

**Ministry of Agriculture, Food and Fisheries**  
**BRIEFING NOTE FOR PARLIAMENTARY SECRETARY FOR MEETING**

Ref: 195074

Date: January 17, 2022

**Title:** Briefing note for Parliamentary Secretary Donnelly for a meeting with the BC Watershed Legacy Initiative

**Issue:** The BC Watershed Legacy Initiative would like to share results of a study on the impact of investment through a proposed Watershed Security Fund

**Background:** Protecting clean water is a priority for the Government of B.C. Developing a Watershed Security Strategy and associated Watershed Security Fund (WSSF) is a mandate letter commitment for the Minister of Environment and Climate Change Strategy (ENV) with support from the Minister of State for Lands and Natural Resource Operations and the Parliamentary Secretary for Fisheries and Aquaculture.

The BC Freshwater Legacy Initiative (Legacy Initiative) is a strategic project of the BC Water Funders Collaborative, a group of funding organizations working together to help advance water protection in British Columbia. Tim Morris is the Project Director of the Legacy Initiative.

In May 2021, the Legacy Initiative, BC Water Funders Collaborative, and the POLIS Water Sustainability Project (POLIS) commissioned a report called *Working for Watersheds: Opportunities for Growth in BC's Watershed Sector* ("the Working of Watersheds report")<sup>1</sup>. The report provides novel insight into the magnitude of the watershed sector's contribution to B.C.'s economy. Using data from 2019, analysis suggests that the watershed sector broadly supports 47,900 jobs and \$5.0B in GDP in B.C.

The Working for Watersheds report recommends that B.C. establish a fund to provide consistent, sustainable funding in the range of \$50-100M annually over the long-term. In December 2021, the Legacy Initiative contributed to another report, BC Watershed Security Fund: A Collaborative Vision (the "Security Fund report")<sup>2</sup>, that recommends a \$600M endowment fund, along with \$27M financing in the 2022/23 fiscal year. The latter report also recommends that B.C work with Indigenous Nations to develop governance for the fund.

In the June 10, 2021 briefing note addressed to Parliamentary Secretary Donnelly, the Legacy Initiative recommended that B.C. make a commitment to a \$75M annual investment in B.C.'s watershed security.

**First Nations Considerations:** Watershed security is a critical issue for Indigenous Nations in B.C. Reconciliation is a cornerstone to developing the WSSF. Government is working with

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<sup>1</sup> <https://poliswaterproject.org/polis-research-publication/bc-watershed-security-fund-a-collaborative-vision/>

<sup>2</sup> [https://poliswaterproject.org/2021/12/08/bc-watershed-security-fund/?utm\\_source=rss&utm\\_medium=rss&utm\\_campaign=bc-watershed-security-fund](https://poliswaterproject.org/2021/12/08/bc-watershed-security-fund/?utm_source=rss&utm_medium=rss&utm_campaign=bc-watershed-security-fund)

Indigenous partners to jointly build an enduring engagement and collaboration process needed to ensure our success. B.C. has a memorandum of understanding (MOU) with the First Nations Fisheries Council (FNFC) and several ministries have been working closely with the FNFC to develop engagement strategies with First Nations.

**Discussion:**

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**Suggested Response:**

- Protecting clean water is a priority for the government of B.C. and we are developing a Watershed Security Strategy and Fund to address this.
- B.C. has committed to several initiatives to protect watersheds, fisheries, and communities that rely on them.
- Reconciliation and collaboration with Indigenous peoples are central to the WSSF and government is working with Indigenous partners to jointly build an enduring engagement and collaboration process.
- ENV will conduct public and stakeholder engagement in phases through 2022.

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**Ministry of Agriculture, Food and Fisheries**  
**BRIEFING NOTE FOR PARLIAMENTARY SECRETARY FOR MEETING**

Ref: 197181

Date: February 10, 2022

**Title:** Meeting with Dean Dobrinsky of MOWI Canada West about the closure of the Dalrymple Hatchery.

**Issue:** The Dalrymple Hatchery is owned and operated by MOWI Canada West and slated for closure in May 2022 following the decision by Fisheries and Oceans Canada to not renew licenses for all facilities in the Discovery Islands.

**Background:** After consultation with First Nations in December 2020, and in response to the Cohen Commission recommendations, Minister Bernadette Jordan announced that Fisheries and Oceans Canada (DFO) will phase out salmon farming operations in the Discovery Islands (DI) by June 2022, with the stipulations that no new fish be introduced into the facilities during this time and that all farms be fish-free by June 30, 2022. This will affect approximately 26 percent of B.C. farmed salmon capacity representing 20 percent of provincial aquaculture revenue (\$132M in 2019).

As a result of the reduced need for salmon following the Discovery Islands decision, MOWI announced<sup>1</sup> the closure of the Dalrymple Hatchery near Sayward in October 2021. The plant is planned to close in May 2022. The Discovery Islands decision has reduced MOWI's production capacity by 30% (~12,000 mt) and has created the need to close the Dalrymple Hatchery. The hatchery was rebuilt 9 years ago with a capital investment of \$25 million. In the press release, MOWI said it will look for opportunities within the company for the affected employees (18) and for now will rely on the continued production at its Big Tree Creek and Ocean Falls hatcheries for smolt supply, leaving two of its three production facilities open. In recent months, MOWI has also announced<sup>2</sup> the closure of other business operations, including the processing and value-added plant located in Surrey, representing a \$4 million investment and loss of 80 jobs

DFO operates salmon hatcheries as part of the Salmonid Enhancement Program (SEP). Some Indigenous communities are involved in hatchery operations in B.C., with many Community Economic Development Program (CEDPs) and Public Involvement Programs (PIPs) led by Indigenous Nations. The Freshwater Fisheries Society of BC also operates enhancement hatcheries for trout and other freshwater species.

In June 2021, DFO announced the Pacific Salmon Strategy Initiative (PSSI) to address the ongoing decline of many salmon populations in B.C. As a part of this, DFO has identified

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<sup>1</sup> <https://MOWI.com/caw/blog/2021/10/26/federal-governments-discovery-islands-decision-forces-hatchery-closure/>

<sup>2</sup> <https://MOWI.com/caw/blog/2022/01/17/MOWI-to-close-processing-plant-in-surrey-british-columbia/>

salmon enhancement as one of the pillars of the PSSI. DFO operates the SEP that manages, licenses and operates salmon hatcheries. As part of the PSSI, DFO expects to address several issues through SEP, including potential new hatcheries, and conservation-focused investments.

**Discussion:**

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**Suggested Response:**

- We recognize the importance of finding ways to mitigate the impacts to businesses and communities because of DFO's decision in the Discovery Islands, and uncertainty regarding the 2025 Transition Plan.
- We will continue to request support and mitigation from the federal government to address the needs of affected employees and businesses.
- B.C. is also aware of the important capacity and role the Dalrymple hatchery may provide and is supportive of finding creative ways to utilize this facility.

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