

PACIFIC SEA CUCUMBER HARVESTERS ASSN.

MINUTES OF ANNUAL GENERAL MEETING HELD JUNE 27, 2019 BEBAN PARK, NANAIMO, BC

License Holders and Representatives Present:

Thom Liptrot, President; Mike Boyd, Paulo Demee, George Dennis, Charles Greaves, Bob Hegedus, Allan Hertel, Raf Kalus, Dave Lansdowne, John Lindsay, John Parkin, Eric Ponsford, Clint Ridgway, Ken Ridgway Jr., Benjamin Robinson, Al Shanks, Barb Shanks, William Strong, Mark Ulanowski, Justin Wang, Alfa Wong, Sheila Wood. 55 Licenses were represented.

Guests Present:

Darin Macey-D&D Pacific; Pauline Ridings-DFO, Erin Wylie-DFO, Christine Hansen-DFO, Janet Lockhead-DFO; Christina Burrige-BCSA; Geoff Krause; Augusto Tugade

REGISTRATION OF PROXIES

OPENING REMARKS – Thom Liptrot

Thom welcomed members and announced that Sheila Wood, Secretary/Treasurer, would be retiring after 27 years with the PSCHA and thanked her for her work.

APPROVAL OF AGENDA

Moved by Paulo Demee, seconded by John Parkin that the agenda be approved. Carried.

APPROVAL OF MINUTES OF THE 2018 AGM –

Moved by Al Shanks, seconded by John Lindsay that the minutes be approved.
Carried.

NORTH SHELF BIO-REGION/MPA NETWORK DEVELOPMENT – Geoff Krause

Implementation of a Marine Protected Areas network is going to happen, probably towards the Spring of 2021. There are currently 90 sites in the draft network and adaptive management is a preferred option.

- Access to continuing supply is the most important issue facing the industry right now. Dive fisheries are all acknowledged as low to extremely low impact activities and that it is hard to understand why these activities would be otherwise prohibited/restricted.
- Collaborative co-management on the west coast is ahead of everyone else on developing a new governance structure and a new way of doing things. Change is difficult and has to be managed very carefully. Representatives from the Gitgaat and Kitkatla First Nations indicated they wished for further discussions with dive fishery representatives.
- MPATT will be refining impact assessments of the network on individual fisheries, which will be reported on a PFMA basis.

- There are a number of DFO meetings that will examine impacts and issues of the network on the commercial fisheries, including dive fisheries.

I have attended four meetings over the last month and are somewhat heartened by the approach. They appear to be listening and are sincere in wanting to live up to a high collaborative standard, but decisions are to be made involving others and are further down the road.

LICENCE LOTTERY

The lottery remains in-house with the following licences being drawn:

8 licences are moving to South

From North – 28, 23, 43, 86

From Central – 38, 45, 62, 76

Returned to North and Central from last year

84, 77, 75, 58, 44, 26, 25, 19

FINANCIAL REPORT – Sheila Wood

Sheila presented and discussed the Comparative Income Statement and the Comparative Balance Sheet. There was an increase in Revenue and Expenses were down, resulting in a Net Income.

It was moved by Charlie Greaves and seconded by William to accept the Financial Report. Carried.

BC SEAFOOD ALLIANCE – Christina Burridge

Further to Christina's last report: The North Shelf BioRegion Marine Protected Areas Network (NSB-MPA) remains another existential threat, among many.

BCSA is responding to some tactics using social media, now using push politics to get letters from commercial fishermen to resist. Pressure continues against fisheries, in general. For example, Orcas are being used to justify more restrictive fishing on Chinook. BCSA needs letters.

MPA targets: Canada's 20% target by 2020 will be met, especially with West Coast currently at 22% and will be at 37% by next year. Rest of Canada is at about 7-8% so weight is falling primarily on West Coast. NSB commercial fishing restrictions covers about 40% of all West Coast fisheries, landed value \$60 million to \$120 million. The whole commercial fishery approach is a take-off on the Gwaii Haanas process but a political process is also being pursued. (This news came as a shock to both the Ottawa and B.C. ministers).

The New Fisheries Act, as of last week, includes discretion to the Minister of Fisheries to prohibit corporate ownership of any licences. Also, a realistic assessment of fisheries impact on

Indigenous peoples must now be considered. Note: BC fishermen are the only who do not have any access to a low-cost loan program to purchase licences.

The Standing Committee on Fisheries has requested comment from the Minister on ownership and distribution of licences by mid-June. The Fair Risk and Rewards Sharing proposal from industry was a response to this.

Foreign ownership of licences is discouraged. We do not want speculators in the industry, no matter whether they are domestic or foreign. However, if the Minister makes a move against current ownership arrangements, there will no doubt be lots of court challenges.

The number and seriousness of the issues this industry is facing are all increasing. Changes are needed. There are still questions from industry about access to sea cucumber resources in Haida Gwaii. Questions should be directed to Pauline as it is a DFO matter.

ELECTION OF OFFICERS

Both Vice-Presidents, John Lindsay and Mark Ulanowski are not standing for reelection. Thom has requested active divers as their replacements and nominated Bob Hegedus for North and Clint Ridgway for South. Sheila Wood is retiring and stepping down as Secretary and nominated Barbara Shanks for the position of Secretary. All other directors stood for reelection.

It was moved by Sheila and seconded by John Parkin that the proposed slate be elected to the Board of Directors for the 2019-2020 year. Carried.

Directors of PSCHA

President	Thomas Liptrot
Vice-Presidents	Bob Hegedus Clint Ridgway
Secretary	Barbara Shanks

Board Members	
Paulo Demee	John Parkin
George Dennis	Al Shanks
Raf Kalus	Alfa Wong

AREA REPRESENTATIVES

The following areas will be represented by:

South Coast	Clint Ridgway
Central Coast	Thom Liptrot
North Coast	Bob Hegedus

VALIDATION CONTRACT

It was moved by John Parkin, seconded by Charlie Greaves that D&D Pacific be retained as our Validation Company for the 2019 fishery. Carried.

REVIEW OF THE 2018 FISHERY – Darin Macey, D&D Pacific

Management Summary

- 2018 Fishing Season was from October 1, 2018 to December 1, 2018 with scheduled QMA openings and closures.
- An Adaptive Rotational Fishing Strategy (ARFS) initiated in 2011 continues.
- Total Allowable Catch (TAC) for 2018 was 1,360,000 pounds split weight
- ZD Quota remained at 16,000 pounds split weight per license

Area Licencing in 2018 (one licence can be registered in several areas)

NC 31 licenses (only 30 active)
CC 28 licenses
ECVI 24 licenses
WCVI 2 licenses

2018 HARVEST SUMMARY & FISHERY DYNAMICS

- 2018 Season opened October 1st in the North Coast QMA 4C
- First dive date October 1st – last dive date November 30th.
- The Association utilized a sequential QMA opening format for the 2018 season
- Landings dominated in October with 91%, which is the same pattern as in prior seasons.
- 85 licenses were registered prior to the fishery. The FZD01 tab was allowed by DFO to have two vessels fishing the tab simultaneously.
- 35 vessels – 12 fished two licences each two regions, two fished three regions and two fished 3 regions. Total number of fishing days was 49. (*53 in 2017, 49 in 2016*)
- Total landings amounted to 1,363,917 lbs. (3,917 over the TAC)

Landings by Region, Historical Landings, Landings by Week/Month

Darin reviewed several charts and lists pertaining to landings.

LANDINGS BY QUOTA MANAGEMENT AREA – REVIEW

Darin reviewed QMA comparison charts and sequence of landings tables
Overall achievement rate of 100.29%.

North Coast

- North Coast QMA opened October 1, 2018 and last fishing day was October 16, 2018
- 16 Vessels active on first day.

- Opened in sequential order. North fished by 19 vessels in 16 fishing days.

Central Coast

- Opened and first day fished October 8, 2018 and last fished on November 21, 2018
- Two vessels active on the first day.
- Opened in sequential order.
- Fished by 15 vessels in 28 fishing days for an achievement rate of 100.28%.

East Coast Vancouver Island

- Opened on October 8, 2018 and finished on November 24, 2018.
- Five vessels were active on opening day.
- Opened in sequential order.
- Packers transshipped product to Port Hardy and Port McNeill for processing and/or trucking to processing plants.
- The East Coast was fished by 15 vessels in 37 fishing days with an achievement rate of 100.16%

West Coast Vancouver Island

- Opened October 8, 2018 - First fishing day October 28, 2018 and last fishing day November 30, 2018.
- Only region where a packer was not used.
- Fished by 2 vessels in 19 fishing days with an achievement rate of 100.19%.

LICENCE ACTIVITY

- 85 licenses were active and fished by 35 vessels. 12 vessels fished two regions, 2 fished three regions.
- The FZD01 tab was allowed by DFO to have two vessels fishing the tab simultaneously in the West Coast region.
- Three licences were re-designated twice this season.

BUYER/PROCESSOR ACTIVITY

- There were 8 buyers active, with landings mainly shared between three buyers (75%) with the other 25% split between five buyers.
- 21 vessels fished for one buyer, 12 vessels for two buyers, and 2 vessels for three buyers.
- Comments from buyers are few. They were related to random issues with their vessels, packers and logistics within their own business plan.
- Comments relating to product were minimal.

COMPLIANCE

PSCHA provides fleet coordinators who assist in daily fishery logistics from the fishing grounds with fishery managers at D&D's Head office. They communicate to the fleet updates from D&D on fishery related issues.

- 95 Incident Reports were issued through the course of the Fishery. Medium Priority – 94, Low Priority – 1.
 - Medium Priority varied in definitions and their infractions to the Conditions of Licence
 - Majority of incidents related to:
 - Missing Harvest information
 - NTO's
 - Incorrect or missing harvest data
 - Wrong statistical sub area or wrong QMA recorded on log page
 - The majority of Non-Compliance issues were dealt with each vessel during the course of the fishery.
 - Industry is proactive in reporting non-compliance to D&D. Issues included potential non-compliance were received during the course of the fishery ranging from but not limited to:
 - Fraudulent fishing practices,
 - Disregard for QMA clean-up vessel limit(s).

All reports were received, forwarded to DFO C&P and/or dealt with D&D in a timely manner.

PROBLEMS AND ISSUES

Problems were minor this season and were dealt with as they occurred. One licence was still outstanding on missing information as of June 1, 2019.

CONCLUSION

- Minor issues occurred and were dealt with in real time.
- The sequential opening format supported the fishing effort and processing capacities.
- All Harvest Data and Charts have been received by Industry – digitized and delivered to DFO's Shellfish Data Unit with the exception of one tab.
- Electronic Charts, IFMP and other relevant fishery information provided by D&D online was well received and will continue.
- D&D's point of view is that problems and issues that arise in commercial fisheries are best resolved in a timely fashion, and the Management of the 2018 season would not have been so effective if it was not for the dedicated time and effort of: the on-ground coordinators, who were in contact with D&D daily, ensuring communication was relayed both to the fleet and to D&D. We thank all of them.
- The buyers/processors who assisted D&D in issues that arose during the course of the fishery.

- DFO Resource Management for expediting D&D requests in the short timeframe of the Sea Cucumber fishery.

It was moved by Mark and seconded by Paulo that the D&D report be accepted. Carried.

2018 FISHING SEASON REPORTS – Area Reps

North – Al Shanks

Season went well, Communications were excellent and fast.

Central –John Parkin

Season went well. Weather was good.

South Coast – Thom Liptrot

Season went well. Weather was excellent.

PRESIDENT’S REPORT – Thom Liptrot

Thom discussed the 2018 fishing season, which went very well and with good weather. Some numbers had to be shuffled. He reiterated the urgency to have divers present, with him, for the symposium on September 25th and 26th. He strongly suggested that South Coast needs to organize packers. Areas in Central Coast were discussed. Rivers will be split into two zones, one North and one South.

2019 FISHERY

Starting date for the 2019 Fishery will be Tuesday, October 1, 2019. Moved by Bob Hegedus, seconded by Sheila. Carried.

MARKETING REPORT – Geoff Krause

- PSCHA joined PUHA for both the Hong Kong show in September 2018 and the China show in Qingdao, November 2018. Reports for both shows are on the website. There were problems in the booth regarding new representatives from processors. A new policy proposal for exhibiting at the booth includes an application for first-time exhibitors, who must own a licence or have a written confirmation from a licence holder that they are active in the fishery.
- The Agri-Marketing Program has approved the PSCHA application for three years, beginning 2018/19. Our proposal includes a quick look at Singapore, South Korea, the US and possibly some opportunities in Canada. We hope to participate in Boston and there is a new Canadian Seafood Show coming in Montreal. We are planning on exhibiting at both the Hong Kong and China shows this year and next.

DFO SCIENCE REPORTS – Erin Wylie, Janet Lockhead, Christine Hansen.

Planning for the 2019 Fishery:

- Total allowable catch – 1,360,000 lbs. (unchanged).
- Individual Quota – 16,000 lbs.
- 3-Year rotational style fishery in the North and Central Coasts licence areas and portions of the East Coast area. 2019 is year 3 of Adaptive Rotational Fishing Strategy (ARFS).
- Need to move a licence from East Coast to West Coast for 2019.
- Maps were displayed of QMAs available for the 2019 harvest.

Chart for Rotational Planning for South Coast (ECVI) for 2020 – 2022 was displayed.

Chart for West Coast was also displayed.

IFMP Timeline for 2019 – June to October was displayed.

Advice needed:

Which licence is moving from ECVI to West Coast for 2019?

Schedule of openings for QMAs in NC, CC, and ECVI licence areas.

Quota recommendations for the ECVI QMAs.

Discussion re EFA Wrap-Up Paper. 2007-2015 Harvest rates data, using to update.

Discussion of C58, Fisheries Act Legislation of precautionary approach policy.

Limit Reference Point (LRP) – Working to set upper stock ref. separate zones:

Healthy, Cautious, Critical.

C68 has received Royal assent.

All Canadian fisheries be compliant within five years.

Sea Cucumber is looking good. Delaying assessment to give time needed to organize.

Stock in closed areas will be included in stock assessment.

DFO MANAGEMENT – Pauline Ridings

Pauline discussed the 2018 Harvest questionnaires – hoping for comments from harvesters while out on the fishing grounds.

DFO began sending questionnaires out with harvest logbooks in 2014.

Seven questionnaires returned in 2018 (13 in 2017).

Complaints about the Redonda QMAs.

Request for lower quota in 18A (South Gulf Islands).

Positive comments about the North and Central Coasts QMAs.

Pauline thanked the harvesters who take the time to fill out the questionnaires.

Update on Haida Gwaii

We are a long way from having commercial cucumber fishery in Haida Gwaii.

A multi-species eco systems seafood plan is years away.

Issues – reconciliation.

Co-Management.

OTHER BUSINESS

Survey is planned for the end of July using two boats. Six days to survey Barkley with hopes to fish every two years – currently fished every three years. Transects planned in Gold River, Tahsis and Esperanza.

Validation/Association fees will remain at \$4,000 per licence for the 2019 fishery.

ADJOURNMENT

It was moved by Al and seconded by John that the meeting be adjourned. Carried.