Steelhead recovery.

Although politically unpopular, pinniped control is of immediate importance.

b) Salmon Farms — The Future of B.C. Commercial Fishing Conference opened with a presentation from Bob Chamberlin about how a coalition of First Nations, commercial fishermen, communities and conservation groups were able to push to change something that almost no-one thought possible.

Fishermen at the event applauded both the Province and the Federal governments who have now adopted policies decommissioning some marine-based salmon farms — because coalitions backed by good science demanded change. Fishermen agreed that all salmon farms need to be removed from juvenile or adult migration routes and be shore-based or closed containment, well away from any salmon migrating, feeding or rearing areas.

As the commercial salmon and other fisheries improve, processing capacity utilized for farmed fish can be shifted to processing commercially caught fish. Communities can move from relying on farmed salmon as an economic driver to commercial fisheries and hatcheries producing salmon for commercial, First Nations, and recreational fisheries.

More studies are needed to identify threats and ways to increase the salmon survival rates and returns, including ocean feed issues.

c) International Interceptions — U.S. salmon interception fisheries are increasing as a proportion of the catch as compared to Canadian harvests. High seas fisheries are increasing their harvests of Canadian salmon.

The U.S. harvests Canadian salmon while Canadian fisheries are closed down on the same runs and, at the same time, Canadian harvests of U.S.-bound salmon are decreasing. A disproportion of aggregate Canadian stocks is harvested in Washington and Alaska. The Pacific Salmon Treaty should be renegotiated to reduce American fisheries on Canadian salmon and to increase Canadian catches of American salmon so that interception equity is established. DFO needs to allow fishing in areas where Canadian fleets can intercept U.S.-bound salmon.

High seas harvests of salmon are increasing. Canada needs to work with other nations to eliminate high seas fisheries that catch salmon and to enforce any existing treaties.

d) Increased Science — All areas need increased science; it is the overarching theme in how to improve salmon runs.

There needs to be more money invested in water protection, hydrology and habitat restoration priorities and solutions. Increased and sustained funding to hire more charter patrolmen and fisheries guardians for stream walking to do habitat documentation and stock assessment — juvenile and spawner enumerations. Science needs to determine what factors produce great runs on similar water systems and the optimal spawning levels for maximum sustained harvests (maximum sustained value).

A robust system should be set up for each fishery, FSC, commercial, recreational, inland and marine to collect accurate catch data. Data on juvenile success from freshwater to estuary and inshore marine survivals needs to be increased.

II. ALLOCATION OF THE RESOURCE

Stable and accessible allocations are necessary for a successful future for all sectors. The fishery is fully subscribed yet every sector has a right to exist and make a fair livelihood. Part of this is to protect what salmon we have, improve habitat to create more salmon and to increase hatchery production — as allocations and a fair living are easier to achieve on growing harvests.

In discussion, fishermen developed four themes that would create equitable sharing arrangements to allow for reconciliation with First Nations and supportive co-existence between sectors.

Salmon Allocation Policy (SAP) Review — Revisiting the Allocation Policy of 1999

The Allocation Policy of 1999 which gave sports fishermen priority access to Coho and Chinook and 95 per cent of Pinks, Chum and Sockeye to commercial fishermen is now up for review. It is called the Salmon Allocation Policy (SAP) Review and DFO says it will set out fishing priorities between First Nations, commercial and recreational sectors. SAP will not deal with allocation between gillnet, seine and troll.

Monitoring and Compliance

a) Accurate Numbers — Accurate catch and escapement numbers from all fisheries are necessary.

Accurate catch accounting is vital to fisheries management. If stock assessment is calculating run sizes post season using catch mortality and escapement, both must accurate. In season, some allocations (such as First Nation's Economic Opportunities fisheries) are based on catches of the commercial fleet. In-season CPUE (catch per unit effort) in many fisheries can be used to determine further openings.

Right now, the commercial fleet has the most stringent monitoring and catch reporting system of all B.C. salmon fisheries. In many cases, the costs are insupportable especially with small harvests. Catch monitoring rules must make sense for each commercial fishery and catch monitoring costs cannot drive fisheries from the water. Data collected must be equally robust for all fisheries sectors; all sectors must be accountable for their catch.

- b) Third-Party Monitoring If third-party monitoring is required for one sector it should be required for all fisheries, including all marine and fresh commercial and recreational fisheries. Catches must be reported and verified in a timely manner to aid management decisions.
- c) **Catch Reporting** The logbook system that DFO has set up is costly and time consuming. DFO should demonstrate that "timely" catch reporting is being used inseason for better management. Catch reporting and monitoring programs need to be revisited/revised if they are not delivering the information required to assist in the management of the fishery. The goals for the catch monitoring programs should be clear to the fleet; if they are not delivering the required outcomes they should be restructured or removed.
- d) Harvest Rules Harvest rules must be part of the allocation agreement so that each group can access its allocation; allocations must be harvestable, not paper allocations.
 Bycatch needs to be shared fairly so every sector can catch its allocation.

Priority Allocations

- a) **Conservation** The first priority. Conservation levels need to be mutually agreed to, cannot be used as a weapon to reallocate fish, and any closures for conservation purposes should apply equally to all fisheries.
- b) Food, Social, Ceremonial Fisheries Commercial fishermen agree that after Conservation is met, that FSC fisheries are the next priority. However, they should have good data collection and monitoring. FSC salmon should not be sold or it changes that fish, in allocation and priority, to commercial salmon, however it does not seem practical to make allocation adjustments due to a small amount of illegal sales.
- c) All Other Fisheries At the conference, most fishermen were in agreement that priority was not a good way to allocate salmon between any other fisheries. Priority allocation left an open-ended amount of fish to be caught; the allocation was dependent on effort and catchability, which left the sectors with a lower priority no certainty of access.
 - i. **First Nations Economic Opportunities:** EO fisheries should have the same priority as all other commercial fisheries. It was generally supported that, if possible, marine EO fisheries should take place in conjunction with commercial fisheries in the same areas and at the same time in order to eliminate "us and them" thinking. Fishing at the same time is especially important when time and area limit access due to run timing or conservation issues.

 Recreational Fisheries: Fishermen differentiated between "mom and pop" recreational fisheries, non-resident access, and commercial guided ventures. Guided ventures are recreational-commercial operations. Non-residents should be guided and their allocation should be limited as compared to access by British Columbians.

Recreational fisheries cannot have priority over commercial fisheries. If there is any priority, "mom and pop" fisheries should have priority over recreationalcommercial fisheries. Some fishermen proposed that counting stations should be established to ensure accurate catch data from the recreational sector.

Preferred Methods of Allocation

Fishermen preferred three other methods of allocation either separately or in a combination

a) **TAC Allocations** — this is based on a pre-season allocation but requires a good preseason run size estimate, which fishermen believe is difficult to get.

Area F and G troll fisheries are examples of a TAC based fishery but it would be difficult to see many other fisheries that could be as accurately estimated pre-season.

b) Percentage Allocations — This is similar to the US Boldt-style allocation — a fixed percentage for First Nations, to be shared between First Nations, a fixed allocation for regular commercial fisheries (excluding OE) and a fixed allocation for all recreation fisheries.

A coast-wide percentage-based allocation would ensure certainty for each sector. Fishermen would like to more thoroughly look at the Boldt Decision to see the intricacies and if and how it could be adapted to B.C.

The percentage allocation also encourages all users to work together to conserve and grow the stocks as that increases the pool for everyone.

c) Round Tables — These are committees that have representation from all commercial gear and all other fishing sectors (First Nations and recreational) that work together to arrive at cross-sector plans.

This was by far the preferred option to develop allocations between sectors. Fishermen recommended that DFO work with fishermen and other sectors to develop local and regional processes to deal with salmon allocation. These tables should include a broad-based advisory structure supported by science. All fish harvesters need a voice at the table. Fishermen demonstrated support for localized enforcement and accountability between user groups

Fishermen agreed that we need to reconcile everybody's needs and a good principle to respect is that everyone has a right to a fair livelihood. Sectors have to have transparency and inform others of the priorities of their fisheries. We need to bring those as close together as we possibly can in timeframes and numbers and manage in a way that gives access to fair fisheries for each fleet.

It was acknowledged that it might be difficult to create large regional (e.g. northsouth) or coast-wide round tables — round tables were seen to be most effective at a local level.

Major river systems/Upriver fisheries: It was acknowledged that determining round table allocations plans with up-river fisheries and ESSR (Excess to Salmon Spawning Requirements) fisheries was more difficult than marine.

d) Combinations — The percentage allocation between sectors had the largest support for a coast-wide allocation process but the local processes were considered better from many points of view — transparency, accountability, monitoring/data collection, conservation and enhancement opportunities. It was difficult to envision a process that would have coast-wide percentage allocations and local allocations but it was also acknowledged that there had to be some kind of division everyone thought was fair both coast-wide and locally.

Compensation

Fishermen strongly felt that there had to be fair compensation for re-allocations to other sectors from the commercial sector.

The present lowest bid policy is very unfair and not supported. If there is increased allocation to First Nations for reconciliation, individual fishermen should not be footing the bill by being forced to sell at a desperate number.

The buying of capacity (licences) that have not been actively fishing is not compensating active fishermen; allocation is taken from active fishermen while non-active fishermen are compensated.

DFO must be more transparent about re-allocations. A percentage or TAC is easier to follow but it is impossible to determine compensation for re-allocation based on priority. Fishermen think it is only fair to be compensated for lost opportunities due to reallocations. To be viable, the commercial fleet cannot be reduced to numbers that are so small that the required infrastructure to support commercial fishermen disappears (e.g. gear stores, net floats, lockers, boat shops). Food production and food security are important to all Canadians.

a) **Compensation for Uncaught Allocated Salmon** — In some fisheries, particularly Fraser River fisheries, pre-season allocations to a gear group are not able to be caught because of DFO restrictions on their fisheries. Examples are the Area E Chum fishery where DFO closures to protect Steelhead are such that Area E fishermen cannot catch their allocation of Chum or when Sockeye fisheries are closed to protect Coho.

DFO has made it abundantly clear that it will not allow group or fleet transfers of uncaught allocation and will only allow Individual Share transfers, forcing these fisheries to adopt ITQs. The result is that for those fleets that have not opted for ITQ fisheries, the DFO just reallocates their uncaught allocation away by default and they get nothing. This leaves the conclusion that the only way to be compensated for the loss of their allocations is by changing to ITQ fisheries.

This kind of compensation is a last resort for fishermen who get an allocation and are prevented from fishing it.

Reconciliation

Reconciliation is an overarching principle and needs to be kept uppermost in mind when tackling the issue of allocation.

Reconciliation is a delicate process. Non-Indigenous commercial fishermen and Indigenous (whether in EO, communal, PICFI or the regular commercial fishery) are working in the same industry with the same goals, we need to make a functional thing out of the fishing industry.

First Nations governments and commercial fish harvesters have more in common than not. We should all be able to fish. We need to find a forum where we can all work together. Reconciliation is a complex pathway and at the end, everyone must be able to co-exist.

III. ACCESS TO THE RESOURCE

Once a commercial allocation is established there must be access to that allocation by commercial fish harvesters; if the fleet is to exist, there cannot be "paper allocations" where salmon is allocated but not permitted to be caught. Policies need to be changed to permit access to harvestable surpluses.

Fishermen developed three broad recommendations regarding access:

Fisheries Planning and Access

a) Round Tables — Many fishermen thought round tables should make the pre-season fishing plans and that the fishing plans should be premised on each group being able to access (harvest) their entire allocation.

In-season round table committees should work with each other and DFO managers to make sure the fishery is managed to ensure that run sizes, timing, catchability and other in-season factors are being taken into consideration when opportunities are being made for each group.

There is a difference between DFO consulting groups then coming up with a fishing plan and local committees (round tables) creating fishing plans. DFO is influenced by political objectives that may not be present in the local area. Local round tables are tasked with "negotiating" fishing plans — and their objective is that all get enough access to harvest their allocation. The Integrated Harvest Planning Committee process does not work because people just pick apart the other sectors instead of jointly planning a fishery.

b) Decision Making by Local Fisheries Managers — Decisions made in Ottawa or at B.C. Region to open or close a commercial fishery are usually made without intimate knowledge of the area.

Fishermen agreed that local DFO fisheries managers should have more autonomy; that local managers usually understand the salmon return patterns, tides, rainfall and other local things affecting a fishery. Local DFO fisheries managers should be given the flexibility and authority to immediately respond to changes in return sizes; presently they close fishing on short notice but to open or extend requires the approval of B.C. Region or Ottawa. Managers need to respect how time-sensitive the salmon fishery is.

Salmon Policy (WSP) Consultations

The Wild Salmon Policy governs the escapement goals and harvest rates. Presently, this policy requires DFO to consult with commercial fishermen and thers before setting management targets for stocks or groups of stocks.

For 67 years, from 1951-2018, the coast-wide combined Pink, Chum and Sockeye returns, measured in pounds, remained virtually the same. Even though the total returns stayed the same by weight, in the 1990s DFO deliberately reduced the commercial salmon catch by 72 per cent. As a direct result, the value of the commercial salmon harvest dropped from \$404 million to \$52 million. In the last two years, the value of the total B.C. salmon catch was less than \$15 million.

Opportunities to Fish

It was universally acknowledged that opportunities to fish have declined and many times it was not a lack of fish it was another set of policies or governmental priorities that were stopping fisheries. Some examples: Marine mammal policies impact smolt survivals and adult returns, salmon farming policies negatively impact juvenile salmon, the present hatchery policy to limit production hatcheries curtails harvestable salmon.

Overall examination of all policies, wherever access is hampered by policy, is strongly recommended.

a) Test Fishery Policies and Access — In many areas, fishermen are unable to access the full length of the run and so are fishing not on all stocks on an aggregate basis but only on the stocks at the end of the run. In many cases the fisheries begin after escapement is nearly achieved; designed ESSR fisheries now occur on a regular basis.

Fishermen recommend a test fishery program that is designed to spread the commercial harvest over the whole of the run. It should be designed with local knowledge, using "outside" test fisheries where possible; a one-day full fleet assessment fishery can provide a good look at what is returning — with a low harvest rate. FSC openings can also give good and reliable data. As a general rule, salmon should be fished across the whole time period of the return as a part of an aggregate; not always on the last part of the run after the escapement has been reached or nearly reached.

Fishermen also think that a general policy of opening as many areas as possible at the same time and allowing fishermen to make a choice where to fish will divide the fleet up and reduce impacts on any one system. If run sizes are too small, fishermen can devise other tactics such as pool fisheries or trading with other sectors as long as the options are discussed with the fleets ahead of time and supported by active fishermen.

b) Weak Stock Management — Although DFO avoids the term "weak stock management," fishermen agree that that is how most fisheries are being managed. DFO is holding the marine fleet to a harvest rate that will keep the most unproductive (weak) stocks at MSY levels which means that the stronger stocks are underfished. It is evident in many areas, DFO has created fishing plans that are intended to reallocate salmon from marine fisheries to inland fisheries. Allocations should not be created in that manner. They need to be done transparently and as part of a deliberate and open allocation agreement. There is nothing wrong, from a stock conservation point of view, to have some stocks maintained at low returns.

Unproductive stocks can be maintained at low but stable levels in order to provide more fishing opportunities on productive stocks. "Sustainability directives" should replace conservation policies designed to maximize the growth of non-productive stocks. Habitat rehabilitation and salmon enhancement should be the primary measures used to increase individual salmon stocks, not fishery curtailment.

Science, Politics and Access

a) Science — All science is not treated equally. Many times, fishermen see partial sections of science reports used as a weapon against the commercial fishery. Other sections are ignored. Below we offer a few examples to back up this statement:

DFO ignores the science which says that Chinook are being driven down by the stillincreasing pinniped population (<u>Nelson, Waters, Trites and McAllister</u>)ⁱⁱ. Policies do not acknowledge the science that says that salmon consumption by marine mammals has more than compensated for reductions in fisheries harvest from 1975 to 2015 (<u>Chasco, Kaplan Thomas et al</u>)ⁱⁱⁱ. In spite of these studies, and instead of supporting the commercial fishery and reducing pinniped numbers, commercial fishermen face increasing closures on Chinook salmon.

The same situation occurred with the joint Provincial and Federal CSAS Research Document 2019 on Thompson and Chilcotin Steelhead (J. Korman, R. Bison, A.S. Decker)^{iv}, which said that a fifty per cent reduction in seals would allow the Steelhead populations to increase, while a reduction in the commercial impacts to zero would maintain the Steelhead at the low and concerning present stock size. The commercial fishery was closed.

Report of the Skeena Independent Science Review Panel (<u>Walters, Lichatowich,</u> <u>Peterman, Reynolds</u>)^V which said that if the present harvest policies were continued no stock would be extirpated but many would remain at low but stable levels. It said that if all stocks were to be rebuilt to MSY, the commercial harvests would have to be cut in half. It recommended a round table of harvest sectors to meet and determine a socially acceptable level. Instead, DFO unilaterally decided to cut commercial marine harvests on the Skeena River by 50 per cent.

Little work has been done to see if the decision to reduce commercial marine harvests on Sockeye in Rivers, Smiths, Skeena or Fraser has been beneficial or if that policy has created problems.

Rockfish Conservation Area and Marine Parks are two more concerns. There are reports that show little impact on rebuilding stocks but large impacts on commercial fisheries.

Fishermen recommend that science not be used for political expediency to solve difficult political issues. Instead, science should give advice on how to benefit salmon and other species while at the same time supporting commercial fisheries. The above issues should be reassessed on that basis.

- b) Other Access Issues There are also a number of indirect policies that impact fishery access:
 - i. Cost of salmon Fishing Licences: According to national policy, the cost of licences is supposed to be connected to value of the fishery and the salmon fishery has been asking for at least 20 years for a re-evaluation of the costs of a licence. Present costs are exorbitant. Consideration should be given for a "licence holiday" for fishermen who cannot afford to go fishing. If this impacts DFO Pacific Region budget, then the difference in lost income should be made up by the government.
 - ii. Marine Protected Areas, Parks and Rockfish Protection Areas: These areas are put into place to protect resident stocks and bottom habitat. They should not interfere with salmon fishing on passing stocks.
 - iii. Spreading Fishing: Spreading fishing between different areas to reduce pressure on one run is a good strategy that needs to be re-adopted by DFO in their management of fisheries. Fishermen support the opening of many areas

of the coast simultaneously to spread the fleet out and not have big impacts on any one area.

- iv. Unresolved Rights and Title: These important issues are creating access problems in some areas of the B.C. coast. Commercial fishing is banned yet there is no involvement with commercial fishermen or transparency in discussions, so fishermen remain entirely in the dark while their livelihoods are discussed behind closed doors. Fishermen strongly recommend that commercial harvesters should not be alienated from these discussions.
- v. ESSR (Excess Salmon to Spawning Requirements): Many fisheries are managed to create regular ESSR commercial fisheries that have become normalized as part of pre-season planning, contrary to DFO stated policy. Fisheries should be managed to reduce ESSR fish numbers to the lowest possible. Presently, ESSR fish is not part of any group's allocation. If it is to be regularized, it should be accounted for as an allocation for those who commercially harvest it.

IV. GOVERNANCE

There is a governance crisis in salmon today. Fishermen, fisheries managers and scientists put together annual fishing plans that are totally ignored. There is no transparency nor any clear explanation. Economic Opportunity agreements are signed mid-season that close the commercial fishery one day without any warning and open the EO fishery the next day. This is disrespectful of those that earn their living in the fishery.

There must be transparency and accountability in this public fishery. Decisions are opaque, key knowledge holders are being ignored, stakeholders are at a loss to explain decisions, the salmon and the fisheries are collapsing, hundreds of millions of dollars are being lost annually. The current decision-making system is failing and government is struggling to meet the demands of competing interests. A set of priorities has been created that is not public to satisfy a set of internal rules that again are not public, that are supposed to manage a public fishery. Instead, they are collapsing our fishery. If the salmon fishery is to survive, the entire decision-making system must be restructured.

Fishermen talked about governance and governments throughout all topics. But in this workshop, fishermen concentrated on how to improve the present governance structures

Provincial Government

The Province needs to be involved in fisheries matters as how goes the fishery so go the coastal communities. DFO should take Provincial concerns into serious consideration.

Commercial fish harvesters call for food security provisions and link their future resilience with local processing and the local community support and jobs created.

The Province should energetically promote B.C. processing of B.C. salmon and support processors who process salmon in rural coastal communities.

Working fishermen are covered by B.C. labour legislation, such as WCB, Labour Code, Fishing Collective Bargaining Act, Employment Standards Act. The Province should broaden its role to ensure that federal fisheries policies benefit B.C. fishermen, workers and communities.

DFO's Relationship with Active Fishermen

Fishermen are in absolute agreement that there is no productive relationship between active fishermen and the Department of Fisheries and Oceans. Fishermen say that DFO makes decisions based on politics, DFO is not accountable, recommendations are not listened to and are not taken into consideration.

Fishermen feel that the government of Canada makes decisions in "back rooms" with political orders coming down from Ottawa. Decisions made by the government do not reflect the needs of commercial fishermen and instead are made for the party's own political gains by pandering to the most politically advantageous group. Some fish harvesters feel that B.C. needs a west coast deputy minister to oversee the actions of DFO in Pacific Region.

Decisions are shrouded in confidentiality. Fishermen do not have any idea why decisions are made and DFO seems blind to the fact that they are responsible to commercial fishermen and that their decisions can ruin fishermen's ability to make a living. A simple management question in 2020 regarding fishing plugs became very controversial — becoming a protected decision through cabinet confidentiality. This refusal to be transparent is a great issue throughout the fleet.

Fishermen recommend that to repair their confidence in the Department of Fisheries and Oceans that when fishermen ask a question, DFO must answer thoroughly, and if asked, clarify their decisions, reasons for their decisions and where the decision was made. Get rid of political interference and get back to scientific management, based on research designed to find solutions that will assist commercial fishermen while protecting salmon stocks, and not decisions based on the political climate.

DFO Advisory Bodies

The current advisory bodies in salmon are elected by licence holders, most of whom, according to DFO's figures (next topic) are not even fishing. There should be a structural review for existing advisory boards around mandates, terms of reference and equitable decision-making.

DFO maintains that they are responsible to licence holders only, not to active fish harvesters. This leads to the absurd situation where processing companies or foreign entities give advice on fishing, while those active fish harvesters having to lease licences or quota, are not deemed to be part of the advisory process.

Fishermen recommend that advisory committees should be made up of active working fishermen. This will help make decision-making and governance more relevant and equitable, particularly when discussing allocation, access and licensing issues. Fishermen take the position that decision-making or advisory bodies regarding the interests of fish harvesters should not be for corporations and buyers, but for active fishermen and active fishermen's organizations.

DFO Management Process

The present management process is convoluted, opaque, and needs to be completely reviewed. A way must be found to make management decisions accountable; fishermen are not given reasons when DFO does not implement advice heard from local fish harvesters.

Fishermen recommend that there should be an Industry-wide review open to all sectors regarding salmon management governance processes, via town hall round tables to find ways for the process to be more transparent and responsive to meaningful input.

At present, advisory committees have no ability to communicate with active fishermen about fishing plans or management issues as DFO maintains it only has a list of licence owners, not active fish harvesters, and, nevertheless, will not release any contact information. Fishermen recommend that active fishermen's organizations and advisory boards be given access to contact information.

The existing governance structures such as the Integrated Harvest Planning Committee, the Commercial Salmon Advisory Board, and the Sports Fish Advisory Board are primarily focused on harvest while DFO says its primary directive is conservation first. A suggestion would be to encourage governance structures and DFO to be bifocal and include both conservation and harvest as important joint goals.

The government should not be excluding fishermen from any discussions regarding fishing plans. Canada was told by courts that the interest of stakeholders needs to be at the table but there has been no inclusion of stakeholders in many of the processes taking place regarding fisheries matters. Fishermen understand government to government processes are legitimate, but there needs to be a place for fishermen to enter into the conversation-and not at the end after final decisions have been made.

Decentralize the management process. Decisions need to be more at the local level by managers who are involved with the fishery "on grounds." Local management work should be with advisory groups in collaboration with First Nation fisheries managers and the harvesters make decisions together instead of Ottawa or Vancouver deciding how a local fishery should be managed.

The present system is too cumbersome to get fishery openings, for example, In the Fraser, there are approximately 40 different desks that must agree for commercial fisheries to open. Just the time process of getting that to happen is days, and the fish are gone by the time it opens. In an area of complex management, a local in-season cross sectoral committee may assist in good governance in management decisions.

Round tables

There are all kinds of ways to develop co-management where the final authority rests with DFO. Round tables, if there is a real dialogue between DFO and the round table group, have been proven to work well.

An open, inclusive and transparent process is required. Governance structures that are adaptive, transparent, and inclusive must engage stakeholders in meaningful ways. Transparency has to include principles of engagement and interest-based negotiation and commitment to fair livelihood. It is not good enough for the government to make decisions that hurt and hinder fisheries without consequence.

Fishermen recommend that round tables should be at a local area level where they have been shown to succeed, however, they could be tried in larger and more complex areas.

Round tables need to be open and inclusive of the stakeholder sectors in the area (Food Social Ceremonial, Economic Opportunity, commercial and recreational fisheries must be at the table) and they need to make timely recommendations in a transparent way. Round table participants need to be informed by science and up-to-date stock assessment. Communications should go out to all stakeholders and must be thorough and timely. Timing of meetings and in-season decisions and communications need to take into account the realities of the fishing season for all sectors at the table.

Fishermen recommend that decisions be made at the table. There is no point going into a round table process only to find that others have more political influence to change the outcome of the group table. This will render round tables useless.

Round tables should also have the ability to make last minute opening decisions.

Round tables should be consensus-seeking, meaning they need to be seeking recommendations that all stakeholders can live with. If no consensus can be reached then there needs to be pre-arranged consequence and accountability — issues cannot simply be ignored.

Commercial Fishermen Internal Governance

Better organizational structures must be built to create more unity between fleets, to work together and to have more political weight. At present, commercial fishermen do not have the organization and resources to successfully promote the commercial fishery and communicate with the public and government.

We need science-based and industry consensus building to have more influence over political decision-making. Harvester organizations could work with their own biologists to

support their positions and add to our local knowledge. DFO should provide money to harvester groups to develop their own science-based knowledge to combine with local knowledge.

Some fishermen believe that there are too many fishing groups — both Indigenous & non-Indigenous. Everyone's needs must be met and, at times, decisions are not made to avoid upsetting anyone. Fishermen need unity of Indigenous & non-Indigenous fishermen and require Indigenous & non-Indigenous leadership. There was support for the need to have one organization to speak on behalf of commercial fishermen on their concerns related to fishing.

Fishermen have to develop leadership within their own organizations and we need to examine how an alliance of all our groups could work together to form a strong united voice. We need to rebuild the strength of organizations such as UFAWU and the Native Brotherhood. Broad representation is important but speaking with one voice is what will foster change. Fracturing in industry equals weakness. Unity is strength. We can work together and there are great benefits to doing so.

Fishermen said that they have to push hard for collaborative governance and decisionmaking. When it's collaborative it becomes much more transparent. We want salmon to be collaboratively governed. As commercial stakeholders, we want to be part of that. Everyone needs to be on the same page and everyone is fully informed and can make informed decisions. DFO won't respond unless it's a collaborative informed movement. Industry groups should meet together without DFO, prior to formal advisory committee meetings, to develop a united front on management. DFO has a habit of talking to industry people who agree with DFO policy directions and then say they have consulted with commercial fishermen.

Mandated Harvesters' Organizations

All Atlantic Provinces have legislation that requires fishermen in a specific area or specific fishery to join an active fishermen's organization – each province is a bit different — but belonging to a fishermen's organization gives active fishermen a voice.

V. LICENSING: ENTRY AND EXIT PLANS

Fishermen think that if their recommendations are followed and further developed in fishermen's meetings, that there will be a commercial salmon fishery in the future that people will want to be a part of and choose as one of a basket of fisheries. Many fishermen talked about the superiority of the pre-1990 licensing system where fishermen paid for one licence, the A licence, which held a vast array of fishery privileges on a coast-wide basis.

Fishermen agreed, if done properly, that retiring fishermen and new entrants were complimentary — like two sides of the same coin. If you support young people to get in, you are also supporting people retiring.

Across the breakout groups, there was agreement on the general ideas but more time and discussion were needed to fill in the details. Fishermen developed the following plan:

Licensing: Active vs. Inactive

All fishermen require a licence to legally catch and sell fish in Canada. licences are issued by the federal government (DFO). In the Pacific, we have limited entry to try to ensure that all harvesters attain at least a moderate livelihood (Davis Plan). Unlike Atlantic Canada's inshore fishery, licences in the Pacific can be owned and controlled by processors, investors and other non-fishermen.

Salmon Licenses		Active Licenses	
Total		2019(dfo)	2020 (est.)
Gn	1387	776	300
Tr	376	236	150
Sn	276	99	40

Number of licences vs number of licences that fished:

Made in B.C. Owner-Operator and Fleet Separation Practices

Fishermen were adamant that investment corporations, processors, or fish buyers should not own licences and that fishermen should own and operate their own licences. Fishermen agreed the value of fishery needs to remain in the hands of active fishermen and that licensing is the right or privilege to participate in the fishery. Corporations (other than a personal corporation for tax purposes) should not be able to buy licences/quota in B.C. Without fleet separation and owner-operator, fishermen risk having their licences owned offshore.

A made-in-B.C. owner-operator set of regulations that reflected the needs of B.C. fishermen was advocated. Fishermen wanted to look at other areas with owner-operator systems and examine in a public way, engaged with all user groups, how to build a B.C. owner-operator fleet.

There was little to no support for switching to transferable quotas — not for individuals or as gear groups. It has been pointed out, subsequently, that some fisheries are being driven into ITQ fisheries in order to be able to lease their uncaught allocation to another gear type or First Nation who is allowed by DFO to have a fishery.

In order to implement an owner-operator system in the salmon fleet, companies who owned boats and licences would have to sell them to the buy-back or to individual fishermen over a set time period. A number of ways were suggested:

- a) Move to owner-operator, using the 5-5-5 rule (like the dairy quota) If you're out of the industry for five years, you must get rid of the licence. If it's quota, then it's 1/5 for every year. We want to drive the licences into the hands of those that are fishing. We need to get processors out of ownership of access (fleet separation).
- b) Writing down the cost of a licence Move to owner-operator, and make it affordable for new entrants by giving the new entrant the incentive of being able to write down the cost of the licence in their taxes until they exhaust it. After all the write-downs against the original cost, it will make it affordable to a new owneroperator. Has to be sold as an Owner Operator Licence going forward.
- c) Owner-operator (OO) licence category As a start towards owner operator, the Union is proposing the idea of an Owner-Operator licence category where an owner of an A licence could designate the licence as an "AO-O" which would permanently make that licence an owner-operated licence. Proposed would be marriage and licence length changes and tax incentives that would make it desirable for fishermen to change to the Owner Operator designation.
- d) Supports for young entrants Transition to owner-operator will be a long-term process and not something that will or should happen overnight. There needs to be measures and supports for young people to get into the industry; something along the lines of support provided to the Agriculture industry.

Exit Plans

Fishermen warned regarding a retirement buyback and other exit plans - The idea propagated is that less fishing effort after a buyback will add to the financial viability of those who remain. It sounds right but it has not worked that way in reality. It makes fishermen less politically influential because there are fewer people in the industry to fight for commercial fishermen. We need to keep that in mind when making Exit Plans.

a) Buyback — Fishermen strongly felt that a buyback Is necessary for the dual purposes of allowing those who want to retire from the salmon fishery to sell out and to ensure that there are licences that new entrants — those who want, or will want in the future— to buy-in. There is a need to compensate fishermen at fair and reasonable prices structured to benefit the people who are giving the licences up.

At the end of any buy-back, the allocation must remain with the fleet. A retirement buyback cannot be used for salmon reallocation purposes. A buyback needs to take into consideration gear, area and community to ensure that ocean-based communities have ocean-based industry.

However, fishermen also recommend that a buyback should not be adopted as the only strategy for the rebuilding of a vibrant regular commercial fishery. The following recommendations are part of one concurrent strategy.

b) Concurrent Initiatives/Estate planning — However, although a buyback was supported, fishermen are also concerned that as licences are destroyed the incentive to improve the fishery and support future fishermen and communities is also destroyed. It is important to fishermen that retired licences stay in the community and/or family and transition to owner-operator. If licences stay there the jobs stay there.

A recommendation is that in conjunction with the buyback, the federal and provincial governments create innovative initiatives for succession and estate planning, keeping the licence/vessel in the community or family and providing an opportunity for the younger generation.

c) Concurrent initiatives/Community-Fishermen Licence Bank — There was very strong support for community-fishermen licence banks. An example of a similar licence bank is the Northern Native Fishing Corporation. The details of a licence bank are in the section below.

A recommendation is that in conjunction with the buyback and licence retirement, a good proportion of the licences that are bought out are placed in a community-fishermen-controlled licence bank where they can be parked until the salmon stocks

increase. This way, all coastal communities can receive employment benefits from increased salmon numbers.

- d) Concurrent Initiatives/Severance A severance package was recommended for nonlicence holders leaving the industry — so many thousands of dollars per year of service. Skippers and deckhands should not be left on shore without a job, especially if the licence is sold in a buyback. They should have part of this severance paid for by the company who they delivered to and part from the government.
- e) Concurrent Initiatives/Pension It was recommended that the government investigate what a special fishermen's pension plan would cost to be developed for future fishermen (in addition to CPP). Fishermen would contribute and the fish buyers would contribute, contribution rates set by statute or by B.C. industry standards. This way, a future fisherman would not have to rely on his boat and licence as a future "retirement package."

Fish Harvester Pensions

Norway and other Scandinavian countries have pension plans for fishermen so they have a guaranteed pension upon retiring.

- f) Buyback funding/Licences There should be enough money to allow retirees to transition into a comfortable secure retirement. Fishermen did not come up with a way to value a licence for the buyback program except that there should not be a "reverse bid system" as has been used for PICFI licences, so that the most desperate sell out at unreasonably low prices.
- g) Buyback funding/Vessels It was also felt that there should be a boat buyback plan to help fishermen sell their vessels and regain some money for their investments and to prevent vessels from becoming derelict. One idea was that the government should not directly buy the boats — instead the fisherman vessel owner would get a monetary contribution from the government for selling their boat to incentivize sales instead of leaving the vessel rotting at the dock. This would provide a less expensive yet environmentally safe option.
- h) Tax Deferral Fishermen also remarked that when they sold their licences they would have to pay tax on the sale price. Fishermen may lose half of that revenue from the sale of the licence to taxes. Fishermen recommended that there should be some deferral process over a number of years so they can retire with dignity.

Community-Fishermen Owned Licence Bank

A Licence Bank is both an Exit and an Entry Plan. It protects active fishermen, enables retirement and encourages new entrants. Salmon Licences would be held by the Licence Bank until stocks rebuild when they are then released. Fishermen and communities would determine the details.

Fishermen strongly supported the principle that exceptions can be made in a made-in-B.C. owner-operator policy to include community-fishermen licence banks.

Fishermen agree that all salmon licences that are bought up in a buyback should not be retired because, if licences are gone from the industry, then they will never be put back into play — you could lose an equity fleet and potential jobs in the future. Employment in all fisheries is already in the extreme low end of that spectrum, and with few boats and little employment, there is less and less dock space for fishermen, fewer ice facilities and less commercial infrastructure altogether.

With a community-fishermen licence bank, licences would remain in a community and supply future employment opportunities when the salmon runs are rebuilt. Fishermen envision a licence bank to be launched with government buy-back licences and start-up funding but the bank would become a self-sustaining, non-profit entity. Internal licence rules would be developed by a board elected by active salmon fishermen and communities including lease and purchase criteria for active and new entrant fishermen, so young fishermen or others can lease or purchase at a reasonable rate. It would provide a future option for retiring fishermen to sell their licence, and possibly their boat, to the bank. A licence bank operates as a market "float" — as the salmon runs increase, demand goes up and more licences are leased or sold and, if the runs decrease for a time, demand would go down and fewer licences would be leased, providing a lower fishing effort. Fishermen see owner-operators and licence banks as complimentary.

Entry Plans: New Entrants, Young Fishermen

Fishermen recommend encouraging and incentivizing new entrants with an owner-operator model such as the Union's AO-O proposal above. For young fishermen to be successful, low-interest loans and funding for vessel modifications are important, as are training and other support from the government.

A great example of a good program is the Young Fisherman's Development Act in the USA which provides funding for training and small loans for young fishermen and funding for licensing.

Licence banks would provide access to low-cost leases and owner-operator provisions would ensure licences remained affordable.

US Young Fishermen's Development Act

In December 2020, the US Congress passed the Young Fishermen's Development Act which establishes a 2 million dollar per year Young Fishermen's Development Grant Program to provide training, education, outreach, and technical assistance initiatives for young fishermen including programs, workshops, and services related to (1) seamanship, navigation, electronics, and safety; (2) vessel and engine care, maintenance, and repair; and (3) sustainable fishing practices. Grant recipients must be a collaborative state, tribal, local, or regionally-based network or partnership of public or private entities.

Grants may not be used to purchase a fishing licence, permit, quota, or other harvesting right.

a) Loan Boards — Young fishermen are assisted in many provinces by provincial Fishermen's Loan Boards which provide low interest loans for licences, gear, vessels and repair, depending on the province.

Fishermen's Loan Boards

Newfoundland and Labrador: Fisheries Loan Guarantee Program guarantees loans up to \$2M

Nova Scotia: Fisheries and Aquaculture Loan Board – guarantees loans for licences gear vessels

New Brunswick: Fisheries and Aquaculture Development Act - lower interest rates and equity requirements for new entrants

Prince Edward Island: Fishers Low Interest Loan Program and Future Fisher Program

THE FUTURE OF B.C. COMMERCIAL SALMON FISHING V. LICENSING: ENTRY AND EXIT PLANS

Licence Issues: Married, Stacked and Length

- a) **Married licences:** It was generally agreed married licences should be able to be split and sold separately.
- b) **Salmon Area licence stacking** Salmon licence stacking was more complex as it included whether fishermen should return to coast-wide licensing or if troll and gillnet have a north and south area like seines, or if the present areas remain as are.

Many fishermen called for a review of area licensing. Many felt that changes were needed, based on the present much reduced fleet size and reallocations to Indigenous fisheries that were not part of the Area Licensing in 1993. If licence areas were combined, the question would be how a fisherman with more than one salmon licence should be compensated for the combination of areas. One suggestion was to write down the cost of the other licences in taxes until they exhaust the cost.

c) **Length restriction** — It was generally agreed that licence length restrictions should be removed. However, there was a discussion on compensation for those who had invested in a second or third salmon licence and paid for increased vessel length.

"Licences should not be a tradable commodity! The huge monetary value on licences nowadays makes it unaffordable for young people to get in. Before this whole value thing, you just needed a personal licence to get in. Take the capitalization out of this process! It's preventing growth and the future of the fishery when young people can't get in."

CONCLUSIONS

The regular commercial salmon fishery is clearly in a state of crisis. This is a result of DFO policies and recent low salmon productivity, in part driven by higher predation and climate change, that have reduced harvests in regular commercial fisheries to the point where no one can survive.

The question being asked by commercial fish harvesters is whether or not there is support by governments for a regular commercial salmon fishery.

The federal and provincial governments need to decide if there is room in B.C. for a successful commercial salmon fishery, and if so, what should it look like, who can participate, and what changes need to be made to make it viable, vibrant and sustainable. Governments must be upfront with their decisions so that people can get on with their lives.

The recommendations in this report were made by fishermen who have spent decades in the industry. They have seen policy after policy that have made their fishery decline to the point of disappearance. Fish harvesters have crafted these recommendations in good faith, and with the belief that there should be a commercial salmon fishery that can successfully co-exist with all other fisheries. This report is not meant to provide all the answers, but to guide the discussions so that fisheries are built for the people who are working in them, for their communities, for Canada's food security and for the future.

Submitted by: Area C Harvest Committee, Area D Gillnet Association, Area E Harvest Committee, Area G Trollers Association, Commercial Fishing Caucus, Native Brotherhood of B.C., Native Fishing Association, Northern Native Fishing Corporation, Northern Trollers Association, UFAWU-Unifor, and many individual fishermen.

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The full report can be found at The American Fisheries Society site: <u>https://afspubs.onlinelibrary.wiley.com/doi/full/10.1002/mcf2.10023#support-information-</u> <u>section</u> Supplementary Tables S13-S15 - 1952-2015 BC biomass data. MS Excel, 698.4 KB The supplemental tables can be found at: <u>https://afspubs.onlinelibrary.wiley.com/action/downloadSupplement?doi=10.1002%2Fmcf2.10</u> <u>023&file=mcf210023-sup-0001-TableS1-S24.xlsx</u>

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