



MEMORANDUM

To: HONOURABLE JOHN CASHORE
Chair, Fisheries Working Group

January 23, 1995

HONOURABLE DAVID ZIRNHELT
Minister of Agriculture, Fisheries and Food

CONFIDENTIAL

Re: Cabinet Meeting of January 18, 1995

Following is an excerpt from the Minutes of the Cabinet meeting of January 18, 1995 for your attention:

E. COMMITTEE BUSINESS:

Planning Board:

15. Fisheries Working Group

- January 16, 1995

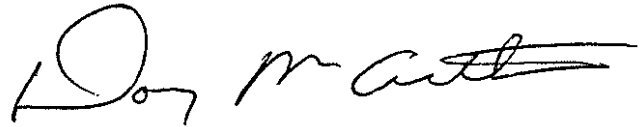
Cabinet received Items 1 and 3, updates on the development of a provincial fisheries strategy and anticipated changes in direction of the Aboriginal fisheries strategy.

For Item 2, Provincial Response to Pacific Salmon Treaty Negotiations, Cabinet approved adopting a provincial strategy where the province will:

- support the development of a Canadian counter proposal to the position paper from the American Special Negotiator for Pacific Salmon; and
- explore a new approach with U.S. regional interests to determine whether regional accommodations can be achieved which advance B.C.'s interests.

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The provincial position is to be communicated by letter from the provincial Minister of Agriculture, Fisheries and Food to the federal Minister of Fisheries and Oceans.

A handwritten signature in black ink, appearing to read "Doug McArthur". The signature is fluid and cursive, with a large initial "D" and a long horizontal stroke at the end.

Doug McArthur
Secretary to the
Executive Council

cc: Mr. Bruce Hackett
Mr. Tom Greene
Ms. Catherine Holt

STRICTLY CONFIDENTIAL

PLANNING BOARD WORKING GROUP ON FISH
MINISTRY OF AGRICULTURE, FISHERIES AND FOOD

DATE: January 16, 1995

PROVINCIAL RESPONSE TO PACIFIC SALMON TREATY NEGOTIATIONS

I. DECISIONS REQUESTED:

To provide the Planning Board Working Group on Fish with an overview on the Pacific Salmon Treaty negotiations between Canada and the United States of America.

To obtain direction with respect to position and strategies for the current negotiations.

II. BACKGROUND:

The Pacific Salmon Treaty (1985) is intended to prevent overfishing (conservation) of stocks subject to interception fisheries and provide each Party with benefits equivalent to production of salmon originating in its own rivers (equity). During the nine years the treaty has been in force, there has been a progressive decline in Canada's equity position. This has resulted because of a serious decline in southern U.S. coho and chinook stocks harvested in Canadian fisheries and a significant increase in the harvest of Canadian origin fish in Alaska. Previous Pacific Salmon Commission and government-to-government negotiations have not resolved this issue.

In May 1993, Cabinet considered this issue and decided to take a more proactive political/public role to assist Canada in reaching an acceptable agreement. In response to a request from the Federal Government, the Province has nominated a member to the Pacific Salmon Commission, and the Honourable David Zirnelt has travelled to Washington D.C. with the federal Minister of Fisheries and Oceans, the Honourable Brian Tobin, to discuss this matter with high ranking U.S. officials. British Columbia supported Canada's position that the U.S. must present a single, national position and this was supported by U.S. domestic interests in the Pacific Northwest. Cabinet also supported a Canadian fishing strategy to improve its equity position by pursuing a unilateral fishing plan in 1994 intended to maximize the harvest of domestic stocks, especially Fraser River.

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sockeye, while reducing the harvest of weak stocks. Despite success in reducing the expected United States Fraser sockeye harvest (by approximately 800,000 fish), the conduct of the Canadian fishery resulted in considerable public and sectoral concern about the management capabilities of the federal Department of Fisheries and Oceans (DFO).

The Parties have recommenced government-to-government negotiations. The Pacific Salmon Commission has met only to address administrative obligations. In September 1994, the U.S. appointed James Pipkin as the Special Negotiator for Pacific Salmon. Canada's strategy has been to maintain the focus on resolving the equity impasse by elevating the issue to direct discussions with the United States Administration while maintaining a willingness to negotiate new fishing arrangements within the Pacific Salmon Commission.

The Honourable Brian Tobin has advised the United States that PSC negotiations (slated for January/February 1995) will not proceed unless there is significant progress in the government-to-government discussions. Pipkin has advised the Canadian Ambassador for the Pacific Salmon Treaty, Yves Fortier, that he acknowledges the limitations associated with previous approaches tabled by the U.S.

Fundamental changes have recently occurred which affect the climate of these negotiations.

In the United States:

- a) the historic shift of power that put the Republican Party in charge of Congress portends considerable change in Canada-United States relations. Mid-term elections have resulted in the increased influence of Alaskan Senators Murkowski and Stevens and Representative Don Young;
- b) republican control of Congress is expected to result in revisions to the Endangered Species Act (ESA) (initiatives to save endangered stocks will be supplanted by an emphasis on property rights legislation), the Magnuson Act and the Pacific Salmon Treaty;
- c) the strong Alaskan delegation will be supported by Washington State Senator Slade Gorton, who has been an outspoken critic of Canada and threatened strong measures against fees imposed by Canada on U.S. fishers transmitting through Canadian waters en route to Alaska this past season;

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- d) the expectation that ESA pressure would be brought to bear on the conduct of Alaskan interception fisheries has been weakened (the pendulum has swung hard in the direction of economic and financial considerations);
- e) a new initiative by Washington, Oregon and Tribal interests to remove the regional veto power of U.S. Commissioners which has paralyzed progress on key issues has also been weakened as Alaskan congressional representatives can effectively veto any initiative that would reduce the authority of Alaskan fisheries managers;
- f) a new federal court challenge has been initiated by Puget Sound Tribes that would provide them with a 50% allocation of Fraser River sockeye harvested in Alaskan fisheries; and,
- g) the long-term decline of U.S. Pacific Northwest stocks continues, which may reinforce the need for a bilateral management agreement with Canada.

In Canada:

- a) the serious decline of southern British Columbia coho and chinook stocks will result in management measures that will reduce the exploitation of both Canadian and U.S. stocks;
- b) the general abundance of dominant stocks driving British Columbia fisheries (especially Fraser) will be very low in 1995 and 1996;
- c) the obligation (Section 35) to provide First Nations with fish for food, social and ceremonial purposes will further complicate fisheries management when stocks are depressed;
- d) rising public concern regarding the management and enforcement capabilities of the DFO will compel the Federal Government to demonstrate its commitment to conservation;
- e) the reduced abundance of Fraser sockeye in 1995/1996 will reinforce Canada's need to obtain a harvest sharing arrangement with the United States to limit interceptions; and,
- g) limited options to create new leverage with the United States, (DFO representatives have stated that Canada will not reimpose the transit fee).

OVERVIEW OF UNITED STATES PROPOSAL

In mid-December 1994, Pipkin forwarded a new U.S. position paper to Canada. The major components of the U.S. proposal include:

- a) negotiating a new MOU that would fully address previous equity imbalances through a one-time monetary settlement based on a numeric formula (estimated at \$7 million U.S.). This is to be a quid pro quo for Canada moving from fixed ceilings (as presently existing under the Treaty) to "abundance based" fisheries management by 1996 (i.e. catch shares determined as a percentage of total allowable catch);
- b) recognition that there has been an absolute increase in the U.S. harvest of Canadian sockeye and coho;
- c) recognition that equity needs to be addressed in order to address conservation issues;
- d) that the equity obligation would be satisfied as long as the parties are making serious efforts to restore the health of stocks;
- e) that Canada adopt a new approach to equity such that a party would only incur an "equity" debt when it exceeded an agreed limit based upon abundance based regimes: and,
- f) a willingness to examine key interception fisheries individually.

POSITIVE ELEMENTS

- 1. Serious effort to find a solution to current impasse.
- 2. First time the U.S. has acknowledged a debt owed to Canada.
- 3. First time U.S. has been willing to compensate Canada for past equity imbalances.
- 4. U.S. willingness to consider limiting additional fisheries in Alaska.
- 5. Increased flexibility.

NEGATIVE ELEMENTS

- 1. Cash compensation is conditional upon acceptance of abundance based regimes - this represents a significant departure from Canada's traditional position regarding equity.

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2. Compensation is limited to specific fisheries.
3. Fraser sockeye and pink interceptions are characterized as a special case reflecting U.S. "investment", which entitles U.S. to special rights of access.
4. "Continental sharing" where both parties are assigned a share of benefit irrespective of production.
5. Implementation of abundance based management regimes may present certain problems from an operational perspective.
6. Unrealistic time frames.

Fundamentally, the United States is proposing a continental approach in which the parties would share benefits proportionally, irrespective of where the salmon were produced. Underlying this approach is the assumption that Canada and the U.S. would achieve more significant benefits from cooperatively managing stocks rather than focusing on interception issues. The proposal would establish a new definition of equity. According to the U.S. approach, increased interceptions would be acceptable when abundance rises irrespective of where the fish were produced. The parties would agree to adopt an abundance-based approach, and if the parties conduct their fisheries within the agreed limits, they would be in full compliance with equity obligations. Unless there is a serious conservation problem, reductions in interceptions would not be required.

On January 10, 1995, Canadian Commissioners met with Ambassador Fortier, and senior representatives of the Department of Fisheries and Oceans and Foreign Affairs to review the U.S. proposal. The Ambassador was seeking comment and advice from the Commissioners before discussing it with the Honourable Tobin on January 16, 1994 (B.C. officials expect to be briefed on this meeting by their federal counterparts). Fortier advised the Commissioners that he considers the U.S. proposal a "radical departure" from Canada's established position regarding equity, but believes that the proposal has elements that can be "built upon".

The Commissioners discussed the elements of a possible counter proposal, the process for negotiating specific arrangements and whether to attend the scheduled bilateral Pacific Salmon Commission meeting January 23-27, in Vancouver.

Consensus was reached on the following:

1. Canada should prepare a framework counter proposal which includes the following concerns:
 - a) abundance based regimes must be bounded by caps and floors to keep interceptions within acceptable levels;
 - b) agreement that no equity debt will occur as long as interceptions are within agreed cap/floor limits or within agreed levels;
 - c) U.S. harvests of Canadian sockeye and coho in Alaskan fisheries must be reduced;
 - d) Compensation for equity debt to be used to advance salmon management and enhancement in Canada;
 - e) new fishing regimes must be technically simple and have some flexibility regarding single year overage/underage provisions;
 - f) incorporate an assessment period to determine whether equity/optimum production provisions are adequate;
 - g) include a binding dispute resolution process; and,
 - h) effectively address conservation concerns for Canadian stocks harvested in Alaska.
2. Canada's draft response should be reviewed by the Canadian delegation during the scheduled Pacific Salmon Commission session. The U.S. should be advised that because their proposal represents such a fundamental shift, the Canadian delegation will use this opportunity to caucus.
3. Following the Canadian delegations review, present a counter proposal to the U.S. in late January 1995.

III. ANALYSIS

The U.S. proposal does not address Canadian equity concerns. The U.S. "continental sharing" approach reflects the desire of Washington/Alaska fishers to increase harvests of Canadian sockeye/coho while reducing the harvest of U.S. coho and chinook in southern British Columbia interception fisheries. Although the offer to explore reductions in the harvest by Alaskan fishers of Canadian sockeye is encouraging,

the U.S. paper does not acknowledge conservation concerns for northern British Columbia coho and steelhead stocks nor does it effectively address the escalating harvest of Canadian origin coho in the Alaskan troll fishery.

The United States has very little room to make equity adjustments in Washington and Oregon fisheries. In the short-term equity benefits can only be "paid" by reducing the U.S. harvest of Canadian stocks in Southeast Alaska. With Alaska now in a far more commanding domestic position, this is unlikely.

It is likely that U.S. production contributing to Canadian fisheries will continue to fall. Continental sharing will provide the U.S. with proportionate catches of Canadian origin stocks and could reduce Canada's current fisheries unless accompanied by considerable reductions in the both Alaskan and Washington State Fraser stock fisheries. If political changes in the U.S. result in a diminished resolve regarding recovery of U.S. stocks, the Pipkin proposal may represent an empty commitment offering little hope that British Columbia fishers would ever receive significant benefits in a continental sharing regime.

On the other hand, unless Canada reconsiders strict adherence to its present equity position, it is unlikely that long-term arrangements can be negotiated as the parties are too far apart. British Columbia therefore must consider whether it is better off with a fair but non-equitable treaty than no agreement at all. To the extent that a significant expansion of the total resource might occur under an abundance based regime, this may benefit Canada even if there is not strict adherence to equity as presently understood (i.e. a smaller share of a much larger pie is still a greater amount).

It may be possible to negotiate a modification of the U.S. proposal in a manner which addresses Canada's principle concerns. Fundamental components of a counter proposal must include:

- a) movement by Alaska to address Canada's concern regarding conservation and increased interceptions;
- b) a commitment to stock restoration in Washington and Oregon that would provide Canada with sufficient assurance that it will receive greater benefits from such rebuilding; and,

- c) Capping of U.S. interceptions of Canadian origin salmon (even under an abundance based approach) to ensure that Canada continues to benefit from domestic management and conservation initiatives (a modified equity position).

IV. OPTIONS:

1. Continue to support the positions and strategies previously approved by Cabinet which provides:
 - a) support for the federal government in reaching an acceptable agreement;
 - b) for Canada to elevate the resolution of this impasse to the U.S. Administration;
 - c) seeking reduced interceptions of Canadian origin northern stocks in Alaskan fisheries; and,
 - d) redress for current equity imbalance.
2. Explore a new approach with United States regional interests to determine whether regional accommodations can be achieved that advance British Columbia's interest, through:
 - a) an approach to the new Alaskan Governor; and,
 - b) contact with the U.S. Tribal interests as potential allies in addressing problems associated with the conduct of the fisheries in Alaska.
3. Support the development of a Canadian counter proposal which addresses Canada's fundamental concerns. Canada would need to secure arrangements that:
 - a) respond to concerns regarding conservation and increased interceptions;
 - b) provide a commitment to stock restoration in Washington and Oregon and that provide Canada with assurance of future benefits from such rebuilding; and,
 - c) cap U.S. interceptions of Canadian origin salmon to ensure that Canada continues to benefit from domestic management and conservation initiatives (a modified equity position).

d) provide interim arrangements to address the impending 1995 fishing season.

4. Reject the U.S. proposal and call upon Canada to negotiate treaty implementation in a manner which reflects Canada's historic approach to equity.

V. RECOMMENDED POSITION:

Option 3

VI. RECOMMENDED APPROACH:

(To be communicated by letter from the Honourable David Zirnheld to the Honourable Brian Tobin.)

British Columbia:

1. express serious concern regarding the continued decline of stocks and the need to quickly get beyond the institutionalized impasse that exists and negotiate new arrangements in order that both Parties can cooperatively manage these stocks in an equitable, sustainable manner;
2. emphasize the need for Canada to resolve the present impasse well before the commencement of the 1995 fishing season in order to provide certainty and effective management for the fisheries;
3. support the government-to-government negotiations to resolve the impasse (with British Columbia's direct involvement in the Canadian delegation to these negotiations);
4. support the federal strategy that calls for progress in the government-to-government negotiations on the equity issue before proceeding with further negotiations through the Pacific Salmon Commission;
5. restate the Province's support for reductions in the Canadian harvest of weak Washington and Oregon stocks in exchange for complementary reductions to conserve British Columbian coho and chinook stocks harvested in Alaskan fisheries;
6. emphasize the need to negotiate a dispute resolution process to ensure that U.S. regional differences do not compromise treaty implementation; and,

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7. support negotiations that:
 - a) reduce the interception of British Columbia stocks;
 - b) address conservation concerns on a comprehensive, coast-wide basis;
8. emphasize the need for Canada to work with British Columbia to develop an effective public communications strategy.



To: Honourable Corky Evans
Minister of Agriculture, Food and Fisheries

Date: February 16, 1997

CONFIDENTIAL

Re: Cabinet Meeting of February 12, 1997

Following is an excerpt from the Minutes of the Cabinet meeting of February 12, 1997 for your attention:

D. COMMITTEE BUSINESS:

6. Fisheries Working Group Minutes

a) December 10, 1996

Approved with information by the Minister of Agriculture, Fisheries and Food that stakeholders support the Groundfish Management plan.

b) January 22, 1997

Approved.

The Minister of Agriculture, Fisheries and Food provided Cabinet with a verbal status report on the Pacific Salmon Treaty.

Judy Cavanagh
Executive Director
Cabinet Operations

cc: Mr. Doug McArthur
Mr. Stuart Culbertson

MINUTES

COMMITTEE NAME: Fisheries Working Group CABINET
DATE: February 12, 1997

MEETING DATE: January 22, 1997

Members Attending: Honourable Corky Evans, Chair (AFF)
Honourable John Cashore (AA)
Honourable Sue Hammell (WE)
Honourable Cathy McGregor (ELP)
Honourable Jan Pullinger (SBTC)

Members Absent: Honourable Dan Miller (EI)
Honourable Andrew Petter (FCR)

Officials Attending: John Allan (ELP)
Jamie Alley (BCFS)
Cindy Brown (CPCS)
Dennis Brown (PREM)
Stuart Culbertson (BCFS)
Mark Gillis (CPCS)
Tom Greene (CO)
Linda Hannah (ELP)
Gordon Macatee (AFF)
Doug McArthur (CO)
Kenn McLaren (AFF)
Karen Philp (FCR)
Eloise Spitzer (WE)
Jim Walker (ELP)

1. Fish Protection Act (ELP)

The Working Group received a presentation regarding the proposed *Fish Protection Act*, which contains additional fish protection initiatives than those reflected in the draft Act which was developed, but not introduced, last year. The key policy areas of the legislation include:

- ensuring water for fish, through initiatives including: the prohibition of new "bank to bank" dams on the Fraser River, its tributaries and provincially significant rivers; and new mandatory tools for "streams at risk" and new tools to "reclaim" water for fish
- protecting fish habitat, through initiatives including: a 20 metre provincial streamside protection zone requirement for Crown lands not already covered by the Forest Practices Code; increased flexibility for local governments to

protect riparian habitat; and additional riparian protection through tax incentives for conservation covenants

- fisheries renewal - involving sectors and communities, through initiatives including: the establishment of multi-sectoral "area tables" to assist in fisheries management decisions and approval of local protection and enhancement projects; and the establishment of a BC Fisheries Agency
- strengthening local government environmental planning, through initiatives including: a requirement to map environmentally sensitive areas and to consult with the Ministry of Environment, Lands and Parks; and enabling local governments to exercise new authorities in relation to development permits and zoning powers
- enhancing the province's role in fisheries management, through initiatives including: strengthening fish protection by enabling the designation of fish, plants and invertebrates related to fish habitat as endangered species; and increased enforcement and regulatory activities
- creating a sustainable funding mechanism, through initiatives including: accruing funds through part of the water licence fees; coordinating funds through Fisheries Renewal BC; and funding habitat protection, water conservation and research projects.

The Working Group noted that parts of this legislative proposal, especially those sections pertaining to water allocation and fisheries renewal, are required for leverage in the ongoing negotiations with the federal government, under the Memorandum of Understanding (MOU) regarding fishery management roles and responsibilities. A related consideration, however, is the necessity of ensuring that stakeholder consultations on the proposed legislation are properly linked to successful negotiations leading to an enhanced role for British Columbia in fisheries matters. The Working Group also noted that the timing of the federal election may influence when this legislation should be formally introduced.

DECISION: The Working Group recommended the following next steps in the development of this proposal:

- ministries have the opportunity to conduct further review of the proposal over the next week;
- the Deputy Ministers' Committee on Fisheries will then attempt to ensure consensus on the legislation's major policies, prior to the proposal returning to the Working Group for further discussion.

The Working Group also recommended the following:

- external consultations be strategically structured to ensure that stakeholders understand that, while the legislation stands on its own merits, the timing for proceeding is dependant on successfully negotiating an enhanced role for British Columbia in fisheries matters under the MOU.

2. Provincial Response to the Federal Fisheries Act - Bill C62

In October, 1996, the federal government re-tabled in the House of Commons the proposed new *Fisheries Act* as Bill C-62. The Bill, which is currently in Second Reading, is the first major revision of the Act in over 100 years and is largely the same as the legislation tabled in December, 1995 which died on the order paper, with the major addition of enabling provisions to delegate certain habitat protection responsibilities to the provinces. Major new provisions include:

- Fisheries Management Orders: the Minister and designated fisheries managers will have authority to create orders for closing times, quotas and limits on fish size and weight
- Fisheries Management Agreements: the Minister will be able to enter into agreements with any organization which, in the Department's opinion, represents those engaged in Canadian fisheries; partnership agreements will cover issues such as harvest allocations, number of licences to be issued, and conservation and protection measures
- habitat: the Minister will be able to delegate certain habitat protection authorities and responsibilities to the provinces; however, this delegation appears to be only proposed, for the time being, for freshwater fisheries which have been delegated to the provinces, and excluding anadromous species such as salmon
- Pacific Fisheries Tribunal: authorization to form an arm's length license and sanctions board in the form of separate Atlantic and Pacific Fisheries Tribunals, to address commercial fisheries violations.

Overriding concerns noted for the Working Group are: i) the legislation fails to recognize the provinces as distinct orders of government with responsibilities which overlap those of the federal government; and ii) it also fails to recognize the significant social and economic consequences of fisheries management decisions for the provinces. Specific areas of provincial concern include: i) the lack of a specifically identified role for the provinces in the proposed Fisheries Management Agreements; ii) no provincial representation on, or allocation function for, the Pacific Fisheries Tribunal as previously proposed by the province; and iii) lack of a specifically identified role for the province in fisheries decision making. Concerns pertaining to the single resource focus of the Bill have also been expressed by BC Hydro and other resource development interests.

DECISION: With respect to a strategy for proceeding with British Columbia's response to Bill C-62, the Working Group recommended that the province utilize a multi-tiered approach, as recommended in the submission, whereby:

- a letter providing an overview of British Columbia's concerns, and reserving the option of recommending further changes to the Bill pending the results of the MOU negotiations, be sent by the Minister of Agriculture, Fisheries and Food to the Minister of Fisheries and Oceans
- the provisions for Fisheries Management Agreements, the Licensing and Sanctions Tribunal, and habitat delegation form part of the province's negotiating objectives under the MOU.

The Working Group also recommended that provincial Crown corporations not appear before the Standing Committee on Fisheries and Oceans during its hearings on the Bill.

3. Report on the Minister of Agriculture, Fisheries and Food's Tour of Coastal Communities

The Minister of Agriculture, Fisheries and Food reviewed his recent tour of eight coastal communities, the purpose of which was to determine public views on the future enhanced provincial role in the management of the Pacific fishery and to discuss impacts of the Pacific Salmon Revitalization Plan, including the federal government's associated assistance package.

Key themes which emerged from these consultations include:

- there is strong support for the province to bring fisheries decision-making "back to BC"
- fisheries management should be done at the most local level
- the Mifflin Plan remains a big concern among both opponents and supporters of the initiative
- First Nations have been particularly impacted by the Mifflin Plan which is driving aboriginal people out of the industry
- there is a profound lack of vision in the industry and an abundance of divisiveness
- fisheries is viewed as a sunset industry by the media and financial institutions.

Proposed next steps include:

- preparing a formal provincial response to the Mifflin Plan Panel Review Report as well as to the federal government's response to that report
- preparing a public document on BC's vision of a renewed fishery which can be used to articulate the province's position on how the fishery should be managed in the future
- planning a second round of Ministerial coastal community consultations in response to invitations from communities not yet visited.

The Working Group received the report as information.

4. Provincial Approach to the Pacific Salmon Treaty

Continuing serious problems with the implementation of the equity principle of the Pacific Salmon Treaty have resulted in the U.S. harvesting approximately \$70 million more fish annually than they are entitled to under the Treaty. A variety of Canadian actions over the last five years, ranging from negotiations to mediation, have failed to resolve the dispute.

In November, 1996, Alaskan Governor Knowles presented a proposal to the Premier under which a group of stakeholders from both sides of the border would try to reach agreement on a way to resolve the equity dispute. Canada's Chief Negotiator, Ambassador Fortier, subsequently put forward a counter proposal whereby two stakeholder groups, a northern and southern panel with six members on each, would attempt to make recommendations to the chief negotiators from both countries. The time frame proposed by Canada is a final report before June 1, 1997, with an examination by March 15, 1997 of whether the process is useful and should be continued.

It was observed that Canada's most recent proposal does not appear to be part of an overall strategy to resolve the equity imbalance. The Working Group noted the potential for Alaskan representatives, through the proposed stakeholder process, to try to "divide and conquer" the northern British Columbian fishing community, given that some may view a "lowball" agreement as better than no agreement at all. Accordingly, it was noted that the province must initiate discussions with the Canadian stakeholder representatives as soon as they are appointed. Members also noted the importance of the province clearly indicating that it will pursue other initiatives (i.e. "Plan B" activities) to resolve the matter in the event the stakeholder process is unsuccessful.

DECISION: The Working Group recommended the following:

- given the province has not been formally asked to participate in the proposed stakeholder process, British Columbia should publicly remain silent regarding whether or not the province supports the proposed stakeholder review process
- once the participants in the stakeholder process have been appointed, the province should initiate discussions with these individuals to apprise them of British Columbia's concerns regarding the implementation of the equity principle
- efforts are to be made to ensure that the provincial fishing community understands that the province will aggressively pursue the implementation of strong federal measures, after March 15 and prior to the Prime Minister's visit with the President, if it appears the stakeholder process will fail
- staff are to prepare options regarding potential next step "Plan B" initiatives, if such are necessary, for review by the Working Group

- staff are to prepare options regarding potential next step "Plan B" initiatives, if such are necessary, for review by the Working Group prior to the March 15 review deadline date for the stakeholder process.

A handwritten signature in black ink, appearing to be 'Corky Evans', written in a cursive style.

Corky Evans
Chair

CE/TG

CABINET MINUTES

May 21, 1997

Members Present:

Honourable Glen Clark	(PREM)
Honourable Lois Boone	(TH)
Honourable John Cashore	(AA & LAB)
Honourable Ujjal Dosanjh	(AG)
Honourable Corky Evans	(AFF)
Honourable Michael Farnworth	(MAH)
Honourable Sue Hammell	(WE)
Honourable Cathy McGregor	(ELP)
Honourable Joy K. MacPhail	(HEA)
Honourable Dan Miller	(EI)
Honourable Andrew Petter	(FCR)
Honourable Penny Priddy	(CF)
Honourable Jan Pullinger	(SBTC)
Honourable Paul Ramsey	(EST)
Honourable Dennis Streifel	(HR)
Honourable David Zirnheld	(FOR)

Not Responsive

Not Responsive

Not Responsive

D. OTHER BUSINESS:

Status Reports

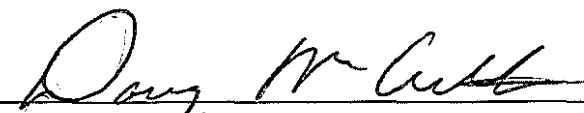
8. Intergovernmental Relations Status Report

Received.

9. Pacific Salmon Treaty:

The Premier gave a verbal report on the Pacific Salmon Treaty negotiations and proposed that British Columbia give notice to the Canadian Government to cancel the lease for the sea bed licence at Nanoose. If a reasonable Treaty is negotiated, British Columbia will withdraw its notice of cancellation.

Not Responsive



Doug McArthur
Secretary to Cabinet

CABINET MINUTES

June 4, 1997

Members Present:	Honourable Glen Clark	(PREM)
	Honourable Lois Boone	(TH)
	Honourable John Cashore	(AA & LAB)
	Honourable Ujjal Dosanjh	(AG)
	Honourable Corky Evans	(AFF)
	Honourable Michael Farnworth	(MAH)
	Honourable Sue Hammell	(WE)
	Honourable Cathy McGregor	(ELP)
	Honourable Joy K. MacPhail	(HEA)
	Honourable Dan Miller	(EI)
	Honourable Andrew Petter	(FCR)
	Honourable Jan Pullinger	(SBTC)
	Honourable Paul Ramsey	(EST)
	Honourable Dennis Streifel	(HR)
	Honourable David Zirnhelt	(FOR)
 Members Absent:	 Honourable Penny Priddy	 (CF)

Not Responsive

3. Pacific Salmon Treaty

The Premier distributed copies of letters sent to Jean Chretien, Prime Minister of Canada, and Ted Stevens, United States Senator for Alaska, in which the Premier responded to the comments by the Honourable Ted Stevens about the closure of the Nanoose torpedo testing range. The Premier also reported that negotiations may recommence next week.

Not Responsive

Not Responsive

Not Responsive

Not Responsive

E. OTHER BUSINESS:

Status Report

10. Intergovernmental Relations Status Report

Received.

A handwritten signature in black ink, appearing to read "Doug McArthur", is written over a horizontal line.

Doug McArthur
Secretary to Cabinet

Ted Stevens

United States Senator For Alaska



Contact: Press Office
(202) 224-5209

June 3, 1997
FOR IMMEDIATE RELEASE

STEVENS CALLS FOR REVIEW OF FUNDS GOING TO PROGRAMS IN CANADA

Noting that the U.S. makes substantial contributions to mutual defense programs that benefit Canada, Senator Stevens said all U.S. funding for those programs must come under close scrutiny if the Canadian government in Ottawa fails to restore the U.S. Navy's license to use the Nanoose Bay test range in British Columbia.

The remark, in a letter to Secretary of Defense Bill Cohen, was triggered by British Columbia's notification to the Canadian government that B.C. was canceling the U.S. Navy's license to use the range. The U.S. Navy has used the range for more than three decades.

"This is an act of a NATO member proposing to deny access to another member. This action appears to be in conflict with Canada's NATO treaty obligations," Stevens said to Secretary Cohen, noting that the Administration is considering NATO expansion. "If a long-standing ally like Canada can unilaterally vitiate its obligations, what does that portend for the potential admission of new members later this year," Stevens asked Secretary Cohen.

As an immediate response to the cancellation of the use of the test range, Stevens said he will oppose appropriations for environmental cleanup at four former military installations in Canada. The Administration agreed in October 1996 to pay \$100 million over 10 years, beginning in fiscal year 1998, for the cleanup of a number of former military sites, including Distant Early Warning (DEW) Line sites, in Canada.

"While I appreciate the importance of helping with these cleanup activities, the United States is under no legal obligation to reimburse Canada for the cleanup. Unless British Columbia's recent actions are corrected, I will have no choice but to oppose these proposed expenditures of funds," Stevens said, adding, "I am very serious about this matter."

more

(907)

2 June 3, 1997

"It is unfortunate that we've come to this, but somehow we must stop politicians in Canada from misusing the Pacific Salmon Treaty for political gain," Stevens said. "The fishermen from our two countries could have reached an agreement last month if it weren't for the elections in Canada. It is time for Canada to treat this matter seriously."

Stevens sent a copy of his letter to Secretary Cohen to Secretary of State Madeleine Albright.

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June 3, 1997

Prime Minister Jean Chrétien
House of Commons
Ottawa, Ontario
K1A 0A2

Dear Prime Minister:

I am enclosing a copy of a letter I have just sent to Senator Stevens of Alaska in response to the press release he issued today.

You will see that I have indicated to him that I will be urging you to obtain an assurance from the President of the United States that there will be no further U.S. action to renege on environmental and conservational commitments, including the conservation of salmon and the cleanup of environmental damage done by the United States military. Should such an assurance not be forthcoming, I recommend that Canada freeze all expenditures on cross border programs providing environmental benefits to the United States.

I also urge that the Government of Canada take further strong measures, including the immediate imposition of transit fees, in order to pressure the United States to conclude quickly the settlement of Pacific Salmon Treaty issues.

Sincerely,

A handwritten signature in cursive script, reading "Glen Clark".

Glen Clark
Premier

June 3, 1997



Honourable Ted Stevens
United States Senator for Alaska
522 Hart Building
Washington, D.C.
20510-0201

Dear Senator Stevens;

I write in response to your reported comments today on the decision of the Government of British Columbia to proceed with the closure of the Nanoose torpedo testing range, in the absence of any settlement on the Pacific Salmon Treaty.

It should first be noted that, contrary to your suggestion, British Columbia has never received any direct consideration from the United States, or the Government of Canada, for granting to the United States the use of this hugely beneficial testing range. The opportunity to use the range has been granted solely as the result of the good neighbour policy we have consistently followed in dealings with your country, on the assumption that such a policy is reciprocal. However, in light of the continuing refusal of the United States to recognize the need to protect Canadian salmon, who share in the use of the waters in which Nanoose is located, British Columbians can see little basis for continuing to permit the United States to reap the benefits associated with this testing range.

The facts in this regard have been independently established by experts. The value of Nanoose to the United States has been documented by the United States Navy. The losses to Canada associated with the United States fishing practices were established by Ambassador Beebe. We ask only what any good neighbour would ask, and that is that we be accorded the right to receive the benefits due under the Pacific Salmon Treaty if you are to receive the benefits from the use of salmon bearing waters at Nanoose.

You suggest that Canada has an obligation to preserve your right to use Nanoose under NATO treaty obligations. We appreciate your adherence to the sanctity of treaties, and only ask that you apply that principle to the Pacific Salmon Treaty.

Your threat to withhold funding for environmental cleanup of military bases for which the United States is responsible is both hostile and unconscionable. It is very similar to the continuing destruction of Pacific salmon pursued by your nation, and thus cannot be taken as anything more than a continuation of behavior that has become all too common and predictable.

I concur with your statement that is unfortunate that it has come to this. But I too am very serious about this matter. All of this can end soon and quickly by settling the Pacific salmon issues. However, the more time that passes the more difficult it is to reverse course.

I should also inform you that I have written to the Prime Minister of Canada, asking him to obtain an assurance from the President of the United States that there will be no further U.S. action to renege on environmental and conservation commitments, including the conservation of salmon and the cleanup of environmental damage done by the United States military. Should such an assurance not be forthcoming, I intend to recommend that Canada freeze all expenditures on cross border programs providing environmental benefits to the United States.

In the meantime, I hope that you will use your good offices to have the U.S. negotiator return to the table, and reach a quick agreement on the Pacific Salmon Treaty issues.

Yours truly,

A handwritten signature in black ink, appearing to read 'Glen Clark', written in a cursive style.

Glen Clark
Premier

CABINET MINUTES

June 11, 1997

Members Present:

Honourable Glen Clark	(PREM)
Honourable Lois Boone	(TH)
Honourable John Cashore	(AA & LAB)
Honourable Ujjal Dosanjh	(AG)
Honourable Corky Evans	(AFF)
Honourable Michael Farnworth	(MAH)
Honourable Sue Hammell	(WE)
Honourable Cathy McGregor	(ELP)
Honourable Joy K. MacPhail	(HEA)
Honourable Dan Miller	(EI)
Honourable Andrew Petter	(FCR)
Honourable Penny Priddy	(CF)
Honourable Jan Pullinger	(SBTC)
Honourable Paul Ramsey	(EST)
Honourable Dennis Streifel	(HR)
Honourable David Zirnhelt	(FOR)

Not Responsive

Not Responsive

5. Pacific Salmon Treaty

The Premier gave a verbal status report.

C. COMMITTEE BUSINESS:

Not Responsive

Not Responsive

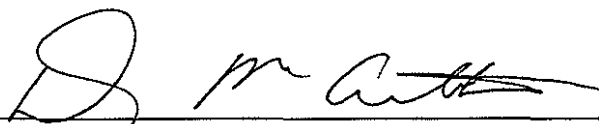
Not Responsive

10. Fisheries Working Group Minutes: May 28, 1997

Cabinet approved the minutes of May 28, 1997 and directed that the Ministers involved in the Fisheries Working Group instruct staff to consult with stakeholders regarding the aquaculture industry.

Not Responsive

Not Responsive

A handwritten signature in dark ink, appearing to read "Doug McArthur", is written over a horizontal line.

Doug McArthur
Secretary to Cabinet

handout

PLANNING AND PRIORITIES COMMITTEE MINUTES

**Tuesday, July 8, 1997
Cabinet Chambers, Victoria**

PRESENT:

Honourable Glen Clark	Chair
Honourable John Cashore	(LAB)
Honourable Ujjal Dosanjh	(AG)
Honourable Corky Evans	(AFF)
Honourable Joy K. MacPhail	(HEA)*
Honourable Dan Miller	(EI)
Honourable Andrew Petter	(F&CR)
Honourable Penny Priddy	(C&F)
Doug McArthur	(CO)
Adrian Dix	(PO)
Geoff Meggs	(PO)
Richard Simpson, A/Secretary	(CO)

PRESENTER: Blair Redlin (TH)*

ABSENT:

Honourable Sue Hammell	(WE)
Tom Gunton	(CPCS)

* Item 3 only.

Not Responsive

Not Responsive

7. Nanoose

The Premier discussed the salmon treaty dispute and the scheduled closing of the Nanoose Bay test range.

A handwritten signature in black ink, appearing to read "Glen Clark", is positioned above the printed name and title.

Glen Clark
Chair

CABINET MINUTES

July 9, 1997

Members Present:

Honourable Glen Clark	(PREM)
Honourable Lois Boone	(TH)
Honourable John Cashore	(AA & LAB)
Honourable Ujjal Dosanjh	(AG)
Honourable Corky Evans	(AFF)
Honourable Michael Farnworth	(MAH)
Honourable Sue Hammell	(WE)
Honourable Cathy McGregor	(ELP)
Honourable Joy K. MacPhail	(HEA)
Honourable Dan Miller	(EI)
Honourable Andrew Petter	(FCR)
Honourable Penny Priddy	(CF)
Honourable Jan Pullinger	(SBTC)
Honourable Paul Ramsey	(EST)
Honourable Dennis Streifel	(HR)
Honourable David Zirnheld	(FOR)

Not Responsive

Not Responsive

Not Responsive

9. Fisheries Working Group Minutes: June 26, 1997

Cabinet approved the recommendations of the Committee of June 26, 1997.

Not Responsive

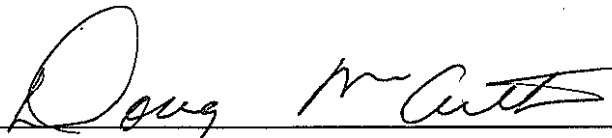
E. OTHER BUSINESS:
Status Reports

12. Intergovernmental Relations Status Report

Received.

13. State of the Province

A roundtable discussion took place.

A handwritten signature in black ink, appearing to read "Doug McArthur", is written over a horizontal line.

Doug McArthur
Secretary to Cabinet

A M E N D E D
C A B I N E T M I N U T E S

JANUARY 7, 1998

Members Present:	Honourable Glen Clark	(PREM)
	Honourable Lois Boone	(TH)
	Honourable John Cashore	(AA & LAB)
	Honourable Corky Evans	(AFF)
	Honourable Michael Farnworth	(MAH)
	Honourable Sue Hammell	(WE)
	Honourable Joy K. MacPhail	(HEA)
	Honourable Cathy McGregor	(ELP)
	Honourable Andrew Petter	(FCR)
	Honourable Penny Priddy	(CF)
	Honourable Paul Ramsey	(EST)
	Honourable Dennis Streifel	(HR)
	Honourable David Zirnhelt	(FOR)
Members Absent:	Honourable Ujjal Dosanjh	(AG)
	Honourable Dan Miller	(EI)
	Honourable Jan Pullinger	(SBTC)

Not Responsive

Not Responsive

C. COMMITTEE BUSINESS:

10. Fisheries Working Group Minutes: November 25, 1997

Approved.

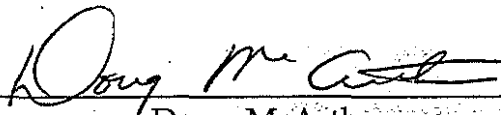
Not Responsive

D. OTHER BUSINESS

Status Reports:

13. Intergovernmental Relations Status Report

Received.



Doug McArthur
Deputy Minister to the Premier

MINUTES

COMMITTEE NAME: Fisheries Working Group **CABINET DATE:** December 10, 1997

MEETING DATE: November 25, 1997

Members Attending: Honourable Corky Evans, Chair (AFF)
Honourable John Cashore (AA)
Honourable Cathy McGregor (ELP)
Honourable Jan Pullinger (SBTC)

Members Absent: Honourable Sue Hammell (WE)
Honourable Dan Miller (EI)
Honourable Andrew Petter (FCR)
Evelyn Gillespie, MLA

Officials Attending: Richard Simpson (secretary) (CO)
Cassie Doyle (ELP)
Catharine Read (AFF)
Jamie Alley (BCFS)
Jessie Uppal (EI)
John Horgan (EI)
Jon O'Riordan (ELP)
Karen Philp (CPCS)
Kenn McLaren (AFF)
Linda Hannah (ELP)
Mark Gillis (CPCS)
Stu Lewis (AA)
Stuart Culbertson (BCFS)
Trevor Jones (AA)

1. Federal/Provincial Agreement Workplan (BCFS)

The Fisheries Working Groups received an update on the implementation of the Canada-British Columbia Agreement on the Management of Pacific Salmon Fishery Issues. Work is proceeding on all aspects of the Agreement and the Council of Fisheries Ministers will have its first formal meeting in mid-December. The Working Group endorsed the approach on fisheries allocation issues which focuses on establishing a fair and credible process for allocation in the future, while avoiding involvement in the substance of the policy. The Working Group also

agreed with the priority to establish jointly with Canada, a Pacific Fisheries Resource Conservation Council and requested that an official from Newfoundland familiar with the east coast Conservation Council attend a future meeting of the Working Group to describe their experience. Finally, the Working Group agreed that development of the proposed Fisheries Renewal Advisory Board (FRAB), be deferred pending an analysis of existing programs and mechanisms, and that work should focus on the development of coordination at the intergovernmental rather than stakeholder level.

The Fisheries Working Group recommends that

- **provincial government involvement in allocation issues focus on ensuring a fair process to establish future allocation mechanisms,**
- **work should proceed on the development of the Pacific Fisheries Resource Conservation Council, and**
- **joint habitat restoration work should focus on intergovernmental coordination and that development of a Fisheries Renewal Advisory Board be deferred pending a review of existing programs and mechanisms between governments.**

2. *Fish Protection Act (ELP)*

The Fisheries Working Group reviewed the decision note dated November 24, 1997 titled, "Sensitive Stream and Enforcement Provisions of the *Fish Protection Act*", including Attachments 1 to 5.

The Fisheries Working Group recommends that

- **the Ministry of Environment, Lands and Parks return to the FWG with a description of the criteria for designating sensitive streams, plus a listing of candidate streams that may be designated as "sensitive streams" and the implications arising from their designation**
- **the Ministry of Environment, Lands and Parks bring to the FWG for approval a proposed OIC that would proclaim the general enforcement sections of the *Fish Protection Act*.**
- **the Ministry of Environment, Lands and Parks proceed with the proposed consultation plan (Attachment 4) regarding Priority projects under the *Fish Protection Act*.**

3. Salmon Farming Review (EI)

A verbal update regarding the Salmon Aquaculture Review and associated consultations with industry was received.

The Fisheries Working Group recommends that

- Pilot projects utilizing closed containment technology should be permitted, provided that the projects do not require new tenures
- a paper be developed for the FWG describing alternatives to current aquaculture technologies that may address Cabinet's directive for reduced fish escapes and environmental impacts from salmon farming operations
- consultations with industry continue, recognizing that they should be completed by the end of January, 1998
- extensions be granted to salmon farming tenures that have expired, or will expire until the end of January, 1998, or when consultations with industry are completed.
- MELP and BCFS are to develop a paper for the Fisheries Working Group regarding the criteria for shellfish licensing and tenure designation.

4. Fisheries Ministry Consultation (BCFS)

The Fisheries Working Group reviewed a project plan for Fisheries Ministry consultation. The plan was received as information by the Fisheries Working Group. Clause Heywood has been retained to facilitate consultation with interested stakeholders, and deliver a report to government by December 30, 1997.



Corky Evans
Chair