

Ministry of Agriculture
BRIEFING NOTE FOR PREMIER FOR INFORMATION FOR MEETING WITH THE VILLAGE
OF SAYWARD

Ref: 189133

Date: November 20, 2018

Title: Premier Horgan meeting with the Village of Sayward.

Issue: The Mayor and CFO of the Village of Sayward have requested a meeting with the Premier regarding their interest in salmon farming, noting they were unable able to meet at the recent UBCM in Whistler.

Background: Sayward is a village located in the Sayward Valley on the northeast coast of Vancouver Island. Mayor John MacDonald and Paul R. Carver, Chief Administrative Officer/CFO of the Village of Sayward requested a meeting with Premier Horgan at the recent UBCM meeting in Whistler to discuss their interests in salmon farming. Although details associated with the nature of the meeting request are unclear, there is significant infrastructure associated with the salmon farming sector in the Sayward region:

- Marine Harvest's (MH) Dalrymple freshwater facility is a large hatchery located near Sayward. MH recently invested \$40 million to update this facility to build seven new recirculating aquaculture systems (RAS) to produce smolts for seawater grow-out. MH's head office is in Campbell River and many of their salmon farms are in the nearby Broughton and Discovery Islands areas.
- There are five finfish aquaculture sites within a 20km radius of Sayward, all operated by MH.
- Cermaq has their Little Bear Hatchery nearby, which has also recently been upgraded, as well as a head office in Campbell River. They also operate several salmon farms in the Broughton area.
- Greig Seafoods operates a hatchery in the nearby community of Gold River, as well as salmon farms off Port McNeill, Zeballos, Gold River and the Sunshine Coast that employ nearly 100 people. Their head office is in Campbell River, employing around 12 people.
- Brown's Bay Packing Company (a major fish processing facility dedicated to servicing the salmon-farming sector) is nearby in Campbell River and is a significant employer. B.C. (AGRI) recently entered into a cost-shared initiative with Fisheries and Oceans Canada (DFO) and Brown's Bay for an upgrade to their water treatment system.

Beyond the aquaculture sector, Sayward has also been working with the Provincial Government and K'omoks First Nation to secure a community forest and with the Kelsey Bay Harbour Authority and DFO to enhance and expand the harbour.

First Nations Considerations: Salmon farms are currently located in the traditional territories of at least 28 B.C. First Nations (considering overlap of territories). Twenty First Nations currently have economic and social partnerships in place with B.C. salmon farmers. First Nations communities provide approximately 30% of the workforce on the farms of B.C.'s four largest salmon-farming companies.

There are also several farms operating without agreements or 'consent' from First Nations, and many First Nations are of the view, which has been supported via recent court rulings, that this industry is severely impacting their ability to exercise constitutional rights to access resources for food, social and ceremonial purposes. In areas like the Broughton Archipelago, many First Nations have never formed agreements with industry and have always been opposed to their operations.

Discussion: It is likely that the representatives from Sayward will be looking to provide their support for the B.C. salmon-farming sector and recognize that there could be negative economic impact to their community and others nearby because of recent policy decisions affecting the salmon-farming sector.

In April 2018 the Minister of Agriculture's Advisory Council on Finfish Aquaculture (MAACFA) issued a series of recommendations including that the province "establish policy requiring industry to have agreements

with First Nations affected by a net-pen aquaculture site as a condition of any new or replacement site tenure and provide guidelines to industry for developing these agreements.” This was viewed by a multi-stakeholder committee as a necessary policy change to support the future of the salmon-farming industry in B.C.

On June 20, 2018, the Province announced new rules and expectations for the disposition of Crown land tenures for open-net pen salmon aquaculture in provincial waters. Effective June 2022, the Province will only grant *Land Act* tenures to fish farm operators who have satisfied DFO that their operations will not adversely impact wild salmon stocks and who have negotiated agreements with the First Nation(s) in whose territory they propose to operate.

On June 27th, 2018, the B.C. Government signed a letter of understanding (LOU) with three First Nations in the Broughton area: the ‘Namgis, Kwikwasutinuxw Haxwa’mis and Mamalilikulla. These First Nations have been part of the core group calling for removal of salmon farm tenures within their territories in the Broughton. The purpose of the LOU is to create a G2G process to establish consensus recommendations that will be relayed to the Province and signatory First Nations. To this end, the LOU establishes a steering committee comprised of an equal number of Provincial and First Nation representatives. In the case of the Province, the steering committee recommendations will inform Statutory Decision Maker’s decisions on tenure replacements.

Steering committee meetings were scheduled throughout the summer, with multiple opportunities for industry engagement. The original mandate from the LOU set out a 90-day period to develop consensus recommendations, as well as short, medium and long-term actions related to salmon farming in the Broughton Archipelago. Based on significant progress made to date, the First Nations and the Province have chosen to extend their mandate by 60 days to continue their work. Recommendations to government coming out of this process are expected by end of November 2018.

Suggested Response:

- Thank you for sharing your concerns with me. This government is committed to working with First Nations, the industry and DFO to ensure B.C.’s aquaculture sector is successful, environmentally sustainable and respects First Nations’ rights while providing good jobs for British Columbians.
- Substantial and longstanding concerns about the impacts of salmon farming have been left unaddressed for too long, and we are now facing unprecedented public and First Nations opposition to the industry in many places in the province.
- The decisions we have made for salmon aquaculture were done with the spirit and intent of stabilizing the path forward for that sector by establishing clarity for operators and building public confidence and Indigenous support for these operations.
- Wild salmon have a unique role in the lives, culture and history of Indigenous peoples and it is imperative that salmon farming operations operate in full partnership with the First Nations in whose territories they operate. This new approach includes making sure Ottawa plays its full role in the protection of wild salmon.
- Several operators already have agreements with First Nations. Those types of partnerships will grow and lead to more predictability over the long term as First Nations and industry work together.
- I want to assure you that we are taking these steps to modernize and incent the salmon aquaculture industry to a place where they can operate without conflict and with more certainty.

Contact: David Travia, Corporate Governance, Policy and Legislation, 778 974-3764

ED LH ADM JM DM WS