# Updating the Commercial Salmon Allocation Framework

Phase 3 - Final Report

March 2015

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### **Executive Summary**

In October 2013 as part of the Pacific Salmon Treaty Mitigation program, Fisheries and Oceans Canada started a process to obtain advice on updating the Commercial Salmon Allocation Framework (CSAF) to address deficiencies raised by commercial harvesters and First Nations. The Department engaged the First Nations Salmon Coordinating Committee (SCC) and the Commercial Salmon Advisory Board (CSAB) as the key groups for seeking advice on possible changes to the framework. The Department developed a Terms of Reference to guide the initiative. The scope of this work was to update the commercial salmon allocation arrangements as outlined in *An Allocation Policy for Pacific Salmon*<sup>1</sup> applying to allocations within the commercial sector only (see section 4.3 of *An Allocation Policy for Pacific Salmon*). The existing allocation priorities for First Nations food, social and ceremonial and recreational salmon fisheries would be maintained, consistent with this Allocation Policy.

There were three phases to this process. The focus of this document is to summarize the discussions of Phase 3, specifically the series of meetings held with designated participants from DFO, FN SCC and CSAB in the "Small Group". FN SCC members and CSAB representatives also met independently. Included in this final report is section 1 which provides background on the first and second phases of the initiative. Section 2 outlines the process followed in Phase 3, which started in September 2014 and concluded in January 2015. Section 3 includes the proposed changes to the CSAF submitted by the SCC and the CSAB and describes the areas of agreement and differences between the proposals. Section 4 notes the main conclusions I drew from Phase 3 and suggestions for next steps. Finally, section 5 and 6 respectively include links to references on this initiative and the Appendices referred in the sections below.

In Phase 3, the Small Group's objective was to discuss the proposed changes, clarify issues, improve understandings, determine common principles and build agreement where possible. Similar to Phases 1 and 2, the "Small Group" representatives reported back to their larger groups in-between the sessions. Unlike Phases 1 and 2, the SCC and CSAB individual group meetings were primarily in-camera (CSAB) or Tier 1 (FN only) sessions. The DFO and the facilitator attended the group meetings only when requested for brief deliberations during reporting out sessions. DFO also provided technical support to the CSAB during their deliberations on initial shares. Discussions with the SCC and CSAB were completed at the end of January 2015.

One product of the Small Group meetings was a comparison table of CSAB and SCC suggested changes to the CSAF. This table includes principles in common that would inform changes to the CSAF and alternate viewpoints on various issues where differences remained (Appendix A); as well, the table referenced some key DFO considerations and objectives. These results suggested that there is strong support for making changes to the CSAF, especially to stabilize the shares, but that options to increase

<sup>1</sup> http://www.pac.dfo-mpo.gc.ca/fm-gp/species- especes/salmon-saumon/pol/index-eng.html

flexibility to harvest the shares must to be feasible to implement and be seen as fair. Along these lines the Department, subject to a decision on changes to the CSAF, has outlined its intentions to develop a common evaluation mechanism (or evaluation framework) for assessing proposals from any commercial fishery participants seeking flexibility to harvest their shares (Appendix B).

Finally, the Small Group also reviewed the Department's summary of the proposed changes to the CSAF intended for inclusion in the draft 2015/16 Integrated Fisheries Management Plans (IFMP) for salmon. DFO indicated their intention of including these proposed changes in the IFMPs is to gather further views on the possible changes to the CSAF with the understanding that these will be considered, along with the views of the SCC and CSAB and others, before finalizing and making any decisions on changes to the CSAF. Key details of this summary are noted in Appendix C.

### 1. Summary of Phase 1 and 2

The initiative to update the CSAF was intended to address the deficiencies in the current framework. Proposed changes are aimed at improving the long-term stability, certainty, and resilience of the commercial salmon allocation arrangements. Further, the changes were meant to provide more flexibility to licence holders to make effective fishing plans and decisions and thereby be better able to respond to uncertainty in salmon abundance and changing market conditions.

The engagement process began in September 2013. Phase 1 focused on why change to the framework was important and led to participants identifying their objectives and proposals for change. A Phase 1 report documents the 15 proposals put forward by the groups (14 from the CSAB and 1 from the SCC). In this phase both SCC and CSAB participants raised a range of concerns that the current CSAF arrangements were destabilizing, not reflective of the current fisheries management practices, hindered or prevented more preferred fishing approaches and could, in some circumstances, act as a disincentive to add value to catches. For the full Phase 1 facilitators report, please go to: <a href="http://www.dfo-mpo.gc.ca/Library/353131.pdf">http://www.dfo-mpo.gc.ca/Library/353131.pdf</a>

Phase 2 concentrated on the evaluation of proposals identified in Phase 1 that were further distilled into 4 Change Approaches for further evaluation by an independent socio-economic (S/E) analyst. During Phase 2 it was noted there were common elements emerging among some of the proposals and a strong interest from the SCC and CSAB to understand the other group's approach. Participants agreed that it would be useful for a small group of designated CSAB and SCC members to meet to discuss in more detail the proposals to increase and improve understanding and then report back to the main tables. The "Small Group" was formed and continued to meet through Phase 2. For the full Phase 2 facilitators report, please go to: <a href="http://www.dfo-mpo.gc.ca/Library/354370.pdf">http://www.dfo-mpo.gc.ca/Library/354370.pdf</a>

Throughout discussions in Phase 1 and 2 it was clear that there was strong support for more flexibility for First Nations and commercial fleets to decide how to fish their licence shares and there was a general understanding that a "one size fits all" approach was not practical. At the same time the Department emphasized that a review of the operational feasibility of implementing the proposed fishery flexibilities would need to be carefully considered before any changes to fisheries could be made. Phase 2 marked the end of the engagement process set by the initial Terms of Reference. However, in

consideration of requests from both the SCC and CSAB, both groups were granted an extension of the process to advance specified tasks outlined in separate letters to the RDG (see letters in the Facilitator's Phase 2 report).

The CSAB proposed that the Department support an extended process starting in the fall of 2014 whereby the CSAB would meet to define the initial shares. The CSAB also proposed to further develop a single, common CSAB proposal (the "Evergreen Proposal"), which incorporated fixed shares at the fleet, species and fishery production area level. Their perspective was that defining shares would assist in describing their proposal for change and set the stage for further discussions with First Nations aimed at exploring and developing common ground on changes to the CSAF.

First Nations outlined the need to work with their communities, informing them on the deliberations that occurred in Phases 1 and 2 and to undertake further preparations before concluding on possible changes to the framework.

The DFO agreed to extend the process for a final round of meetings (Phase 3) and outlined its expectations for this process in letters that were sent from the RDG to the CSAB and the SCC (see Appendix D and E).

### 2. Phase 3 Process

To complete the deliverables noted by the DFO, meetings began in November, 2014. In Phase 3, separate meetings of the SCC and CSAB took place along with "Small Group" meetings, which included designated representatives from the SCC, CSAB and DFO.

The Small Group meetings were held with the objective to further develop common ground on proposed changes to the CSAF identified in Phase 2; these meetings were formally facilitated. In the separate CSAB and SCC meetings, the DFO and I as the facilitator attended only on request to receive updates on progress, or in the case of DFO, to provide technical support during CSAB meetings to determine recommendations for initial shares. The summary report from the CSAB and the proposed changes recommended by the SCC, have been attached as Appendices F and G. In the case of the CSAB report, differing views and alternate recommendations among the CSAB exist in a few areas. The CSAB report provides details and rationale for each perspective. The complete list of CSAB, SCC and small group meeting dates were as follows:

CSAB	Mon Nov 3
SCC	Thurs/Fri Nov 13/14
CSAB	Mon/Tue Nov 24/25
SCC – Northern Group	Mon Nov 24 (pm)
SCC – Southern Group	Wed Nov 26 (am)
Small Group (SCC and CSAB) ½ day meeting.	Wed Nov 26 (pm)
CSAB	Tue/Wed Dec 2/3
SCC (tier 1)	Mon Dec 8
Small Group	Thurs Dec 11
Small Group	Wed Dec 17

CSAB	Mon/Tue Jan 5/6
Small Group	Wed, Jan 7
SCC	Thurs, Jan 8
Small Group	Friday Jan 16
SCC	Mon/Tue Jan 19/20
CSAB	Tue/Wed Jan 27/28

### 3. Results from Phase 3

### 3.1 CSAB

The CSAB met six times to develop recommendations on changes to the CSAF. This included recommendations for establishing initial shares, a proposed timeframe for how long the shares would be applied, a review period and triggers for evaluating the performance of the shares and operational guidelines for how the shares would be implemented. In regards to the CSAB's recommendations for initial shares, there was broad support from the CSAB representatives on the vast majority of the proposed shares at the species, fleet and fishery production areas, however there are a few proposals for alternative sharing arrangements for some fishery production areas. These are detailed within the CSAB report in Appendix F.

In addition, the CSAB considered options to increase the flexibility to harvest shares. These views were brought to the small group meetings for further discussion and areas of agreement and differences were explored with SCC members and DFO. These are noted in section 3.3 below.

### 3.2 SCC

The SCC met six times to further develop their proposal for changes to the CSAF and to review the proposed shares, timeframe and operational guidelines proposed by the CSAB.

In regards to recommendations to increase stability of shares, there was general support from SCC participants on the initial shares proposed by the CSAB as well as the proposed 5-year timeframe for which shares would apply. There was also support for the additional fishery production areas proposed. In addition, the SCC proposed an additional fishery production area for Fraser River chum, which would result from splitting the current Inner South Coast chum fishery production area to further define the sharing arrangements for inner south coast chum and Fraser River chum separately. The CSAB sought additional information on the merits of the suggestion however there was no agreement by the CSAB to add this fishery production area.

In addition, the SCC met to discuss proposals for increased flexibilities to harvest shares. Further detail from the Small Group discussions on this point is described in section 3.3 below. Recommendations specific to the SCC proposal regarding the First Nations economic fisheries included the following key points:

- That new First Nations economic fisheries could be contemplated subject to approval by the DFO and these would be coordinated with other fisheries on the same species;

- That the benefits of a separate First Nation management body be considered by First Nations. This body could, if supported by First Nations, include administration/documentation of share utilization associated with licences held in DFO inventory.

These are detailed within a letter to the Minister attached as Appendix G.

### 3.3 Small Group

The Small Group discussions in Phase 3 underscored the interests of all the parties to work together on both clarifying the proposed changes to the CSAF and considering ways of mitigating issues, particularly those related to providing flexibility to harvest the shares. The CSAB and SCC thought that working together and developing common views on possible changes would increase the likelihood that the changes would be feasible to implement, would be more acceptable to a broad range of SCC and CSAB interests and would more likely be approved by the Department.

### Membership of Small Group

- o CSAB:
  - Bob Rezansoff (Area A/B),
  - Dane Chauvel (Area H),
  - Joy Thorkelson (Area C/UFAWU-UNIFOR);
  - Ryan McEachern (Area D/E);
  - Barry Rosenberger (Consultant for the CSAB);
- o SCC:
  - Don Hall (WCVI),
  - Karl English (North Coast),
  - Marcel Shepert (Upper Fraser),
  - Larry Greba, alternate (Central Coast);
  - Mark Cleveland (North Coast).
- o DFO: Jeff Grout, Paul Sprout, Cynthia Johnston, Patrick Mahaux, Kyleen Ennis
- o Facilitator: Pam Cooley

The Small Group meetings assisted the CSAB and the SCC to come to an understanding on a number of principles and operational guidelines that they thought could be used to update the current CSAF and guide its implementation. A comparison table, "Summary of CSAB and SCC Responses on Key CSAF Principles" (Appendix A) was developed which identified key elements associated with changes to the CSAF, including principles, operational and DFO considerations and it highlighted agreements and differences between the SCC and CSAB. The comparison table was brought back to the larger SCC and CSAB groups to ensure agreement on content.

The Department, using the comparison table, organized and consolidated the proposed changes to the CSAF into a document that could be more broadly distributed as part of the draft 2015 IFMP for salmon,

and solicited feedback from the Small Group for consideration. DFO indicated that their intention is to seek additional feedback on the proposed changes during the public consultation period of the development of the draft 2015/16 IFMP. Below I note some of the key points described in document prepared for the draft IFMP with the understanding that these observations and others are elaborated on in Appendix C.

The changes to the CSAF considered by the SCC and CSAB can be grouped into three categories:

- 1. Changes which aim to improve the **stability of shares**. These have broad agreement among both the SCC and CSAB representatives;
- 2. Changes which focus on providing harvesters <u>additional flexibility to harvest</u> their shares. These include principles which have general agreement, however operational details still need to be determined and could require testing over time to achieve desired outcomes while meeting the Department's requirements; and,
- 3. Views on specific topics that were raised by one group or the other which will <u>require additional</u> <u>discussions</u>. Several of the issues in this category were only briefly outlined while others highlighted the differences in views between the parties underscoring the need for more careful consideration.

In considering the above categories it is clear that there is a strong overlap in the perspectives of the SCC and the CSAB on changes to the CSAF whose purpose is to stabilize the commercial sharing arrangements and provide the basis for First Nations economic fishery shares based on commercial salmon licences set aside for that purpose. This applies particularly to moving from annual to multi-year arrangements, assigning shares at the fleet, species and fishery production area level and no longer using sockeye equivalents to update shares on an annual basis. Although there was strong consensus among most of the CSAB for assigning initial shares at the more local level, and the SCC also supported this, there were several production areas where there was not consensus on the initial shares within the CSAB. As well, there was not complete concurrence on the number of production areas as noted in section 3.2 above.

There was broad agreement by the SCC and the CSAB on providing more flexibility to harvest the shares with the understanding that fleets and First Nations economic fisheries should choose the approach that best reflects their interests. The SCC proposal envisaged that the First Nations with shares transferred from relinquished licences might choose to stay within the Areas A-H fisheries or fish the shares in a First Nations economic fishery. Stipulations on how this might work and under what circumstances were the basis of extensive discussion within the Small Group. A key feature to make this work was the requirement for stronger collaborative processes in which First Nations and commercial interests worked together on fishery planning and ensuring the best use of bycatch, among other considerations.

Regardless of the need for more cooperation, all parties concluded that flexibility to harvest shares would need to be carefully considered to ensure conservation objectives were not compromised, that there was compliance with shares, that proper management and enforcement measures were in place, and that other requirements may be needed to support sustainable fisheries. DFO highlighted

departmental considerations about the operational feasibility of potential changes which included: observing the potential for additional stock assessment information, catch monitoring, compliance and enforcement as may be necessary and avoiding new DFO program costs or obligations.

To help clarify how the Department may consider requests for flexibility to harvest shares, a draft conceptual framework for assessing proposals was prepared by the Department. This framework was developed to illustrate the key considerations and review the Department would need to undertake in approving any requests from harvesters for additional fishery flexibility. The Department noted that a more comprehensive framework would need to be developed and applied to ensure Department objectives were being met in any given proposal for harvest flexibility.

In regards to areas where agreement on principles were not reached by the SCC and CSAB, further discussion on these areas will be required. This includes items with broader policy implications for the Department, stakeholders and First Nations. Some of these matters were discussed among the Small Group participants to clarify where and how the remaining differences could be resolved through further joint work by the SCC, CSAB and DFO.

### 4. Conclusions and Potential Next Steps

In my opinion, the 18-month process to gather recommendations for updating the CSAB has been robust and transparent. It has been structured to ensure deliverables and timelines are achieved, while providing for enough flexibility in the process to allow for fulsome discussion among participants. The continued use of the Small Group to clarify proposals and perspectives as well as explore where there are common interests has resulted in substantial agreement between the SCC and CSAB in a number of key areas. This engagement approach demonstrated, particularly with the Small Group, that a collaborative approach can be an effective use of experience and knowledge and supports increased understanding and relationship building. It also showed that DFO's role to provide information and support the collaborative process as a resource has merit.

While there was significant overlap in the broad direction for change between the SCC and CSAB proposals, important issues were identified and remain outstanding. These arose principally around the operational flexibility (methods, locations and timing) for harvesting the shares that the SCC proposal envisaged. The proposed fishery flexibility raised numerous operational questions on how this would work in practice and how similar flexibilities could be applied in the Area A-H commercial fisheries. Suggestions were made on how greater flexibility in fishery operations could be implemented and the importance of using a common, transparent evaluation framework to ensure consistency with conservation, fishery monitoring and catch reporting, compliance and stock assessment requirements.

It's clear that additional discussion and collaboration will be required to address these outstanding issues as well as to successfully implement any approved flexibilities. The recommendation from both the SCC and CSAB for a revised/new collaborative advisory board, with members from the Area Harvest Committees and First Nations, will be necessary to address pre-season planning and in-season implementation of a revised CSAF. A recommendation from both the CSAB and SCC participants was that development of a Terms of Reference for the revised advisory group, including clear roles and

responsibilities should be a priority. This would be the reasonable next step in the work to implement a revised CSAF and could be a place to discuss/resolve additional implementation details and potentially any outstanding issues, should the recommendations be approved.

In addition, the Department's commitment to develop a framework for evaluating proposed flexibilities as discussed in the Small Group is essential. A common and transparent assessment framework would provide clarity to all harvesters on what flexibilities could be considered as well as what information would be required for approval. The Small Group participants raised the development of an evaluation framework as a key item to be developed by the Department and also indicated their desire to be included in its development.

### 5. Links to Further Information

**Departments Consultation Website** including: terms of reference; communication material and meeting information: http://www.pac.dfo-mpo.gc.ca/consultation/smon/saf-crrs/index-eng.html

Phase 1 Facilitators Report: <a href="http://www.dfo-mpo.gc.ca/Library/353131.pdf">http://www.dfo-mpo.gc.ca/Library/353131.pdf</a>

Phase 2 Facilitators Report: http://www.dfo-mpo.gc.ca/Library/354370.pdf

### 6. Appendices

Appendix A: Summary of CSAB and SCC Responses on Key CSAF Principles

Appendix B: Departments' draft conceptual framework for evaluating proposals

Appendix C: Proposed changes to the CSAF outlined in 2015 IFMP

Appendix D: RDG letter to CSAB Appendix E: RDG letter to SCC

Appendix F: CSAB report including initial allocations

Appendix G: SCC proposal

# **APPENDIX A**

Summary of CSAB and SCC Responses on Key CSAF Principles

### Appendix A - Summary of CSAB and SCC Responses on Key CSAF Principles

Last updated at January 16, 2015 Small Group meeting

Key elements	Principle(s) that seem in common	CSAB Responses/Issues	SCC Responses/ issues	Notes: Clarifications, DFO concerns raised, etc.
1. Defining	the Allocation level			
	Shares (% of commercial TAC) by for each species by fleet (A to H) / First Nations and fishery production area	This is consistent with CSAB proposal.	This is consistent with the SCC proposal.  indicated they did not see any major issues with initial allocation plan	SCC and CSAB may need to discuss further if CSAB contemplates changes for troll licence retirement or area re-selection.
2 Assigning	the FN economic fishery share		with initial anocation plan	
2a.	First Nation economic fisheries should be based on voluntary commercial relinquished licenses and calculated as a % of commercial share based on 1/current total fleet size and by fishery production area.	This is consistent with CSAB proposal.	This is consistent with the SCC proposal.  Clear accounting framework that includes all commercial licences, including distribution in existing marine commercial fishery and inland fisheries.	
2b.	Shares remained linked to A to H licences unless an election is made to transfer the share associated with commercial licence(s) to a First Nations economic fishery. For any transfer, the FN share is based on the licence-production area harvest share at the time of the transfer. Licence transfers would be for longer terms (i.e.: minimum of 5 years).	This is consistent with CSAB proposal.	This is consistent with the SCC proposal.  If the CSAB changes allocations to its licence categories this will not affect the FN basket share.	Intent is that any A to H licences converted to a separate FN shares would be based on share at time of transfer out of A to H fishery (not when the original purchase was made). Need to consider rules and circumstances for whether reconversion of FN share back into an A to H licence is permitted. Item flagged for potential allocation policy update?

Key elements	Principle(s) that seem in common	CSAB Responses/Issues	SCC Responses/ issues	Notes: Clarifications, DFO concerns raised, etc.
2c.	Any individual, group or First Nation (including NNFC licences) who owns, controls, or is assigned an Area A-H licence may continue to fish that licence in an Area A-H fishery; or they could transfer the harvest shares associated with their licence to an approved First Nation economic fishery.	This is consistent with CSAB proposal.	This is consistent with the SCC proposal.	
2d.	A central, common tracking system should be in place to provide an open and transparent, annual accounting of all commercial A to H licences and allocations and First Nations economic fishery allocations by each First Nations fishery.  This would include an annual update of all transfer arrangements.	This is consistent with CSAB proposal.	This is consistent with the SCC proposal.	
	The SCC proposes a central First Nation licensing board to [administer unassigned DFO inventory licence shares and any additional FN licences for FN fisheries] work with DFO on issues such as administration of shares utilization, short and long term transfers, etc			

Key elements	Principle(s) that seem in common	CSAB Responses/Issues	SCC Responses/ issues	Notes: Clarifications, DFO concerns raised, etc.
2e.	Preseason - FNs can increase the portion of the catch taken in FN economic fisheries by buying additional A-H licences and converting harvest shares into the First Nations economic fishery.	This is consistent with the CSAB proposal.	This is consistent with the SCC proposal.  FN are seeking future (perhaps on annual basis) opportunities to increase their shares based on voluntary transfers.	Proposal from Area C: establishing a minimum fleet size for A-H is a priority. Intent is to ensure any individual licence holders have potential to participate in marine fisheries.
2f.	First Nations can increase the portion of the catch taken in FN economic fisheries by leasing and converting harvest shares from additional A-H licences.	CSAB agrees in principle with principle of voluntary relinquishment of commercial licences for transfer but concerns remain about the overall magnitude of transfers and viability of remaining marine commercial fleet to support coastal industry/services.	This is consistent with the SCC proposal.	Related to 6, 8 and 9
3. Achieving	more certainty and stability (Duration)			
	5 year arrangements for harvest shares in A to H fisheries, with review after 4 years. May also be a review for significant circumstances if majority of commercial advisory board members agree.	This is consistent with CSAB proposal.  If no major issues with review it is expected that sharing arrangements could be continued with same review provisions.	This allows for FN to negotiate agreements up	Principle wording clarification: "CSAB" may be a new management board that includes FN licences fished in A to H fishery (see point #6 below).
	of Fishery Production Areas			
4a.	Under the new allocation framework 25 fishery production areas would be assigned shares as appropriate to each gear type.	This is consistent with CSAB proposal.  3 new production areas for AABM chinook and AB line pinks proposed.	This is consistent with the SCC proposal.	DFO intention is to update draft IFMP for release Mar. 2 with initial allocation plan and associated guidelines or notes to permit further feedback during IFMP consultation process.

Key	Principle(s) that seem in common	CSAB Responses/Issues	SCC Responses/ issues	Notes: Clarifications, DFO concerns raised,
elements				etc.
4b.		CSAB reviewed the idea of dividing the southern inside chum from Fraser. CSAB does not support this subdividing as about 50% of chum harvested in the Johnstone Strait portion of the current area are of Fraser origin. Not clear how that would effect a second areas sharing arrangements. All the same fleets except Area D would also be the same fleets harvesting in both new areas. CSAB does not see this as the same as seperating production areas for Mainland pinks and other southern inside pinks. This is two separate fishery production units while separating Fraser chum and other inside chum is a major overlap of same fishery production units.	new area. That is dividing the southern inside chum from the Fraser chum. The SCC indicated that this would be similar to the situation for pink salmon where Fraser and	DFO noted that southern inside chum are managed with a 20% mixed stock harvest rate approach in Johnstone Strait and terminal harvests can occur in a number of terminal areas on the ECVI and Fraser River if there are surpluses to escapement objectives identified. Understanding is CSAB intends to continue commercial allocation sharing arrangements in Johnstone Strait as follows: seine Area B – 77 percent; gill net Area D – 17 percent; and troll Area H – 6 percent.
5. Sockeye	Equivalents/Valuation			
	Future adjustments to allocations may consider sockeye equivalents for A-H fleets. Agreement that some form of metric is needed for consideration of any readjustment. No decision at this time whether that is sockeye equivalents or something else e.g. CPUE, historical catches, etc.	This is consistent with CSAB proposal.	This is consistent with the SCC proposal.	

Key	Principle(s) that seem in common	CSAB Responses/Issues	SCC Responses/ issues	Notes: Clarifications, DFO concerns raised,
elements				etc.
6. Collabora	ntive commercial fishery planning process inclu	ding all participants		
	Principle: A Terms of Reference for an updated commercial salmon advisory board that includes both First Nations economic and CSAB representatives should be developed. This new board could have sub-regional and/or local bodies (e.g. North Coast/ South Coast, Barkley SD round table). Terms of Reference needs to be developed including membership, roles, management functions, etc.  Management of by-catch and limiting stocks/species will be key issue of pre-season planning. Principles for utilization of these fish need further discussion. Focus on fisheries management considerations for harvesting allocations.	This is consistent with CSAB proposal.	This is consistent with the SCC proposal.  There is general support for coordination, cooperation and accountability by all participants in commercial salmon fisheries. There are several examples where FN economic fisheries have demonstrated their ability to coordinate their fisheries with A-H fisheries, cooperate through joint management processes, have full accountability for harvest and improve stock assessment knowledge.	<ol> <li>Election process description/update?</li> <li>DFO understanding of whether additional resources to support new/improved process(as) should be clear.</li> <li>General agreement that all commercial and FN share holders need a collaborative process to come together to manage fisheries; consider spatial scale and in-season requirements</li> </ol>
-	Management Approach/ Flexible management			
7a.	Collaborative management principle. Collaborative process required to consolidate and co-ordinate the interests of the commercial salmon fisheries (regular A-H and FN economic fisheries) as they relate to policy matters, harvest planning and other issues related to the commercial fishery.	This is consistent with the CSAB proposal.	This is consistent with the SCC proposal.	

Key elements	Principle(s) that seem in common	CSAB Responses/Issues		Notes: Clarifications, DFO concerns raised, etc.
7b.	Each gear type or First Nation economic fishery can determine best management approach for its share (e.g. competitive fishery, individual quotas, etc.)	type or First Nation economic fishery can determine best management approach for its share (options may include competitive fishery, individual quotas, etc.). Fishery management approach will likely vary by fleet and fishery. Some CSAB members are opposed to ITQ type fisheries (except any	FN may propose to conduct fisheries at locations closer to spawning grounds based on the harvest shares converted from Area A-	Further discussion required about scope of annual post season review (interest is to review how well sharing arrangements have been implemented).
7c.	Existing licensing rules will need to be reviewed in consideration of implementation of management flexibilities and consistency across fleets (i.e.: consider length restrictions reform). Licence restrictions associated with A-H fisheries would not apply to FN economic fisheries.	This is consistent with the CSAB proposal.	This is consistent with the SCC proposal.	
7d.	FN may propose to conduct First Nation economic fisheries in marine or inland areas based on shares converted from A-H fisheries.	This is consistent with the CSAB proposal.	This is consistent with the SCC proposal.  Other fisheries near spawning grounds — Harvest in these fisheries will depend on access to harvest shares converted from Area A-H licences. These fisheries will likely provide benefits for weak stocks because these fisheries are typically conducted closer to the spawning grounds where the weaker stocks are not present.	

Key	Principle(s) that seem in common	CSAB Responses/Issues	SCC Responses/ issues	Notes: Clarifications, DFO concerns raised,
elements				etc.
8. Transfers	s			
8. Transfers	In-season transfers can occur if pre-season plans outline possibilities.  Pre-season plans outlining the possibilities, rules and mechanisms for all allocation categories (between all licence fleets and First Nation economic fisheries) will be developed pre-season by the fleets and First Nations involved.  Transfers between fisheries (between marine and marine and between marine and inland) must account for similar stocks and species.  Transfers into areas that require management	Pre-season plans outlining these possibilities must be agreed to by the A-H fleet and First Nations involved.	This is consistent with the SCC proposal.  This includes species-specific harvest shares that are associated with PICFI and ATP licences, since trading amongst FNs will help to achieve local harvest priorities and access to local stocks	The same rules for upstream and downstream transfers of harvest shares. For downstream transfers FNs will need to re-aggregate the necessary components to match the stock mix in the intended harvest area.  DFO has developed interim transfer guidelines in the IFMP's for 2013 and 2014 that may form the basis for additional discussion of operational guidelines/rules.
	adjustments need to be accounted for in determining TAC e.g. a similar accounting process to current Fraser sockeye.  Operational guidelines for pre-season and inseason transfers will need to be developed.			

Key	Principle(s) that seem in common	CSAB Responses/Issues	SCC Responses/ issues	Notes: Clarifications, DFO concerns raised,
elements				etc.
9. Uncaugh	t allocation			
	SCC: If transfer agreements are not established prior to the fishing season, no compensation would be required from "upstream" fisheries that harvest a portion of the allocation not caught by the "downstream" fishery. CSAB is opposed to this concept/wording.  CSAB: Shares stay with the fleet and anyone wanting to harvest someone else's shares needs to make arrangements whether preseason or in-season.	shares should contact that fleet that was allocated those fish and make arrangements.	·	DFO: This area requires further discussion. Currently DFO makes decisions on whether to permit transfer of uncaught TAC. Some considerations are outlined in the Interim Transfer Guidelines contained in the IFMPs.

Key	Principle(s) that seem in common	CSAB Responses/Issues	SCC Responses/ issues	Notes: Clarifications, DFO concerns raised,
elements				etc.
10. Operat	ionalizing allocations/Optimizing the commerc	al harvest potential		
10. Operat		al harvest potential  Requires an understanding of the various arrangements that have been made at the local level between the gear types (e.g.: Barkley). This is a significant issue for CSAB members in consideration of transfers to FN economic fisheries that may not operate as the licence type they were transferred from.  Issues include the use of any local stock which may have been defined by the pertinent area fleets in a local arrangement to cover off encounters/release mortalities, by catch and directed harvests.  Need a process to deal with species without a TAC and to support development of new opportunities that all fleets/FN economic fisheries can share in.		Related to 11.

Key	Principle(s) that seem in common	CSAB Responses/Issues	SCC Responses/ issues	Notes: Clarifications, DFO concerns raised,
elements				etc.
11. Manage	ment of the catch of non-target species (by cate	ch).		
11. Manage	By catch is a non-targeted fish, that must be shared between the fisheries in the development of operational plans to allow every fishery reasonable access to its target species.  New fisheries must be based on the same species/stocks proportions unless considered and agreed to by other effected fisheries (e.g. cannot take allocation of 100 sockeye comprised of many stocks then hold on one stock only).  Need to develop a principle for transitioning when a by-catch species becomes a target species.	This is consistent with the CSAB proposal.  If there is not enough by catch to meet every fishery's need then an allocation process should take place on the basis of reaching an equitable share of the target species	harvest share for each gear-type for those production area-species combinations where no targeted fisheries are currently permitted (e.g. central coast sockeye) in addition to the sharing arrangement that would be applied	1. Editors - consider how to align incentives among participants for sharing 'pooled' impacts available for by-catch/stocks of concern. Importance of collaborative process to discuss and optimize fisheries. By-catch not formally allocated; this could be reconsidered in the future if conditions permit allocation (for example, if abundance increases or stock assessment information improves).  This could be kept as the intent - DFO's current approach: Both by-catch and incidental harvest are factored into the calculation of exploitation rates on various stocks, and therefore, fishing plans are designed to be consistent with existing policies and to keep exploitation rates on stocks of concern within the limits described in the fishery management objectives. The Department does not allocate by-catch or portions of the acceptable exploitation rate on stocks of concern. The Department considers a number of fishing plan options and attempts to address a range of objectives including minimizing by-catch and incidental catch.

Key elements	Principle(s) that seem in common	CSAB Responses/Issues	SCC Responses/ issues	Notes: Clarifications, DFO concerns raised, etc.
12. ESSR Fisheries				
	DFO does not implement fisheries restrictions to create opportunities for ESSR fisheries. No proposed change to DFO policy.	·	DFO does not implement fisheries restrictions to create opportunities for ESSR fisheries.	
13. Catch N	, <u> </u>			
	To have accurate, timely and accessible fisheries data, such that there is sufficient information for all Pacific salmon fisheries to be managed sustainably and to meet other reporting obligations and objectives.	This is consistent with CSAB proposal.	This is consistent with the SCC proposal.	Editors to revise wording. Sufficient validation requirements would be established for all fisheries with provisions for increased monitoring where necessary to achieve compliance and catch reporting goals. The process would be more transparent than it is now and cost sharing arrangements between harvesters and government (i.e., Federal, Provincial) would be clear. There should be a common and transparent set of standards (e.g. DFO- Catch Monitoring and Reporting Framework for Pacific Fisheries?) and process to report on compliance with requirements for each fishery.
14. Dual Fis	shing			
	DFO policy will apply for requests for dual fishing.	This is consistent with the CSAB proposal	In FN economic fisheries, First Nations may retain non-target species caught for FSC purposes	

# **APPENDIX B**

Departments' Draft Conceptual Framework for Evaluating Proposals

# Appendix B – DRAFT CONCEPTUAL FRAMEWORK FOR EVALUATING PROPOSALS FOR FLEXIBILITY

PROPOSAL ANALYSIS							
KEY CONSIDERATIONS (IDENTIFY IMPORTANT DFO OBJECTIVES)	YES	NO	OUTLINE NEW REQUIREMENTS AND/OR IMPLICATIONS	IDENTIFY MITIGATION STRATEGIES TO ADDRESS OUSTANDING ISSUES	ASSESS FEASIBILITY OF MITIGATION (H/M/L)		
CURRENT STOCK ASSESSMENT INFORMATION IS ADEQUATE							
CONSISTENT WITH CONSERVATION OBJECTIVES							
EXISTING ENFORCEMENT PROVISIONS ACCEPTABLE							
NO NEW REPORTING OR DOCUMENTATION REQUIRED							
CURRENT BUDGET ADEQUATE TO IMPLEMENT							
INTEGRATES WITH OTHER FISHERIES ON SAME POPULATIONS							

# **APPENDIX C**

Proposed Changes to the CSAF Outlined in the Draft Salmon IFMP

### Appendix C

### Proposed changes to the CSAF (Appendix 10 of the draft 2015//16 IFMP)

For simplicity, the changes to the CSAF that have been proposed by the SCC and the CSAB are organized into three categories:

- 1) Stabilizing commercial shares an area where there is broad agreement on key elements, although differences in some areas remain.
- 2) Flexibility to harvest shares a group of changes where the goals of SCC and CSAB are similar but where operational uncertainty on how the changes will be implemented remains. Proposed fishery management flexibilities (if implemented) would also be subject to Departmental review using a consistent evaluation framework.
- 3) Additional elements for discussion other potential updates where policy implications need to be further addressed or where operational issues still require more discussion. Further discussion and additional analysis will be required prior to any decision.
- 1. There is broad agreement among the SCC and CSAB proposals on changes to the CSAF, which are aimed at stabilizing the commercial salmon shares. This includes moving away from the current coast-wide gear shares (i.e. 40% Seine: 38% Gill Net: 22% Troll) defined in sockeye equivalents to shares by species, fleet and fishery production area that are established for a multi-year basis. The following updates are proposed, although some details remain to be determined:
  - Commercial salmon shares (specified as a % allocation of the allowable commercial harvest) should be assigned by species, fleet and fishery production area. Initial shares at the by species, fleet and fishery production area proposed by the CSAB are provided in Appendix F, page 22.
  - Shares to apply for a 5 year period with provision for a review after year 4 to determine if adjustments should be made to Area A-H sharing arrangements in subsequent years. An earlier review could be considered if circumstances warrant by majority agreement of commercial advisory board;
  - Sockeye equivalents should no longer be used to adjust shares on an annual basis;
  - Licences transferred to First Nations communities for commercial purposes, from an individual relinquished commercial licence, will be based on an equal percentage allocation of the allowable commercial harvest for all licences in that commercial licence area (i.e. Areas A to H); and,
  - A central, common tracking system to be in place to provide an open and transparent annual
    accounting of all commercial A to H licences/allocations; and, First Nation economic fishery
    allocations by each First Nations economic fishery.

### Further considerations on Stabilizing Commercial Shares

Initial shares have been largely agreed to within the CSAB and supported by the SCC. However, within the CSAB there was some disagreement within the CSAB about the appropriate sharing arrangements for certain fisheries and species.

The CSAB has proposed 3 additional production areas for describing commercial sharing arrangements. In addition to the current 22 fishery production areas, three new areas have been proposed to better define sharing arrangements for troll fisheries limited by the Pacific Salmon Treaty including the WCVI Aggregate Abundance Based Management (AABM) chinook, Northern BC AABM chinook and the AB-line pink troll fisheries.

The SCC has generally agreed to these changes and has proposed the CSAB consider adding an additional production area for a total of 26. This 26<sup>th</sup> production area would result by dividing the Fraser river chum from the southern inside chum. This has not been agreed to by the CSAB and this issue remains outstanding.

Based on further feedback on the draft IFMP, a final decision will be made on the allocation arrangements and duration beginning in 2015. It is expected that annual post-season reviews will be conducted to consider how well the approved allocation arrangements have been implemented in commercial fisheries that season.

### 2. Flexibility to Harvest Shares and Integrated Planning Process

Both the CSAB and the SCC are seeking greater flexibility to harvest the shares that are assigned at the fishery production area level and/or are associated with voluntarily relinquished commercial licences transferred to First Nations.

The following principles and operational guidelines have general agreement among SCC and CSAB representatives:

- Greater flexibility, such as fishing location and methods, should be provided to harvest the shares; however, 'one size does not fit all' and each gear type through its area harvest committee or First Nations economic fishery should determine the best approach to harvest their shares.
- First Nations that have Area A-H licences may continue to fish those licences in the current A-H fisheries or they may choose to transfer the harvest share associated with those licences to a First Nation economic fishery. Under the SCC proposal, any First Nations economic fishery would have to be managed in coordination with other fisheries and would require approval from the Department (including proposed fishing method, location and time).
- A revised collaborative process is required to coordinate the collective interests of the A-H
  fisheries and First Nations economic fisheries in order to produce integrated fishing plans. A
  Terms of Reference for an updated commercial salmon advisory board that includes both First

Nations economic fishery and CSAB representatives should be developed to clarify membership, roles and responsibilities, management functions, and other relevant features of the collaborative process. This could also include more local harvest planning processes as required.

- In-season transfers of shares among and between A-H and First Nation economic fisheries would be considered. These arrangements will be subject to operational guidelines for pre-season and in-season transfers (see Interim Guidelines for Temporary Commercial Salmon Share Transfers, Appendix 7, Section 7.16 in the draft IFMP for salmon)
- Transfers between fisheries, including marine and inland areas, must account for similar stocks/species, as well as, any management adjustments that may need to be taken into consideration for transfers to inland areas.
- By-catch and stocks of concern (i.e. non-targeted species that limit target species access) will not be formally allocated at this time and must be shared between all commercial fisheries, including First Nation economic fisheries, in the development of operational plans to allow every fishery reasonable access to its target species. Operational plans to be discussed annually through a collaborative process among all commercial fishery participants, including First Nations economic interests. The use of by-catch will require more discussion to further clarify how by-catch is best used under different scenarios of non-target species abundance.
- To have accurate, timely and accessible fisheries data, such that there is sufficient information for all Pacific salmon fisheries to be managed sustainably and to meet other reporting obligations and objectives.
- Common standards to be in place for evaluating and approving flexibilities to harvest shares whether these are Area A-H or First Nations economic fisheries. Operational issues about how to operationalize harvest flexibilities in different areas has underscored the need for greater clarity and transparency applying these proposed changes.

### Further Considerations on Flexibility to Harvest Shares:

The SCC proposal envisages that any First Nations that have Area A-H licences may continue to fish that licence in the current A-H fisheries or choose to transfer the harvest share associated with that licence to a First Nation economic fishery. This could result in First Nation economic fisheries in marine or inland areas based on shares converted from A-H fisheries. The relevant First Nations economic fishery (including any proposed fishing methods, times and locations) would first need approval from the Department. Any First Nations fishery would have to be managed in coordination with other commercial fisheries (including A-H), on the same species and would have to meet Department requirements for stock assessment, catch monitoring, compliance and enforcement.

Similarly, the CSAB is suggesting that fleets in the A-H fisheries should decide how to best harvest their shares though harvest committee deliberations and thus have endorsed the view that "one size does not fit all" when it comes to how fleets may choose to harvest their shares.

An important element of the flexibility that is being suggested by both the SCC and the CSAB is that by-catch or stocks of concern (i.e. non-target species that limit access to target species) should remain, at least at this time, as unallocated and should be shared among the A-H and First Nations commercial fisheries as determined through collaborative fishery planning processes. Any new First Nations economic fisheries must be based on the same species/stocks proportions unless considered and agreed to by other affected fisheries. The use of by-catch will require more discussion to further clarify how by-catch is best distributed under different scenarios of non-target species abundance.

Collaboration among the parties was a strong feature in both proposals and it was agreed that an effective process would be required to support and coordinate the interests of the A-H and First Nations economic fisheries. Both the SCC and CSAB support developing a Terms of Reference for an updated commercial salmon advisory board that includes both First Nations economic and CSAB representatives. This new board could have sub-regional and/or local bodies (e.g. North Coast/ South Coast, local round tables) as required. Terms of Reference would clarify membership, roles, management functions, and other relevant features of the collaborative process.

Although there is general support for adopting a more flexible approach to harvesting shares, a number of the elements in the SCC proposal have raised operational questions. Both the CSAB and SCC agree that common standards should be in place for evaluating and approving flexibilities whether these are Area A-H or First Nations economic fisheries. The Department has emphasized that a consistent approach to consider proposals for flexibility would be needed and has indicated that should proposed flexibilities be approved, a consistent framework will be required to evaluate any requests for flexibility. All parties have agreed that further work is required to define principles and operational guidelines to ensure appropriate implementation.

### 3. Additional Elements for Discussion:

In addition to proposed commercial allocation arrangements within Appendix 7, Section 7.4 of the draft IFMP for salmon and those listed above in 2. Flexibility to Harvest Shares, there are a number of additional elements in the SCC and CSAB proposals where differences remain. These elements may have policy implications and require additional discussion, collaboration and analysis by commercial harvesters, First Nations and the Department.

Details are included within the original proposals received by both the SCC and CSAB which can be reviewed at: http://www.pac.dfo-mpo.gc.ca/consultation/smon/saf-crrs/index-eng.html

### Further considerations on additional elements:

Two areas have been highlighted in the SCC and CSAB proposals where there is no agreement concerning the proposed change. The SCC has proposed that the current DFO practice for treating unharvested commercial allocations (catch not caught by a more seaward or downstream fishery) should continue. Specifically, unharvested allocations should be transferred to other fisheries, including First Nations economic fisheries, if it is no longer accessible to the original fishery. These arrangements would not require compensation. Conversely, the CSAB has proposed that uncaught allocations should be handled

differently including conditions on when arrangements are required for the transfer of unharvested allocations, and whether or not there should be compensation to the fleet with the unharvested shares.

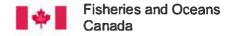
There is also a difference of views on the approach to dual fishing (the retention of fish for food, social and ceremonial purposes during a commercial fishery under agreed circumstances); the SCC has proposed that in FN economic fisheries that dual fishing should be permitted whereas the CSAB has raised concerns about fairness in the A to H commercial fishery and potential conservation issues if impacts on stocks of concern are increased if dual fishing is permitted.

In addition, there are some proposed changes that are principally matters best handled between DFO and the relevant group. There are several items that will need to be considered in more detail depending on the changes eventually adopted and more time will be required to clarify issues and resolve concerns. The SCC has proposed a separate management body/process to manage First Nations salmon shares including a proposed body ('First Nations' licensing board') to administer use of shares associated with relinquished commercial salmon licences from the DFO inventory or licences otherwise set aside for First Nations use. These matters will require further discussion with the Department and broader discussions may take place as required.

Finally, there are several areas, such as commercial licencing rules, in-season transfer rules, and rules for determining the circumstances when by-catch can be treated like a target species and so forth where discussions have commenced but not concluded. These, mostly operational matters, will need to be addressed over time subject to any approved updates to the CSAF.

# APPENDIX D

RDG Letter to the Commercial Salmon Advisory Board



Pacific Region Suite 200 – 401 Burrard Street Vancouver, British Columbia V6C 3S4 Pêches et Océans Canada

Région du Pacifique Piece 200 – 401 rue Burrard Vancouver (C-B.) V6C 3S4

September 18, 2014

### Dear Commercial Salmon Advisory Board Members:

I would like to thank you for your participation in the process to update the commercial salmon allocation framework. Important progress has been made on potential opportunities to update the framework over the last year and it appears that a number of areas of general agreement have emerged from discussions with the CSAB and First Nations Salmon Coordinating Committee (SCC) members. I have also been briefed on the findings in the draft report by Pam Cooley and have been advised of the CSAB request for additional time as well as your request for PST Mitigation funds to complete key aspects of these discussions as outlined in the CSAB advice to DFO on May 29, 2014 (attached). This letter provides support for additional time for discussion and sets out DFO's understandings and expectations for this work.

We are proceeding with the understanding that there seems to be broad support among CSAB members and SCC participants for an updated commercial salmon allocation framework that includes the following key elements:

- fixing shares for the commercial fleets and First Nations at the fishery production area level
- maintaining shares for an indeterminate or multi-year time period (e.g. 5 years); eliminating the need for an annual process to set shares.
- discontinuing the use of sockeye equivalents which would no longer be required as a basis for adjusting shares.
- providing commercial fishery participants, including First Nations, greater flexibility in how they harvest their allocations, subject to clarifying conservation, appropriate management, monitoring, compliance, and other operational considerations.

Moreover, it is our understanding that the CSAB and First Nations SCC participants have indicated that the operational considerations should be further discussed and potentially resolved to the extent possible if additional time is provided for discussion. In considering the CSAB advice, and in the interests of making the most effective and efficient use of the CSAB's time and funds set aside to support this work, DFO will support additional time for the CSAB to meet by itself and with SCC and DFO in a small group provided these discussions are focused on developing more agreement among the participants to further advance the initiative to update the commercial allocation framework.

I want to make clear that in supporting your request the Department is not taking a position on specific outcomes and that the Department will also need to consider the views from First Nations on potential updates to the commercial allocation framework



in this process. While I encourage the CSAB to develop as much agreement as possible on this work amongst the CSAB and the SCC, I understand that there may be differences in perspectives on some elements of this work. Narrowing these differences by identifying as many areas of agreement as possible will be mutually beneficial in considering the advice received from the CSAB and the SCC and I encourage you to structure your deliberations to specifically address this.

I would also like to reinforce that our Department's objectives for updating the framework, as described in the Terms of Reference (July 29, 2013), remain important considerations for assessing advice on updating the framework. I expect that you are familiar with these objectives and I encourage you to consider whether your advice is consistent with those objectives. At the same time, proposed changes to the framework should not impose new costs on the Department.

In terms of schedule I anticipate that the CSAB will provide its advice on a proposed initial allocation plan, including clearly defined shares at the species/fishery production area level, by the end of November 2014. Further, deliberations among yourselves on the flexibilities around implementation of the shares should be substantially progressed so that you are able to meet with DFO and members of the SCC in small group meetings to review these matters beginning in late November and December 2014 with the view that all discussions will be completed by end of January 2015. These deadlines provide time for discussion with First Nations as well as time for the Department to consider any decisions required, so that details of proposed changes may be discussed in time for planning for the 2015 fishery.

I support funds being provided for the CSAB to contract an advisor to assist with this work. I have asked Jeff Grout, who continues to be our primary contact on the initiative to update the commercial framework, and our DFO team to work with the CSAB to develop the specific arrangements, deliverables and meeting schedule, consistent with the approach and expectations I have described above.

Thank you for your participation in this initiative and I look forward to the results of this work through the fall and winter.

Yours sincerely,

Susan Farlinger Canal Regional Director General

**DFO Pacific Region** 

Cc: Rebecca Reid, Regional Director, Fisheries Management

Jeff Grout, Regional Salmon Manager

Attachment 1: May 29, 2014 letter from CSAB

### CSAB Advice to DFO on Commercial Allocation Modernization: May 29, 2014

After meeting on May 29, 2014, the CSAB Allocation Working Group agreed on the following advice to DFO:

As the current process concludes, CSAB wishes to recognize the significant progress that has been achieved, in terms of improved understanding and convergence of views, both among CSAB members and in the small group meetings that involved CSAB, DFO and SCC representatives. The discussions have helped to bring CSAB members together, with a focus on the "Evergreen" proposal as a basis for moving forward to resolve some of the key issues in redefining the commercial allocation framework. The CSAB also recognizes the invaluable opportunity in being able to work collaboratively to develop a common understanding that will help to shape emerging First Nations commercial fisheries and contribute to the success of those efforts.

Notwithstanding this significant progress, the CSAB notes that PST Mitigation Funds were to be used to modernize the commercial allocation process and meet CSAB objectives for modernization. In CSAB's view, those objectives have not been fully achieved to date, as the structure/direction of the current process did not provide sufficient opportunity to complete the in-depth discussion required to resolve priority CSAB issues.

The CSAB therefore proposes that with a limited amount of further discussion time, CSAB can easily reach agreement and provide advice on resolving several outstanding priority issues, including:

- 1. Refine the Evergreen proposal and develop details of this allocation plan.
- 2. Decide on a fixed initial term for the Evergreen plan (review to follow the initial term).
- 3. Troll mitigation buy-down and effects on allocation.
- 4. Area re-reselection (permitted or not).

Further discussion will also provide more clarity and direction on how to deal with more challenging fishery management issues, including ITQs and/or partial fleet ITQs, even if fundamental differences among CSAB members with regard to ITQs are unlikely to be fully resolved.

Once CSAB has been able to discuss and resolve the above priority issues, we propose further CSAB meetings to discuss appropriate rules and management for First Nations commercial fisheries, as those relate to the future viability of commercial fisheries. CSAB will be able to contribute more effectively to further discussions with DFO and SCC once it has developed its own coherent internal approach on key issues, including:

- The need for appropriate definition and allocations for ESSR fisheries.
- First Nations commercial fishery rules for all fisheries in common areas (flexibility/fairness issues).
- Temporary leasing of licence shares (e.g. Area C issues)
- Tracking of allocation/transfers
- Monitoring, compliance and traceability.
- Cap on transfers from existing marine commercial fisheries, fleet size & viability.

If time permits, and once CSAB priority issues are tackled, CSAB also welcomes discussion of additional topics that DFO may propose.

### **Process:**

CSAB will require appropriate funding and support to accomplish these objectives and we propose that Mitigation funds be allocated to fund a contract for an advisor/facilitator with appropriate technical experience, as selected by CSAB, to help with this work.

DRAFT revised: 29 July 2014

### CSAB Advice to DFO on Commercial Allocation Modernization: May 29, 2014

We propose 6 days of meetings in fall 2014, with the initial 3 days allocated for CSAB meetings with the advisor/facilitator to resolve the CSAB priority issues identified above.

Once CSAB's priority issues are resolved, the remaining meeting days can be used to discuss the above issues relating to integration of First Nations and marine commercial fisheries.

Once CSAB has had the opportunity to resolve these issues internally, we will be able to contribute more effectively in a continuation of small group CSAB/SCC meetings.

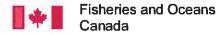
CSAB also proposes to consult with constituents on these issues over the summer.

The intent would be to wrap up and provide final advice to DFO in time to implement changes in the 2015 fishery season.

DRAFT revised: 29 July 2014

# **APPENDIX E**

RDG Letter to the First Nations Salmon Coordinating Committee



Pacific Region Suite 200 – 401 Burrard Street Vancouver, British Columbia V6C 3S4 Pêches et Océans Canada

Région du Pacifique Piece 200 – 401 rue Burrard Vancouver (C-B.) V6C 3S4

September 18, 2014

Dear First Nations Salmon Coordinating Committee Members:

I would like to thank you for your participation in the process to update the commercial salmon allocation framework. Important progress has been made on potential opportunities to update the framework over the last year and it appears that a number of areas of general agreement have emerged from discussions with the First Nations Salmon Coordinating Committee (SCC) members and the Commercial Salmon Advisory Board (CSAB). I have also been briefed on the findings in the draft report by Pam Cooley and have been advised of the SCC request for additional time to complete key aspects of these discussions and to communicate and discuss potential changes with First Nations communities. This letter provides support for additional time for discussion and sets out DFO's understandings and expectations for this work.

I understand that the interests of the SCC in extending the process includes outreach to First Nation's communities to discuss key elements of the SCC proposal, which were developed during the process to update the commercial salmon allocation framework.

In addition, time would be provided to address a range of issues related to flexibility around harvesting shares (as noted in the small group meetings that considered the SCC and CSAB's Evergreen proposals) including fishery rules and management of commercial and First Nations economic fisheries. Addressing these matters will involve further SCC engagement with DFO and the CSAB. The SCC has requested additional funding to support this work.

We are proceeding with the understanding that there appears to be broad support among the SCC participants and CSAB members for an updated commercial salmon allocation framework that includes the following key elements:

- fixing shares for the commercial fleets and First Nations at the fishery production area level
- maintaining shares for an indeterminate or multi-year time period (e.g. 5 years); eliminating the need for an annual process to set shares.
- discontinuing the use of sockeye equivalents which would no longer be required as a basis for adjusting shares.
- providing commercial fishery participants, including First Nations, with greater flexibility to make fishery plans to harvest allocations; subject to clarifying conservation, appropriate management, monitoring, compliance, and other operational considerations.



Moreover, it is our understanding that First Nations SCC participants and the CSAB have indicated that the operational considerations should be further discussed and potentially resolved to the extent possible if additional time is provided for discussion. In considering the SCC advice, and in the interests of making the most effective and efficient use of the SCC's time and funds set aside to support this work, DFO will support additional time for the SCC to meet by itself and with the CSAB and DFO in a small group provided these discussions are focused on developing more agreement among the participants to further advance the initiative to update the commercial allocation framework.

I want to make clear that in supporting additional time for this work the Department is not taking a position on specific outcomes and that the Department will also need to consider the views from the CSAB on potential updates to the commercial allocation framework in this process. While I encourage the SCC to develop as much agreement as possible on this work with the CSAB, I understand that there may be differences in perspectives on some elements of this work. Narrowing these differences by identifying as many areas of agreement as possible will be mutually beneficial in considering the advice received from First Nations and the CSAB and I encourage you to structure your deliberations to specifically address this.

I would also like to reinforce that our Department's objectives for updating the framework, described in the Terms of Reference (July 29, 2013) for this work, remain important considerations for assessing advice on updating the framework. I expect that you are familiar with these objectives and I encourage you to consider these in addition to addressing deficiencies in the framework that you have noted. At the same time, our Department has made clear that changes to the framework should not impose new costs on its programs.

For your information, discussions are also planned to continue with the CSAB. The CSAB will provide its advice on a proposed initial allocation plan, including clearly defined shares at the species/fishery production area level, by the end of November 2014, following which we will seek SCC input on this advice. Further, deliberations among yourselves on the flexibilities around implementation of the shares should be substantially progressed so that you are able to meet with DFO and members of the CSAB in small group meetings to review these matters beginning in late November and December 2014 with the view that all discussions will be completed by end of January 2015. These deadlines provide time for discussion with First Nations and the CSAB as well as time for the Department to consider any decisions required, so that details of proposed changes may be discussed in time for planning for the 2015 fishery.

As I have remarked, I support funds being provided to support First Nations SCC engagement in this work and I understand Jeff Grout has been working with the First Nations Fisheries Council to provide additional PICFI support for this work. I have also asked Jeff Grout, who continues to be our primary contact on the initiative to update the commercial framework, and our DFO team, to work with the CSAB to

develop the specific arrangements and meeting schedule consistent with the approach and expectations described above.

Thank you for your participation in this initiative and I look forward to the results of this work through the fall and winter.

Yours sincerely,

Susan Farlinger

Regional Director General

**DFO Pacific Region** 

Cc: Rebecca Reid, Regional Director, Fisheries Management

Jeff Grout, Regional Salmon Manager

# **APPENDIX F**

**CSAB Final Report** 



## **Error in the following:**

<u>Strategic and Operational Advice from the Commercial Salmon Advisory Board (CSAB) to the Department of Fisheries and Oceans (DFO) on Updating the Commercial Salmon Allocation Framework (CSAF). February 9, 2015:</u>

Page 22 – proposed sharing arrangements for chinook, production area 6.

A transcription error in sharing arrangements for Areas D and E was found. The original and corrected version is shown below.

p. 22	ID	Spp	ProdArea	LicArea	CSAB Jan 30	Notes	Corrected Version	Corrected Notes
	New – WCVI Inside	Chin	6	В	5 %	Area 23 sharing arrangement currently 33.3% SN:66.7% GN. May need to review	5%	Area 23 sharing arrangement currently 33.3% SN:66.7% GN. May need to review
				D			75 %	Area 25 fishery,
				E	75 %	Area 25 fisheries (e.g. Conuma Bay)	5%	Potential for future review. 75% fishery to D (e.g. Conuma Bay); potential 5% to Area E if future surplus at Nitnat. Otherwise default to D)
				G	15 %	Winter troll fishery	15%	Winter troll fishery
				Н	0 %	,	0%	

## **Acknowledgments**

We want to acknowledge the significant effort by all the participants from the Commercial Salmon Advisory Board during Phase 3 of the goal of updating of the Commercial Salmon Allocation Framework. The representatives are passionate about the salmon resource and the need for healthy productive salmon populations. They are equally passionate about the various fleets, union and processor segments of the commercial fishing industry and their strong desires to have a functioning, stable and healthy fishery that can support all groups' aspirations.

We would like to thank the Department of Fisheries & Oceans for this extended opportunity to seek solutions to the issues and provide recommendations from the CSAB perspective.

We would like to thank Jeff Grout and Cynthia Johnston from DFO for their assistance with producing and updating the Historical Commercial Salmon Allocation tables and in particular Jeff for attending at the CSAB sessions when requested to help run the retrospective analysis.

We would like to thanks Pam Cooley for her facilitation of the small group sessions and all the SCC and DFO small group participants. This was a very important part of the Phase 3 process.

We would also like to thank Dawn Steele for her professional and timely note taking.

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## 2 SUMMARY

The Commercial Salmon Advisory Board (CSAB) was invited in the summer of 2013 by Fisheries and Oceans Canada (DFO) to participate in a process to update the Commercial Salmon Allocation Framework (CSAF) which is part of the broader DFO Allocation Policy for Pacific Salmon. At the end of the planned review in May 2014 the CSAB requested an extension to allow them to work with an advisor/facilitator and build on their converging views they were calling an Evergreen proposal. The First Nation Salmon Coordinating Committee (SCC) who were also invited by DFO to form part of the review also wanted more time to provide input. This was important as the two groups with DFO were able to continue to meet to explore each other's interests while developing a better understanding of common elements and areas that required further considerations.

Section 4 describes the objectives on which the CSAB planned to provide further recommendations to DFO. Early on it was clear that providing allocations by fishery production areas by fleet and by species could be problematic with what seemed like different objectives for their use between the commercial Area A-H fleets and the new First Nations economic fisheries. The CSAB realized that it needed a document that provided the intent and guiding principles for implementing a new CSAF to match the new allocations. We have tried to be clear on the interests of the CSAB and provide ideas and principles for how all fisheries can cooperate and collaborate to maximize each fleets allocations and meet conservation objectives. The addition of the First Nations economic fisheries was seen to have added a further complexity to the management of Pacific salmon but also opportunity to work together to more fully access the available total allowable commercial catch each year. The CSAB views this opportunity to work directly with the First Nation interests and DFO as the appropriate and constructive way forward. Considerable time was spent with a small group of representatives from the CSAB, the SCC and DFO to consider proposals and explore each party's interests. Through this process we believe that a better understanding of each party's interests is emerging and that the agreement to develop a joint commercial management board will benefit all parties

The CSAB provides recommendations on 15 issues in Section 7. There was not complete consensus on all recommendations and where not we have described the various options. As a group the CSAB had to explore the details of operationalizing the new CSAF to best be able to populate the allocation table. In the time we had we were able to make significant progress on many issues however we ran out of time with the result we were not able to reach consensus on all the allocations by fishery production area, by species and fleet. Even with more time we may not have been able to reach agreement on all allocations. This should not be a surprise to anyone knowledgeable of salmon management as we were trying to forecast 5 years and longer into the future what each of the species relative abundance would be or more precisely how they might change from what has been experienced in the recent past and who would be able to access any surpluses and what stocks or species might be a conservation concern and thus limiting fisheries. To date the allocations have been set annually but having agreed to longer term arrangements was unsettling for some.

The term Evergreen proposal is appropriate to what the CSAB set out to accomplish with updating the CSAF. The CSAB will need to continue to work cooperatively and collaboratively to achieve their goals and ensure the CSAF operates to the benefit of all fleets. We hope that DFO and the First Nations will also continue to build on this work with the CSAB as outlined in our recommendations.

## 3 Introduction

In July 2013 the Department of Fisheries and Oceans (DFO) released a Terms of Reference (TOR) for Updating the Commercial Salmon Allocation Framework (CSAF). The scope of this work is on updating the commercial salmon allocation arrangements within "An Allocation Policy for Pacific Salmon" (http://www.pac.dfo-mpo.gc.ca/fm-gp/speciesespeces/salmon-saumon/pol/index-eng.html).

The TOR state "This initiative is intended to address one element of the Mitigation Program to implement changes to the Chinook Chapter of the Pacific Salmon Treaty (PST) announced by the Department in 2010. This includes addressing the deficiencies in the current commercial salmon allocation framework that were identified by the CSAB and the Integrated Advisory Group (IAG) formed to provide advice on PST mitigation. Equally as important, this work is intended to improve the long term stability, certainty, and resilience of the commercial salmon allocation arrangements, and provide more flexibility to licence holders to make effective business decisions, and thereby better respond to uncertainty in salmon abundance and changing market conditions"<sup>2</sup>.

DFO has worked with First Nations and commercial interests, and the Province of BC, to update the commercial salmon allocation framework. In Phase 1 and 2 of this review the department sought input from the Commercial Salmon Advisory Board (CSAB), First Nations interests through the Salmon Coordinating Committee (SCC) and the Province of BC. At the end of Phase 2 the CSAB wrote to DFO to recognize the significant progress that has been achieved, in terms of improved understanding and convergence of views, both among CSAB members and in the small group meetings that involved CSAB, DFO and SCC representatives. The CSAB also noted they thought they could achieve more and assist in resolving the priority CSAB issues if DFO would agree to an extension of time. The Phase 2 Report Updating the Commercial Salmon Allocation Framework<sup>3</sup>, documents the progress made on identifying the issues around the current CSAF as well as progress towards common elements for updating the CSAF from both the CSAB and SCC. The SCC also wrote to DFO requesting more time. After consideration of requests for additional time for developing recommendations DFO responded to both groups in September 2014 that they would agree to additional time and resources and extended the process until the end of January 2015 (Phase 3). It is understood that following Phase 3, the Department will consider the received advice and will brief the Minister of Fisheries and Oceans Canada who will make a decision on any changes to the current commercial salmon allocation framework.

The purpose of this paper is to summarize the advice, from this extended period (Phase 3), from the CSAB to DFO on updating the CSAF. The CSAB believes its recommendations in this report meet the key DFO objectives provided in the TOR:

- 1. To increase the stability of the commercial salmon allocation framework;
- 2. To increase flexibility of licence holders and producers to better adapt and optimize economic benefits in an uncertain business environment;
- 3. To improve compliance with conservation objectives;
- 4. To simplify and streamline rules and processes to allow commercial harvesters greater opportunities to self-adjust;

<sup>&</sup>lt;sup>1</sup> An Allocation Policy For Pacific Salmon, DFO, (1999)

<sup>&</sup>lt;sup>2</sup> Terms of Reference for Updating the Commercial Salmon Allocation Framework, Fisheries and Oceans Canada, Pacific Region, July 29, 2013

<sup>&</sup>lt;sup>3</sup> Updating the Commercial Salmon Allocation Framework, Phase 2 Report, Pam Cooley, October 2014

- 5. To improve required standards for monitoring and catch reporting so that timely and accurate information is available to decision-makers to support prosperous, sustainable fisheries;
- 6. To promote effective management arrangements and support open, transparent and collaborative decision making;
- 7. To provide clarity when costs of management are shared by those who benefit from the harvest of the resource;

## 4 OBJECTIVES

The CSAB has agreed to provide recommendations to DFO based on CSAB deliberations for the following outstanding priority issues:

- 1. How to fix the shares for the commercial fleets at the fishery production area level.
- 2. Decide on a fixed initial term for the Evergreen plan (review to follow the initial term).
- 3. Troll mitigation buy-down and effects on allocation.
- 4. Area re-reselection (permitted or not).

Additional clarity and direction will be summarized for DFO on how to deal with more challenging fishery management issues.

Once the CSAB has been able to discuss and provide recommendations on the above priority issues, further CSAB meetings will be used to discuss appropriate rules and management for First Nations commercial fisheries, as those relate to the future viability of commercial fisheries. Topics to be discussed and recommendations from CSAB will cover the following:

- Definition and allocations for ESSR fisheries.
- First Nations commercial fishery rules for all fisheries in common areas (flexibility/fairness issues).
- Temporary leasing of licence shares (e.g. Area C issues)
- Tracking of allocation/transfers
- Monitoring, compliance and traceability.
- Cap on transfers from existing marine commercial fisheries, fleet size & viability. If time permits, and once CSAB priority issues have been discussed with recommendations outlined, discussion of additional topics that DFO may propose will occur.

#### 5 PROCESS

The Regional Director General of DFO responded to the CSAB request for additional time and funding in a letter dated September 18, 2014<sup>4</sup>. In that letter DFO agreed to fund an advisor/facilitator, support additional meetings until the end of January 2015 and required a report from the CSAB on their progress. The CSAB responded with their agreement to the conditions stipulated in the DFO September letter. Barry Rosenberger was contracted as the advisor/facilitator to the CSAB to assist members with their task of providing further advice to DFO on the updating of the CSAF. DFO also contracted Dawn Steele to take notes in all CSAB internal meetings. The CSAB initially met with DFO November 3, 2014 to review the extended process and timeline, review, discuss and have an understanding of the expected outcomes, review roles and responsibilities and identify what was needed to support the process (data, information). The CSAB met for a total of 8 days amongst themselves with the advisor/facilitator

<sup>&</sup>lt;sup>4</sup> Letter from Fisheries and Oceans Canada, Regional Director General, to the Commercial Salmon Advisory Board, Re: Updating the Commercial Salmon Allocation Framework, September 18, 2014.

between November 24, 2014 and January 28, 2015. As in Phase 2 a small group was constituted to assist in understanding interests and proposed changes to the CSAF from each of the CSAB, SCC and DFO. The small group comprised of 4-5 representatives from each of the CSAB, SCC and DFO. The small group met a total of 5 days between November and the end of January. Dawn Steele also took notes in the final small group meeting on January 16, 2015. The mandate of the advisor/facilitator was to provide strategic and operational advice on potential implications of proposals to update the Commercial Salmon Allocation Framework, review and analyze policy documents, interest group proposals and meeting summaries and facilitate all CSAB only sessions.

In agreeing to Phase 3 DFO recognized there may be differences in some elements of this work amongst the CSAB and they encouraged us to narrow those differences to the extent possible and to document any differences in the final report. In the Recommendation section where there is not full agreement we provide two or more recommendations.

Notes from each CSAB session were distributed after each session to members to form a record of these proceedings for their use. These notes record action items, the general discussion and examples of issues as well as what is working, that facilitated debate and understandings that ultimately lead to recommendations in the final report to DFO. It is important to CSAB members that the intent of these proceedings be recorded to assist with any reviews in the future of the sharing arrangements or possible implementation by DFO or others that was not intended by the CSAB. Given the openness of the discussion which allowed the exploration of many ideas the notes are not being attached to this report but rather are for CSAB members only.

The following list are the participants with their affiliation who attended all or some of the CSAB meetings:

Chris Cue, Area A/B

Bob Rezansoff, Area A/B

Rob Morley, Processor

Mabel Mazurek, Area C

Kim Olsen, UFAWU

Guy Johnson, UFAWU

Darrel McEachern, Area E

Rick Haugan, Area A

Chris Ashton, Area B

Joy Thorkelson, Area C

Henry Clifton, Area C

Heather Mearns, UFAWU

Ryan McEachern, Area D/E

John Hughes, Area F

Ron Fowler, Area G

Ray Jesse, Area G

Mike Wells, Area G

Mike Griswold, Area H

Dane Chauvel, Area H Barry Rosenberger, Advisor/facilitator

Dawn Steele, Note taker

The following were the chosen representatives from the CSAB to participate in the small group sessions with the SCC and DFO:

Bob Rezansoff Chris Ashton, alternate
Joy Thorkelson Ryan McEachern
Dane Chauvel Barry Rosenberger

On December 8, 2014 the CSAB provided to DFO, as required, a draft initial allocation by 24 fishery production areas by species and gear along with a principles and rules paper on how to interpret the allocations. This first sharing arrangement was for the most part populated as a result of many considerations and give and take amongst the group, however there were some species or areas where

making a final sharing arrangements was difficult without knowing what might result from the discussions at the small group sessions therefore the final sharing allocations were to occur near the end of the process.

## 6 DISCUSSION

Building on the work conducted during Phase 1 and 2 of the commercial salmon allocation framework update the CSAB focused on their Evergreen proposal during Phase 3. As previously indicated the CSAB are very supportive of all First Nations economic fisheries being included in the CSAF. Early in Phase 3 the CSAB developed a draft initial allocation by species, fishery and gear for each fishery production area and a principle for transferring any licence share to a First Nation economic fishery. Setting each licence share for the purpose of transfer sets both a method of valuing each licence for voluntary relinquishments and for setting its share in any transfer to a First Nation economic fishery. At the small group sessions both the CSAB and the SCC agreed that the transfer of licences be based on voluntary commercial relinquishment of existing licences and calculated as a % of commercial share based on 1/current total fleet size and by fishery production area. As the SCC has indicated the First Nations may desire to fish their licences in Area A-H fisheries or as approved First Nation economic fisheries in new locations and with new methods. It was also agreed there needs to be an accounting framework that reports annually on numbers of licences purchased and distribution in existing marine Area A-H fisheries as well as First Nations economic fisheries both in marine and inland waters.

Through the discussion of setting each of those fleet allocations a number of principles or issues were documented. These principles/issues detail such issues as how fisheries are managed today at the local level that may be different than the CSAF sharing arrangements (e.g. for reasons such as very small salmon returns to a particular area which would be harvested with different gears than the allocation framework would indicate). Also they highlighted areas of concern that needed further discussion with both DFO and the SCC about how new First Nations economic fisheries might operate. The first draft of the initial allocations shared on December 8, 2014 was not to be considered final by any of the parties (CSAB, SCC and DFO) as all CSAB participants wanted the opportunity to reconsider the allocations again near the end of the process for possible changes once a number of tasks were completed such as mitigation buy-outs and Area re-selection as well as having a better understanding from the small group interactions on issues such as treatment of bycatch and how First Nations economic fisheries were being proposed to be structured and operated. Some of discussion on principles/issues are provided as follows.

Setting initial shares: Many issues were raised about how the current coast wide allocations by fleets were not working. Key were the inability to shift chinook harvest from outside fisheries to inside fleets, species cannot be shared between northern and southern fleets, much lower sockeye returns in a number of years in the Skeena River, Rivers/Smith Inlets and the Fraser River and the reduced fishing opportunities due to stocks/species of concern that result in "paper" TAC. In setting new initial allocations the CSAB members agreed they would be at a fishery production level, by species and gear. Given there has been considerable uncertainty in annual returns and widely variable rates of returns of many species the new allocations are intended to reflect sharing on a 4 year average not necessarily annually (e.g. large Fraser sockeye years result in varying catch shares from small years in the past and are expected to continue). There was agreement that the new allocations were for a longer period to

give stability to fleets and the allocation framework. There was agreement for a review in the new CSAF but a hope that the allocations would be rolled over to further terms hence the "Evergreen" concept. A five year period of agreement with a review after four years was felt to provide both stability of the CSAF as well as opportunity to adjust if needed. The CSAB agreed on the principle that no fleet should be left out of the water as they set allocations and transitioned to the new CSAF. Recent historical catches and sharing arrangements were the main source of input for setting the new initial allocations but also we looked at SCORE<sup>5</sup> recommendations and expected changes in species returns (coho in 2014, southern chinook initiative, and Rivers Inlet sockeye). The following significant issues proved difficult; 1) moving from the coast wide fleet shares to fishery production level for the Area H fleet. Using the coast wide arrangements currently in place for the total troll fleet of 22% there is little or no TAC for Area H after the allocations to Area F&G fleets. Following the principle that no fleet should be left on the beach the southern net fleets agreed that Area H should get an allocation from their shares and be similar to but not exceed an individual gillnets allocation while the Area H fleet felt it should have a larger allocation reflecting that trollers were allocated a larger cpue in the Kelleher<sup>6</sup> process. The Allocation Policy adopted principles from the Kelleher recommendations are the use of annual gillnet, troll and seine target allocations represented on a coast-wide target share of the TAC and expressed in sockeye equivalents (SE). The use of cpue was adopted for the purpose of adjusting target allocations based on maintaining the relative catch per licence within each gear constant in the case of publicly funded buyouts. Considerable time and effort was expended reviewing the new allocations in a retrospective analysis which generally indicated the Area H troll fleet was allocated shares similar to the Area D & E gillnet fleets but less than other troll fleets. The Area H submission near the end of the Phase 3 process contains two elements that were not considered by the whole group in the Phase 3 process and as such will not be commented on in the report. They are the relative selectivity of the Area H fleet in context to the Allocation Policy concept to rationalize a larger share and that if the Area H proposal was not accepted to increase their fleet share then they want a set share of the Mitigation funds to use to buy gillnet fleets share to increase the Area H share.; 2) allocating coho in most fishery production areas. In both the south and north coast's, coho has been mainly managed in recent years as a release mortality to optimize harvests of other target species. Initial shares have been provided for some fishery production areas and fleets and in others they have been left to be determined once improved returns provide retention harvests; and 3) providing Area G access to Fraser sockeye in large return years but not necessarily in all years. Initial share options will rationalize where there are multiple options in the recommendation section. Bycatch was also a main issue and will be discussed further in the fishery management discussions. And lastly it is acknowledged that the sharing arrangements in the allocation table are not fixed entitlements but are a projection of available fishing opportunities and we expect DFO and all parties involved in management will put best efforts to achieve coast-wide target allocations by gear type. And although best efforts will be made to achieve these allocation targets, no guarantees are offered between fleets and First Nations economic fisheries that target allocations will actually be achieved in any given year.

Fishery Production Areas: DFO provided a table with 22 fishery production areas at the start of Phase 3. The CSAB has added 3 fishery production areas, which were agreed to by the SCC, to better reflect

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<sup>&</sup>lt;sup>5</sup> Diamond Management Consulting Inc., Salmon Management Reform, SCORE report, 2008

<sup>&</sup>lt;sup>6</sup> Stephen Kelleher, Q.C., Report to the Honourable David Anderson Minister of Fisheries and Oceans Re: Commercial Salmon Allocation, 30 April 1998

current operations of fisheries in those areas. Essentially these are dividing PST aggregate abundance based management (AABM) chinook fisheries from inside chinook fisheries in both North Coast Areas 1-5 and WCVI Areas 21-27 as well as separating the AB line pink fishery in Area 1. Each of these changes is for a species that is designated to be harvested by one gear only and has specific PST provisions. These three new fishery production areas were contemplated in the SCORE process. The SCC also proposed adopting a new fishery production area for Fraser River chum. The CSAB do not concur with this change due to Fraser River chum forming a major part of the harvests and sharing arrangements in Johnstone Straits fisheries and that most but not all of the same fleet's would fish in both new areas. The CSAB view is Johnstone Strait's fishery management should remain at the 20% harvest rate (HR) approach, while Area B & H fleets will continue to seek increased opportunities in Area 29 and any other terminal chum opportunity as per understandings under the current southern inside chum management regime.

Mitigation buyouts/Area re-selection: Discussions were wide ranging including the pros and cons of re-selection, value added implications, changes to species abundances effecting relative sharing arrangements, buying net shares to compensate for reduced troll shares and dropping Area H from any future buy outs. There were also concerns about the current southern BC chinook review and renegotiations of the chinook Chapter under the PST for possible effects on sharing arrangements into the future. Some feel there will be additional impacts to outside troll fleets during the next 4-5 years. We were advised by DFO that the Mitigation funds had bought out 19% of the troll fleet to date. Given the high degree of uncertainty there was agreement to reconsider mitigation buy out and Area re-selection at the planned 4 year review as part of the broader CSAF review. No changes to sharing arrangements were considered specifically as a result of mitigation buyouts to date and no Area re-selection at this time. Two options were developed to address mitigation buyout and Area re-selection and are described in the recommendation section.

Fleet viability: A minimum individual Area fleet size is a priority requirement in some licence areas and could become a priority in all licence A-H Areas as purchases for First Nations' economic fisheries increase. Fleet viability is important to ensure there are support services to effectively operate any given fleet. Area H provided examples of the recent difficulty of finding packer, ice and other servicing with a smaller and smaller fleet. The Area H fleet currently consists of 77 licences of which 23 are held for First Nations economic fisheries. The Area H representatives feel the level of approximately 50 licences may be at the minimum to make this fleet viable. Individuals making market-based decisions to transfer Area H allocation amongst themselves and to another fleet, which makes Area H allocation smaller, also effect viability. Area C also stated concerns that 51% of Area C licences are owned by First Nations or First Nations' entities. The significance is that now 51% of the Area C allocation may be removed from the gillnet areas and fished in First Nations' economic fisheries in different style fisheries (inland or marine). If such a significant transfer of licences was to occur this would disrupt support services and make the Area C less viable. Only 49% of the Area C fleet is now available for purchase by individual owner operator fishermen (including aboriginal fishers) to be fished in regular gillnet fisheries. Area C believes that DFO should ensure that the gillnet licenced fleet should not fall below 60% or 378 licences – some of which will be owned by First Nations and the rest by individual owner operators. It was difficult to determine during the discussion how to make a specific determination of an exact fleet size for fleet viability but there was broad concern about this issue.

Operationalizing the allocations requires an understanding of the various arrangements that have been made at the local level between the gear types. This is a significant issue for CSAB members in consideration of transfers to First Nation economic fisheries that may not operate as the licence type they were transferred from. Issues include the use of any given % which may have been defined to cover off encounters/release mortalities, bycatch and directed harvests. Bycatch can include incidental release mortalities or both an incidental harvest of a species/stocks to limited numbers and expected retained species/stocks which are important but secondary to the target species. Bycatch should be managed and must be shared between the fisheries to allow every fishery to access its target species. If there is not enough bycatch to meet every fishery's need then an allocation process should take place on the basis of reaching an equitable share of the target species to each fleet that requires it. An examples is Area 6 sockeye are an important bycatch or incidentally harvested species for seines in Area 6 pink targeted fisheries, with seines taking the majority of Area 6 sockeye catch in recent years. However, if there were good sockeye returns to local area rivers permitting directed fisheries (after the seines had their needed sockeye bycatch), different sharing arrangements could occur for the directed sockeye fishery.

Collaborative fishery planning will be a key to the success of these new arrangements. Current salmon management planning has a number of fisheries with separate processes. The CSAB is seeking a fully inclusive process with links between all fisheries to ensure maximum coordination, collaboration and accountability by all participants. Further discussion is required but the complexity and challenges that exist with a number of current management issues and the expected further complexity with added fishery groups/licences, seems like a compelling need to make a formal management process a part of this new broader commercial fishery. The CSAB goal is to minimize the complexity and not add to it with new separate processes. An updated TOR is needed for an expanded commercial salmon advisory board (mandate, roles and responsibilities, membership, structure, etc.). The CSAB welcomes First Nations economic fishery membership. The licences that First Nations communities continue to be fished as Area A-H fleets are represented by existing harvest committees and First Nations representatives can run for nomination to the committees and vote in Harvest Committee members. Funding will be needed for a fully functioning CSAB. The CSAB wants to work with DFO on options such as licence fee increases dedicated to commercial salmon management and understands the recreational advisory board might be seeking the same option. The CSAB strongly supports locally driven processes to the extent possible and should be a key part of the overall process. There are other items to transitioning to a broader commercial management process and the CSAB is looking forward to working with DFO and the First Nation economic representatives to develop this structure.

It is widely understood that various salmon species and stocks co-mingle in their adult return migration which is when they are harvested by all users. DFO and the PST have recognized this by making specific sharing clauses in some Chapters such as Chapter 4 Fraser River Sockeye and Pink Salmon<sup>7</sup>. DFO has also recognized the need for small but acceptable levels of harvest in domestic management of stocks such as the Early Stuart sockeye run component of the Fraser River sockeye and interior Fraser River coho in a broad array of fisheries in the south coast. The allocation principles also need to reflect this reality in how fisheries are managed and the CSAF is operationalized. The management of stocks of concern/conservation stocks is the largest issue facing fishery managers and the commercial fleets, as

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<sup>&</sup>lt;sup>7</sup> Pacific Salmon Treaty, Pacific Salmon Commission, July 2014

well as other users. Currently bycatch rules, release mortality sharing, etc. is an area that fishery representatives meet with DFO and other user groups in various forums (e.g. IFMP, Barkley Sd. Round table), to work out the best options for that year with the goal of optimizing available TACs. However there is not clear priorities of sharing limiting stocks or species. Limited data on some of these limiting stocks or species also makes setting allocations difficult. The CSAB promotes an overall objective of best use of these fish to optimize all fishery groups target fisheries. The CSAB proposes that annual planning processes should continue to be the forum where all groups come together to make these trade-off decisions and not attempt to allocate these limiting stocks. For these reasons the CSAB does not support the allocation of bycatch percentages and in some cases has designated these situations with an asterisk in the initial allocations table. An asterisk in the table is to recognize that there is the need for some incidental encounters or bycatch to prosecute a fishery on a targeted surplus. Clearly more stock assessment information is needed if someone was to actually make allocations of all species. It is expected there will be opportunities for First Nation economic and Area A-H harvest fleets to work together with DFO to improve stock assessment knowledge. As the stock status for any species improves it is also a goal of all commercial fleets to retain fish rather than release them to reduce the loss due to release mortalities.

There is general CSAB support for each gear type or First Nation economic fishery to determine the best management approach for its share (options may include competitive fishery, individual quotas, etc.). Fishery management approaches will likely vary by fleet and fishery. The CSAB members need further discussion about the mechanism for fleet decisions. DFO will likely also want clarity on the role and authority of commercial representatives to decision processes. Some CSAB members are opposed to ITQ type fisheries (except any present fishery managed on an ITQ basis will be grandfathered in) and others are worried about impacts to fleet viability with transfers between fleets but in the end there was agreement that each fleet had the right to best determine its own management approach. The CSAB supports a fishery with similar rules and equal priority of access to all First Nation economic and Area A-H fleets. No fishery should be allowed such that its operations puts another fleet out of the water.

The CSAB discussed the uncertainty about changes to the commercial fleets and the increased flexibilities proposed by SCC for the First Nation economic fisheries. In keeping with the basic principles of equal priority of access and integration of the First Nation economic fisheries with the existing commercial fleets, that the A to H fleets be provided with the opportunity and option to make the same changes to their licence structures that the First Nation economic fisheries are afforded to be able to access their TAC. Any change in the A to H fleets licences would require Area Harvest Committee approval and licence holder approval, and as the CSAB often have said one size does not fit all, and there is no obligation for any fleet to adopt increased flexibility if their licence holders do not decide to do so. However, given the major significance of some of the proposed changes that the SCC are requesting be made to their PICFI and ATP licences, the Area A-H fleets will likely want to make some of those changes in the future to be able to access their TAC. Most agreed removing the constraints around stacked and married licences would be appropriate given they were designed years ago and may be an impediment to reducing effort<sup>8</sup>. For example, it was noted that an individual with stacked licences (e.g.

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<sup>&</sup>lt;sup>8</sup> Licence stacking allows vessel owners to combine different gear and area licence eligibilities onto one vessel by permanently "stacking" additional salmon licences from other vessels onto their vessel. Different gear and area licences can be combined on one vessel. However, a vessel may not hold more than one licence for the same area. Married licences generally refer to cases where licence eligibilities for different species (other than salmon and Schedule II) are combined with a commercial salmon

salmon licence in Area F and G) may be willing to relinquish his/her Area G licence but current constraints may not permit them to do so and still retain their Area F licence. Suggestions included relaxing the restrictions on married and stacked licences, getting rid of "stick boats" and allowing more than one licence in an area to be on a boat.

In discussions at the small group forum there was agreement for the need for an evaluation framework to assess all new proposed fisheries. The CSAB like the SCC would like to be part of establishing such a framework with DFO which we would see including provisions for co-ordination with other fisheries, harvest sharing arrangements, transfers, sharing of bycatch, catch monitoring, stock assessment requirements, conservation requirements, gear conditions, etc. Like the SCC proposal the Area A-H fleets will be seeking similar flexibilities to access to more terminal areas in marine waters that were the normal in past years as well as changes in gear and licence rules. Fleets proposing new fisheries should be responsible for sharing/paying any additional costs for stock assessment or monitoring.

Reconstructing an Area A-H licence from First Nation economic fishery: given we did not see that this was likely to occur in the near future there was not a significant amount of time dedicated to discussing this issue. Some initial thoughts though were vessel length and other such conditions will need to be considered and also any changes in the allocations that exist with a licence when it is being proposed for re-construction vs what shares by species it had when it was removed from the Area A-H fleets and would any changes in species shares effect other licence holders. It was decided that if this was likely to occur then the CSAB could help to develop principles for such a transition in the future.

Transfers: There is agree to the principle that each fleet should have self-determination this includes the option of allocation transfers. The CSAB members need further discussion about the mechanism for fleet decisions as well as DFO will likely also want clarity on the role and authority of commercial reps to decision processes. There was concerns raised of the impacts of transfers between fleets as well as annual transfers and the added complications that can add to fishery management and fleet viability. Many of the members who fleets participate in fisheries with quotas have seen issues such accessing small TACs, vessel length restrictions and use of small TAC of one species concurrent with a larger TAC of a different species no longer are DFO issues but ones that is determined by the licence holder. Allowing or not of transfers of shares from non-IQ fisheries is considered a major problem. Fleets that have opted to stay in competitive arrangements do so with the understanding each vessel has the chance to maximize their catch from the total fleet allotment. Temporary leasing of licences shares from inactive licences effects the remaining active licences. Options that can be considered by all fleets and First Nations economic fisheries are needed. Transfers options may be at the individual licence level or at a fleet level if a fleet so decides. Licences that are purchased for the purpose of transfer to First Nations economic fisheries it is agreed have an equal portion of the fleet share. These permanent type arrangements or longer term arrangements (e.g. 5 years) are not seen as an issue and can be built into the fishery plans and do not change annually.

In-season transfers can occur if preseason plans outline the possibilities. Pre-season plans outlining the possibilities must be agreed to by the A-H fleet and the First Nations economic fisheries involved. Pre-season plans outlining the possibilities, rules and mechanisms for all allocation categories (between all licence fleets and First Nation economic fisheries) should be developed by the fleets and First Nations involved. Transfers between fisheries (between marine and marine and between marine and inland)

must account for similar stocks and species in order to not effect another fleet's fishery. The same rules apply for upstream and downstream transfers of harvest shares. For downstream transfers First Nations will need to re-aggregate the necessary components to match the stock mix in the intended harvest area. There should be no transfers of bycatch or limiting stocks/species – these are to be used for optimizing harvest by all fleets. Currently there are not management adjustments (MA) required for Fraser sockeye harvests upriver however this needs to occur to ensure the success of both spawning objectives and to meet First Nations food, social and ceremonial objectives. Fisheries that move the sockeye up river need to account for the MA. If similar MA type rules are enacted in other river systems in the future they will need to follow the same principle. It was also discussed that both First Nations economic fisheries and Area A-H fleets should be governed by similar rules/principles.

Uncaught Allocation: Much of the discussion was similar to the consideration of transfers in the paragraph above. In addition the CSAB discussion focused on two main areas. First where there was inadequate effort by a fleet to catch their share or they did not catch their share due to uncertainty in forecasts or changes in run sizes that occurred after the salmon had passed a given fleets fishing area. Second were situations where any given fleet was restricted from harvesting their TAC due to conservation concerns and bycatch species. The CSAB goal is through the new broader fisheries management process and planning with all participants that all fleets will have an improved opportunity to access their full shares. Where the fishery is managed under an ITQ it is expected there will be minimal uncaught TAC and the transfer principles would apply. A three step process was developed and is presented in the Recommendation section.

ESSR: The following wording is taken from the Integrated Fishery Management Plan (IFMP) —"Salmon fisheries are managed with the objective of reaching escapement targets or harvesting a certain proportion of the run. Uncertain forecasts, inaccurate in-season run size estimates and mixed-stock concerns can result in escapement to terminal areas that are in excess of their required habitat or hatchery spawning capacity. In these cases, Excess Salmon to Spawning Requirements (ESSR) fisheries may occur. The Department will attempt, wherever practical, to eliminate or minimize ESSRs by harvesting in the FSC, recreational, and commercial fisheries. It is not the intention of the Department to establish new ESSR fisheries to displace existing fisheries<sup>9</sup>." The CSAB agrees there should not be planned for ESSR fisheries. Every effort should be made to reduce ESSR situations. This is most likely to occur if all parties are part of an effective collaborative management process. Trade-offs of use of limiting species/stocks and transfer arrangements are key incentives in the annual process to meet everyone's objectives.

### 7 RECOMMENDATIONS

#### Initial Allocations

The CSAB has developed initial allocations of the commercial total allowable catch (TAC) by 25 fishery production areas by fleet by species. After considering all proposed elements for updating the CSAF including the Mitigation buy down aspect the CSAB was not able to come to a consensus option for setting the initial allocations that cover all fishery production areas. The first option is presented in

<sup>&</sup>lt;sup>9</sup> Southern Pacific Salmon Integrated Fisheries Management Plan Summary, Fisheries and Oceans Canada, 2014

Appendix A. These sharing arrangements were for the most part developed early in the process. There were a few allocations in a few fishery production areas that caused more concern and had less overall support at that time and were flagged for further consideration near the end of the process. After the further consideration a few of the contentious areas were resolved however a few were not. Where there was not support within the group to adopt any given change from the January 30<sup>th</sup> allocation table the fleet proposing a change was asked to develop a rationale for their proposal and these are attached in the Appendices for consideration by DFO. Some of the Harvest Committee representatives provided submissions countering any proposed changes, these are also attached in the Appendices. While other representatives verbally presented their views. Each of these proposals will be briefly described.

Area H is proposing to increase their overall fleet share to 3.26% of the coast wide SE (Appendix C). Note in the Area H submission they used actual annual preseason planning shares, with preseason forecasts and actual annual licence counts for the preseason calculation and actual catches with actual fleet sizes in their post-season calculations. The actual annual shares and individual years fleet counts are data that were not used by the CSAB in this Phase 3 process as it is looking back and saying what actually happened vs the CSAB used the new initial shares as developed by the group with 2014 fleet sizes in a retrospective analysis of what would the sharing have been both preseason (forecast data) and post-season (actual catches in each area) had the new sharing allocations been in place over the historical time period. Also the Area H calculations were made averaging averages as opposed to averaging over the 4 year period. Using the data set in the Area H submission the 4 year preseason average (2011-2014) would be 2.71% coast-wide SE and actual harvest (2010-2013) average of 2.75%. Using the CSAB developed allocations the Area H shares would be similar to their 2013 and 2014 individual year's allocations but above the preseason 2011-2014 average of 2.63% and the actual harvest 2010-2013 average of 2.90% as per the January 30<sup>th</sup> allocation table. All net fleets strongly oppose this increase see Appendix D and E.

**Area C is proposing** a number of changes (Appendix F). For sockeye Area 2 they propose to change the sharing arrangements from 80% sn/20% gn to 84%sn/16%gn which is designed for bycatch during directed pink and chum fisheries and add a sharing arrangement for any directed fishery after the bycatch needs are met of 25%sn/75%gn. For sockeye Area 3 they propose increasing the gillnet share from 95% to 100% and decreasing the seine share from 5% to 0%. This is an area with very limited fishing over the last 12 plus years.

For pinks in Area 1 they propose changing the January 30<sup>th</sup> table of 75.5%sn / 22.5%gn /2%tr to 80%sn /20% gn.

For coho in Area 1 they proposing changing the January  $30^{th}$  table of 12.5%sn /6.5%gn /81% tr to 10%sn / 10%gn /80% tr.

The Area F fleet agreed earlier to increase the combined net share of Area 1 coho to 19% reflecting the retention of coho in 2014 from years of non-retention but do not support any further decreases in the troll share for coho or any other species (Appendix H). Area A Harvest committee indicated verbally they do not support any changes from the January 30<sup>th</sup> table which they felt was populated after good discussion and compromise from all parties.

**Area G is proposing** (Appendix G) the need for Fraser sockeye allocation to be proportionate to TAC. Fraser sockeye have the most variability of all salmon populations and there is a documented history of

varying the sharing arrangements with relative TAC. They are requesting 1-2% at low run sizes and 3-4% at large run sizes. They provide an example for illustration of 0% up to 3 million TAC and then a stepped increase above 3 million. The net fleet's response (Appendix D & E) supported only a Fraser River sockeye allocation of 1% in large run years which is shown in the allocation table Appendix A. Area G also requested an allocation of Barkley Sound sockeye in large return years but this was not supported by other fleets.

They are also seeking 5-10% of Area 3 pinks compared to the allocation of .5%. There was no support from other fleets for a change to the pink allocation.

#### Assigning the First Nation Economic Fishery Share

The CSAB supports the inclusion of First Nation economic fisheries into to the CSAF. CSAB recommends the transfer of licences be based on voluntary commercial relinquishment of existing licences and calculated as a % of commercial share based on 1/current total fleet size and by fishery production area. Also there needs to be an accounting framework that reports annually on numbers of licences purchased and distribution in existing marine Area A-H fisheries as well as First Nations economic fisheries both in marine and inland waters.

There is some concern about the viability of the remaining commercial fleet for support services and industries in coastal areas. A better understanding and potential implications will be known as the First Nation economic fisheries develop. The Area H fleet which is currently at 54 licences excluding licences held for First Nations economic fisheries has strongly indicated they are nearing a minimum viable number.

#### DURATION OF ARRANGEMENTS

The CSAB recommends the new CSAF be for a period of 5 years with a review after the 4<sup>th</sup> year. A review may also occur for significant circumstances if a majority of the CSAB members agree. Significant circumstances were considered to be events such as a major adjustment of a Pacific Salmon Treaty Chapter harvesting arrangements through re-negotiations or a prolonged major change of a species abundance. If no major issues are identified with any review it is expected that sharing arrangements would be continued with the same review provisions.

#### Number of Fishery Production Areas

Currently the CSAF annual allocations have used 22 fishery production areas. The CSAB is recommending the number of fishery production areas be increased to 25. The three additional areas were all considered in the SCORE report. The additional fishery production areas better reflect current operations of fisheries in those areas. Each of these changes is for a species that is designated to be harvested by one gear only and has specific Pacific Salmon Treaty provisions. The proposed changes are dividing both PST AABM chinook fisheries from inside chinook fisheries in both North Coast Areas 1-5 and WCVI Areas 21-27. The third new area being created is the PST AB line pink fishery in Area 1. In each of these 3 new fishery production areas only a single troll fleet currently fishes. The CSAB has made initial allocations by species and fleets into the new and the redefined fishery production areas.

The CSAB does not support the creation of a separate Fraser River chum fishery production area. A Fraser chum Area would have significant harvests and fleet overlap with the southern inside chum fishery production area. Johnstone Strait's fishery management should remain at the 20% harvest rate (HR) approach, while Area B & H fleets will continue to seek increased opportunities in Area 29 and any other terminal chum opportunity. With regard to assigning a share of Fraser River chum to any licences being transferred to a new First Nation economic fishery we propose the use of the shares from the southern inside arrangement multiplied by the Fraser chum proportions in each fleet fishery.

### Use of Sockeye Equivalents

The use of sockeye equivalents (SE) as a method of evaluating relative sharing arrangements is part of the current CSAF. The CSAB recommends that any future adjustments may consider sockeye equivalents for Area A-H fleets but they would not be bound to only using SE. There is agreement that some form of metric is needed for consideration of any review re-adjustments but whether that will be SE or something else such as CPUE, historical catches, etc. is not defined at this time.

### Mitigation Fund Buy Down of Troll Fleet/ Area re-selection

Option 1 – continue buyout portion of program as is with no Area re-selection. Review in 4 years as part of planned initial allocation review. Provisions should be developed for licence/vessel swaps between Areas with elimination of length restrictions on swaps. This option was supported by all groups except Area H which proposed option 2.

Option 2 – The Area H Harvest Committee representatives have proposed (Appendix C): 1) that the species and production areas which form the basis of the Area H fishery be allocated so as to provide the 77 Area H licence holders with a coast wide (sockeye equivalents) share of 3.26 per cent based on an estimate of preseason harvest over a recent four-year period (2010-2013 or 2011-2014). In consideration of this, the Area H fleet would relinquish any future claim to the Mitigation Fund with the Area H share to be directed at compensating the Area F and Area G troll fleets for future chinook impacts either through licence retirement or the acquisition of salmon fishing privileges. This would also see the practice of area selection or area re-designation cease as it applies to Area H (with the exception of one-for-one exchanges which would not increase the total number of Area H licences in order that the number of Area H licences remain at or below the current 77 count, or 2) if the 3.26 per cent is not possible through allocation, then Area H's share of the Mitigation Fund should be used to buy allocation from other privilege holders which would achieve a similar outcome.

#### ROLE IN FISHERY MANAGEMENT

The CSAB recommends the development of a new Terms of Reference for an updated commercial salmon advisory board that includes both First Nations economic fishery and CSAB representatives. This new board could have sub-regional and/or local bodies (e.g. North Coast/ South Coast, Barkley SD round table). Terms of Reference should include mandate, membership, roles and responsibilities, management functions, structure, etc. The intent is a collaborative fishery planning process including all commercial parties and DFO.

#### • FISHERY MANAGEMENT APPROACHES

The CSAB supports a collaborative management principle and a collaborative process required to consolidate and co-ordinate the interests of the commercial salmon fisheries (regular A-H and FN economic fisheries) as they relate to policy matters, harvest planning and other issues related to the commercial fishery.

There is general CSAB support for each gear type or First Nation economic fishery that they can determine the best management approach for its share (options may include competitive fishery, individual quotas, etc.). Fishery management approach will likely vary by fleet and fishery. The CSAB members need further discussion about the mechanism for fleet decisions.

The CSAB supports a fishery with similar rules and equal priority of access to all First Nation economic and Area A-H fleets. No fishery should be allowed such that its operations puts another fleet out of the water.

The CSAB supports the development and use of an evaluation framework to assess all new proposed fisheries. The CSAB like the SCC would like to be part of establishing such a framework with DFO which we would see including provisions for co-ordination with other fisheries, harvest sharing arrangements, transfers, sharing of bycatch, catch monitoring, stock assessment requirements, conservation requirements, gear conditions, etc. Like the SCC proposal the Area A-H fleets will be seeking similar flexibilities to access to more terminal areas in marine waters that were the normal in past years as well as changes in gear and licence rules. Fleets proposing new fisheries should be responsible for sharing/paying any additional costs for stock assessment or monitoring

## Management of Catch of Non-target Species (Bycatch)

The CSAB recommends an overall objective of best use of bycatch fish to optimize all fishery groups target fisheries. Management of bycatch and limiting stocks/species will be a key issue of pre-season planning. The process should have a focus on fisheries management considerations for optimizing harvesting allocations for all groups. Incentives to participate in a collaborative management process is key to success of the new CSAF. The CSAB proposes that annual planning processes should continue to be the forum where all groups come together to make these trade-off decisions and not attempt to allocate these limiting stocks.

New fisheries must be based on the same species/stocks proportions unless considered and agreed to by other effected fisheries (e.g. cannot take allocation of 100 sockeye comprised of many stocks then hold fishery on one stock only).

There is the need to develop a principle for transitioning when a bycatch species becomes a target species. Any surplus after bycatch purposes can be allocated according to agreement between fleets and First Nations economic fisheries involved.

Further discussion and documentation between all parties on the principles for utilization of bycatch fish is required.

#### LICENCING ISSUES

The CSAB is interested in reform of its current licences structure. In keeping with the basic principles of equal priority of access of each fleet's TAC, and integrations of the First Nation economic fisheries and A to H fisheries, any changes to the commercial fishing licences structure that are afforded to the First Nation economic fisheries, should be also be offered as options and opportunities to the A to H fleets, to as great an extent as possible, so as to allow the A to H fleets to also increase their flexibility to make business decision and improve the long term stability certainty, and resilience of the commercial salmon allocation. This reform would encompass all the licence restriction currently applicable to the A to H fleets including being vessel based, area specific, gear specific, bundled species, fleet or individual share based, vessel length restrictive, married, stacked, etc.

#### TRANSFERS

In-season transfers can occur if pre-season plans outline possibilities. Each fleets/First Nation economic fishery has the right to determine their own arrangements. Pre-season plans outlining the possibilities, rules and mechanisms for all allocation categories (between all licence fleets and First Nation economic fisheries) will be developed by the fleets and First Nations involved. Transfers between fisheries (between marine and marine and between marine and inland) must account for similar stocks and species. Transfers into areas that require management adjustments need to be accounted for in determining TAC e.g. a similar accounting process to current Fraser sockeye. There are to be no transfers of limiting stocks/species with any target stocks/species. Bycatch/incidental harvests are to be shared for the benefit of all fleets. Operation guidelines for pre-season and in-season transfers similar to current IFMP arrangements should be confirmed or as needed to be developed.

#### Uncaught Allocation

The CSAB proposes a three step process for considerations of uncaught allocations:

First that for fleets fishing under an ITQ type management system the allocation privilege extends from the marine areas to the spawning grounds. To the extent that those fishing privileges cannot be harvested by the fleet(s) that hold them, the fishing privileges may be transferred to other fleets or groups to the extent that there is an interest between the transferors and the transferees. In the event of a catastrophic situation in which fish had to be harvested and there were no willing groups to participate there would be an opportunity for DFO to intervene to avert or limit a potential ecological disaster and create an ESSR fishery.

Second for uncaught allocation that is not harvested by any fleet in the A-H commercial fisheries and where there is no transfer arrangement in effect and the salmon is not harvested due to inadequate effort, uncertain forecasts, inaccurate in-season run size estimates or other non-conservation reasons: efforts will be made to deliver that foregone target allocation firstly to the same gear in another A-H licenced area; secondly, a different A-H gear- type would be given opportunities to harvest the foregone target allocation; then the First Nations economic fisheries. No compensation will have to take place.

Third if the TAC cannot be harvested because of mixed stock, conservation, or bycatch reasons and as a result there is an uncaught allocation, the following can occur:

- If the A-H fishery with the uncaught allocation was already an ITQ fishery, private arrangements
  can be made to lease the uncaught allocation to another gear or to a First Nation economic
  fishery.
- If the A-H fishery with the uncaught allocation had fleet quotas, the fleet involved could decide to lease it to another gear or to a First Nation economic fishery.
- If the A-H fleet with the uncaught allocation was in a non-quota fishery, another Area gear or
  First Nation interested in harvesting this salmon allocation could contact the fleet's
  representatives and arrange to harvest the salmon with profits to go to conservation or
  enhancement or back to the A-H fleet or some sharing arrangement as agreed.
- The A-H fleet could harvest its uncaught allocation in an inland fishery.

#### ESSR

The CSAB does not support the fishery management practice of planned for ESSR fisheries. Every effort should be made to reduce ESSR situations. This is most likely to occur if all parties are part of an effective collaborative management process. Trade-offs of use of limiting species/stocks and transfer arrangements are key incentives in the annual process to meet everyone's objectives.

#### CATCH MONITORING

The CSAB supports the principle to have accurate, timely and accessible fisheries data, such that there is sufficient information for all Pacific fisheries to be managed sustainably and to meet other reporting obligations and objectives.

#### Dual Fishing

CSAB recommends that current DFO policy will continue to apply for requests for dual fishing. CSAB concerns with dual fishing are fairness in all Area A-H fisheries between both vessels with and without First Nations members as operator/crew and also from a conservation perspective if more and more vessels are allowed to retain stocks of concern. If larger numbers of a limiting stock are being retained than would be with non-retention release mortality rates applied there is a high likelihood of the commercial fishery needing to be restricted to meet conservation objectives thus impacting all participants.

## **8** SELECTED REFERENCES

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## 9 APPENDICES

APPENDIX A: CSAB Proposed Initial Allocations by Fishery Production Area, Gear and Fleet, January 30<sup>th</sup>,

2015 option

APPENDIX B: Letter from CSAB to DFO dated May 29, 2014

**APPENDIX C:** Area H Harvest Committee Submission

**APPENDIX D:** Area D & E Harvest Committee Submission

**APPENDIX E:** Area B Harvest Committee Submission

**APPENDIX F:** Area C Harvest Committee Submission

**APPENDIX G:** Area G Harvest Committee Submission

**APPENDIX H**: Area F Harvest Committee Submission

# APPENDIX A – CSAB Initial Allocations by Fishery Production Area by Gear and by Species. January 30<sup>th</sup>, 2015 Option.

				4 year (2010-2	2013)		4 year (2006-2	009)		4 year (2002-2	2005)		Last 12 years	(2002-2013	)	SCORE	CSAB	
ID	Spp	ProdArea	LicArea	SUM Catch	Catch %	Pre-seasor	SUM Catch	Catch %	Pre-seasor	SUM Catch	Catch %	Pre-seasor	SUM Catch	Catch % F	Pre-seasor	2009	Jan. 30	Notes
1-sock	sock	1	Α	299,925	19.1%	25.0%	682,338	24.9%	25.0%	526,827	19.5%	25.0%	1,509,090	21.5%	25.0%	25.0%	25.0%	
1-sock	sock	1	С	1,263,293	80.3%	74.8%	2,046,714	74.6%	74.8%	2,160,570	80.1%	74.4%	5,470,577	78.0%	74.7%	74.0%	75.0%	
1-sock	sock	1	F	9,251	0.6%	0.2%	16,006	0.6%	0.2%	8,638	0.3%	0.6%	33,895	0.5%	0.3%	1.0%	*	by-catch provision
2-sock	sock	2	Α	35,613	88.3%	31.3%	58,770	92.6%	25.0%	83,371	79.8%	25.0%	177,754	85.4%	27.1%	69.5%	80.0%	reflects current sockeye by-catch during pink directed fishery
2-sock	sock	2	С	4,657	11.5%	68.8%	4,681	7.4%	75.0%	20,754	19.9%	75.0%	30,092	14.5%	72.9%	29.5%	20.0%	*potential for re-negotiation of sharing arrangements in the event of a future directed sockeye fishery
2-sock	sock	2	F	77	0.2%	0.0%	1	0.0%	0.0%	299	0.3%	0.0%	377	0.2%	0.0%	1.0%	*	by-catch provision
3-sock	sock	3	Α	-	0.0%	0.0%	-	#DIV/0!	0.0%	-	#DIV/0!	#DIV/0!	-	0.0%	0.0%	5.0%	5.0%	
3-sock	sock	3	С	44,731	100.0%	100.0%	-	#DIV/0!	100.0%	-	#DIV/0!	#DIV/0!	44,731	100.0%	100.0%	88.0%	95.0%	
3-sock	sock	3	F	-	0.0%	0.0%	-	#DIV/0!	0.0%	-	#DIV/0!	#DIV/0!	-	0.0%	0.0%	7.0%	0.0%	* potential for future re-negotiation
4-sock	sock	4	В	777,927	56.5%	60.0%	15,039	50.6%	60.0%	461,367	54.2%	57.5%	1,254,333	55.6%	59.2%	59.0%	60.0%	
4-sock	sock	4	D	597,841	43.5%	40.0%	14,681	49.4%	40.0%	337,323	39.6%	38.5%	949,845	42.1%	39.5%	39.0%	40.0%	
4-sock	sock	4	E	-	0.0%	0.0%	-	0.0%	0.0%	-	0.0%	0.0%	-	0.0%	0.0%	0.0%	0.0%	
4-sock	sock	4	G	-	0.0%	0.0%	-	0.0%	0.0%	52,826	6.2%	4.0%	52,826	2.3%	1.3%	2.0%	0.0%	* potential for future re-negotiation
4-sock	sock	4	Н	-	0.0%	0.0%	-	0.0%	0.0%	-	0.0%	0.0%	-	0.0%	0.0%	0.0%	0.0%	
5-sock	sock	5	В	5,929,149	59.6%	48.5%	1,581,959	49.2%	47.5%	1,790,357	40.2%	44.9%	9,301,465	52.8%	47.0%	44.0%	48.5%	
5-sock	sock	5	D	1,149,856	11.6%	21.6%	465,322	14.5%	19.3%	598,506	13.4%	13.8%	2,213,684	12.6%	18.2%	38.0%	21.6%	
5-sock	sock	5	E	2,349,857	23.6%	25.1%	773,600	24.1%	22.8%	1,486,763	33.4%	27.3%	4,610,220	26.2%	25.0%	00.070	25.1%	
5-sock	sock	5	G	4	0.0%	0.0%	177,883	5.5%	1.1%	154,911	3.5%	2.0%	332,798	1.9%	1.0%	18.0%	0.0%	a 1% harvest share to occur in large Fraser River return years only. Reductions to be proportionate from other fleets in those years.
5-sock	sock	5	Н	519,814	5.2%	4.8%	217,261	6.8%	9.4%	425,890	9.6%	12.1%	1,162,965	6.6%	8.8%	18.0%	4.8%	Tromound floor years.
1-pink	pink	1	Α	3,687,607	82.1%	75.5%	5,867,466	83.1%	80.0%	9,175,847	83.9%	77.5%	18,730,920	83.3%	77.7%	81.4%	75.5%	
1-pink	pink	1	С	547,609	12.2%	22.5%	982,105	13.9%	18.0%	1,538,876	14.1%	18.3%	3,068,590	13.6%	19.6%	13.5%		Skeena sharing 75% sn : 25% gn
1-pink	pink	1	F	255,393	5.7%	2.0%	212,090	3.0%	2.0%	228,041	2.1%	4.3%	695,524	3.1%	2.8%	5.1%	2.0%	- · · · · · · · · · · · · · · · · · · ·
2-pink	pink	2	Α	7,554,904	99.1%	86.3%	8,807,453	99.3%	90.0%	12,237,614	98.0%	88.5%	28,599,971	98.7%	88.3%	95.0%	95.0%	
2-pink	pink	2	С	63,102	0.8%	13.8%	54,085	0.6%	10.0%	249,521	2.0%	9.0%	366,708	1.3%	10.9%	4.0%	5.0%	
2-pink	pink	2	F	5,833	0.1%	0.0%	5,361	0.1%	0.0%	6,149	0.0%	2.5%	17,343	0.1%	0.8%	1.0%	*	by-catch provisions
3-pink	pink	3	В	6,316,756	96.2%	67.3%	461,699	94.7%	70.0%	410,545	77.8%	67.5%	7,189,000	94.9%	68.3%	82.0%	82.5%	
3-pink	pink	3	D	47,653	0.7%	8.8%	4,858	1.0%	4.0%	23,883	4.5%	4.0%	76,394	1.0%	5.6%	7.00/	4.0%	pink by-catch required for more abundant species
3-pink	pink	3	Е	110,069	1.7%	9.8%	250	0.1%	2.4%	21,270	4.0%	1.0%	131,589	1.7%	4.4%	7.0%	3.0%	pink by-catch required for more abundant species
3-pink	pink	3	G	288	0.0%	4.9%	953	0.2%	10.6%	2,678	0.5%	14.5%	3,919	0.1%	10.0%	11.0%	0.5%	*potential for future re-negotiation. Pink by-catch required for more abundant species
3-pink	pink	3	Н	88,294	1.3%	9.4%	19,834	4.1%	13.0%	69,134	13.1%	13.0%	177,262	2.3%	11.8%	11.0%	10.0%	pink by-catch required for more abundant species
4-pink	pink	4	В	896,788	90.4%	73.0%	1,034,779	97.7%	73.0%	778,467	81.6%	73.0%	2,710,034	90.2%	73.0%	73.0%	73.0%	
4-pink	pink	4	D	93,466	9.4%	9.0%	23,257	2.2%	9.0%	90,571	9.5%	9.0%	207,294	6.9%	9.0%	9.0%	9.0%	
4-pink	pink	4	Е	-	0.0%	0.0%	-	0.0%	0.0%	-	0.0%	0.0%	-	0.0%	0.0%	0.0%	0.0%	
4-pink	pink	4	G	-	0.0%	0.0%	252	0.0%	0.0%	-	0.0%	0.0%	252	0.0%	0.0%	0.0%	0.0%	
4-pink	pink	4	Н	1,466	0.1%	18.0%	856	0.1%	18.0%	84,755	8.9%	18.0%	87,077	2.9%	18.0%	18.0%	18.0%	
NEW 5-pink	pink	5	F														100%	AB line pink troll fishery only

				4 year (2010-	2013)		4 year (2006-2	2009)		4 year (2002-	2005)		Last 12 years	s (2002-2013	3)	SCORE	CSAB	
ID	Spp	ProdArea	LicArea	SUM Catch	Catch %	Pre-seaso	SUM Catch	Catch %	Pre-seasor	SUM Catch	Catch %	Pre-seasor	SUM Catch	Catch %	Pre-seasor	2009	Jan. 30	Notes
1-chum	chum	1	Α	-	0.0%	55.0%	30,800	55.1%	55.0%	218,567	70.5%	53.5%	249,367	66.5%	54.5%	53.0%	54.0%	
1-chum	chum	1	С	8,602	95.1%	45.0%	24,090	43.1%	45.0%	89,849	29.0%	36.5%	122,541	32.7%	42.2%	42.0%	43.0%	
1-chum	chum	1	F	446	4.9%	0.0%	1,039	1.9%	0.0%	1,418	0.5%	10.0%	2,903	0.8%	3.3%	5.0%	3.0%	chum retention on AB line
2-chum	chum	2	Α	67,984	62.1%	16.3%	61,965	32.2%	0.0%	45,086	15.4%	22.5%	175,035	29.4%	12.9%	54.0%	55.0%	recent chum non-retention; exploratory fishery allows by-catch of chum
2-chum	chum	2	С	41,514	37.9%	83.8%	130,476	67.8%	100.0%	248,487	84.6%	77.5%	420,477	70.6%	87.1%	45.0%	45.0%	recent chum non-retention; exploratory fishery allows by-catch of chum
2-chum	chum	2	F	1	0.0%	0.0%	-	0.0%	0.0%	8	0.0%	0.0%	9	0.0%	0.0%	1.0%	*	by-catch provision
3-chum	chum	3	Α	540,948	42.8%	55.0%	170,822	21.8%	55.0%	1,876,619	43.9%	53.0%	2,588,389	40.9%	54.3%	40.0%	45.0%	currently chum non-retention
3-chum	chum	3	С	723,766	57.2%	45.0%	612,234	78.2%	45.0%	2,402,782	56.1%	44.5%	3,738,782	59.1%	44.8%	59.0%	55.0%	
3-chum	chum	3	F	-	0.0%	0.0%	4	0.0%	0.0%	145	0.0%	2.5%	149	0.0%	0.8%	1.0%	*	by-catch provision
4-chum	chum	4	В	1,787,395	66.5%	63.0%	1,536,186	57.4%	63.0%	3,107,955	67.7%	63.0%	6,431,536	64.6%	63.0%	63.0%	63.0%	
4-chum	chum	4	D	426,364	15.9%	19.3%	621,437	23.2%	19.0%	953,680	20.8%	19.0%	2,001,481	20.1%	19.1%	31.0%	19.2%	
4-chum	chum	4	E	298,134	11.1%	12.0%	320,721	12.0%	12.0%	256,731	5.6%	12.0%	875,586	8.8%	12.0%	31.070	12.0%	
4-chum	chum	4	G	-	0.0%	0.0%	47	0.0%	0.0%	-	0.0%	0.0%	47	0.0%	0.0%	0.0%	0.0%	
4-chum	chum	4	Н	177,007	6.6%	5.8%	198,791	7.4%	6.0%	275,025	6.0%	6.0%	650,823	6.5%	5.9%	6.0%	5.8%	
5-chum	chum	5	В	212,065	67.0%	64.9%	242,723	35.9%	70.0%	1,174,298	62.0%	59.8%	1,629,086	56.4%	64.9%	65.5%	65.5%	
5-chum	chum	5	D	-	0.0%	0.0%	<u>-</u>	0.0%	0.0%	-	0.0%	0.0%	-	0.0%	0.0%	0.0%	0.0%	
5-chum	chum	5	E	104,418	33.0%	34.1%	433,273	64.1%	29.0%	720,746	38.0%	39.3%	1,258,437	43.6%	34.1%	33.5%	34.5%	
5-chum	chum	5	G	-	0.0%	1.0%	-	0.0%	1.0%	-	0.0%	1.0%	-	0.0%	1.0%	1.0%	*	by-catch provision
5-chum	chum	5	Н	-	0.0%	0.0%	-	0.0%	0.0%	-	0.0%	0.0%	-	0.0%	0.0%	0.0%	0.0%	
6-chum	chum	6	В	-	0.0%	0.0%	56	0.0%	0.0%	1	0.0%	0.0%	57	0.0%	0.0%	13.1%	0.0%	*potential for future re-negotiation if chum populations rebuild
6-chum	chum	6	D	43,811	97.8%	98.0%	190,181	98.4%	98.0%	484,238	97.6%	98.0%	718,230	97.8%	98.0%	84.7%	98.0%	
6-chum	chum	6	E	-	0.0%	0.0%	<u>-</u>	0.0%	0.0%	-	0.0%	0.0%	-	0.0%	0.0%	0.0%	0.0%	
6-chum	chum	6	G	998	2.2%	2.0%	2,966	1.5%	2.0%	12,037	2.4%	2.0%	16,001	2.2%	2.0%	2.2%	2.0%	
6-chum	chum	6	Н	-	0.0%	0.0%	-	0.0%	0.0%	-	0.0%	0.0%	-	0.0%	0.0%	0.0%	0.0%	
1-coho	coho	1	Α	59,995	5.3%	12.5%	85,044	11.7%	15.0%	157,055	14.3%	11.3%	302,094	10.3%	12.9%	10.0%	12.5%	sharing arrangements were difficult due to limited recent fisheries
1-coho	coho	1	С	13,326	1.2%	6.5%	19,601	2.7%	3.8%	28,410	2.6%	5.0%	61,337	2.1%	5.1%	10.0%	6.5%	see note above
1-coho	coho	1	F	1,049,703	93.5%	81.0%	624,219	85.6%	81.3%	909,557	83.1%	83.8%	2,583,479	87.7%	82.0%	80.0%	81.0%	see note above
2-coho	coho	2	В	3,901	72.6%	55.0%	17	29.3%	55.0%	162	58.9%	55.0%	4,080	71.5%	55.0%	55.0%	tbd	Currently no directed fisheries in this area. Need to review when future directed opportunity develop-
2-coho	coho	2	D	1,169	21.8%	15.0%	19	32.8%	15.0%	36	13.1%	15.0%	1,224	21.4%	15.0%	38.0%	tbd	Principles to be drafted re: how to distribute impacts
2-coho	coho	2	E	87	1.6%	15.0%	11	19.0%	15.0%	58	21.1%	15.0%	156	2.7%	15.0%	00.070	tbd	
2-coho	coho	2	G	-	0.0%	0.0%	-	0.0%	0.0%	-	0.0%	0.0%	-	0.0%	0.0%	0.0%	tbd	
2-coho	coho	2	Н	217	4.0%	15.0%	11	19.0%	15.0%	19	6.9%	15.0%	247	4.3%	15.0%	7.0%	tbd	
3-coho	coho	3	В	67	0.6%	0.0%	8,530	49.4%	30.0%	2,357	14.3%	15.0%	10,954	24.6%	15.0%	5.0%	9.5%	
3-coho	coho	3	D	1,851	17.2%	0.0%	4,346	25.2%	7.5%	11,757	71.3%	15.0%	17,954	40.3%	6.0%	4.0%	9.5%	
3-coho	coho	3	E	178	1.7%	0.0%	6	0.0%	0.0%	-	0.0%	15.0%	184	0.4%	3.0%	1.0%	1.0%	
3-coho	coho	3	G	8,690	80.6%	100.0%	4,380	25.4%	62.5%	2,373	14.4%	55.0%	15,443	34.7%	76.0%	90.0%	80.0%	coho taken primarily in offshore fisheries
3-coho	coho	3	Н	-	0.0%	0.0%	-	0.0%	0.0%	-	0.0%	0.0%	-	0.0%	0.0%	0.0%	0.0%	

				4 year (2010-	2013)		4 year (2006-2	2009)		4 year (2002-	·2005)		Last 12 years	s (2002-2013	3)	SCORE	CSAB	
ID	Spp	ProdArea	LicArea	SUM Catch	Catch %	Pre-seaso	r SUM Catch	Catch %	Pre-seasor	SUM Catch	Catch %	Pre-seasor	SUM Catch	Catch %	Pre-seasor	2009	Jan. 30	Notes
1-chin	chin	1	Α	-	0.0%	0.0%	-	0.0%	0.0%	-	0.0%	0.0%	-	0.0%	0.0%	1.0%	*	by-catch provision
1-chin	chin	1	С	7,364	2.3%	4.7%	28,611	8.2%	4.4%	35,924	6.2%	6.5%	71,899	5.7%	5.2%	1.0%	*	by-catch provision
1-chin	chin	1	F	314,664	97.7%	95.3%	318,812	91.8%	95.6%	546,552	93.8%	93.5%	1,180,028	94.3%	94.8%	98.0%	100.0%	AABM chinook harvest
2-chin	chin	2	Α	6	0.0%	0.0%	-	0.0%	0.0%	12	0.1%	0.0%	18	0.0%	0.0%	2.7%	*	by-catch provision
2-chin	chin	2	С	15,867	100.0%	99.0%	15,728	99.9%	96.0%	19,120	93.0%	88.8%	50,715	97.2%	94.6%	77.0%	100.0%	near -terminal fisheries (primarily hatchery origin)
2-chin	chin	2	F	-	0.0%	1.0%	9	0.1%	4.0%	1,442	7.0%	11.3%	1,451	2.8%	5.4%	20.3%	*	*review potential re-entry of troll into Area 6+7. by-catch provision
3-chin	chin	3	В	300	2.4%	0.0%	13	0.3%	0.0%	27			340	0.9%	0.0%	1.0%		*subject review pending completion of SBC chinook initiative
3-chin	chin	3	D	34	0.3%	0.0%	147	3.9%	0.5%	1,191	5.4%		1,372	3.6%	1.8%	10.0%	3.0%	
3-chin	chin	3	E	11,905	96.8%	100.0%		95.5%	99.5%	18,145			33,668	88.7%	94.4%	83.0%		Directed Fraser chinook fishery
3-chin	chin	3	G		0.0%	0.0%		0.3%	0.0%	-	0.0%		10		0.0%	0.0%	0.0%	
3-chin	chin	3	Н	59	0.5%	0.0%		0.0%	0.0%	2,497	11.4%		2,556	6.7%	3.8%	6.0%	6.0%	
4-chin	chin	4	В	1	0.0%	0.4%		3.2%	4.7%	4,754	0.7%		16,934	1.2%	2.7%	1.0%		by-catch provision
4-chin	chin	4	D	42,296	12.1%	2.2%	,	13.7%	10.1%	40,443			135,418	9.7%	5.1%	1.0%		by-catch provision
4-chin	chin	4	E	42,290	0.0%	0.0%	1	0.0%	0.0%	40,443	0.2%		50	0.0%	0.0%	0.0%	0.0%	
4-chin	chin	4	G	307,783	87.9%	97.3%		83.1%	85.3%	611,874			1,238,900	89.0%	92.2%	98.0%		This is AABM chinook fishery
		4		,						,								This is AADM Chinook rishery
4-chin Inside (Areas	chin	4	Н	-	0.0%	0.0%	-	0.0%	0.0%	-	0.0%	0.0%	-	0.0%	0.0%	0.0%	0.0%	
1-5)	chin	5	Α													39.0%	*	by-catch provision
Inside (Areas																		
1-5)	chin	5	С													59.0%	100.0%	by-catch provision + near-terminal directed fisheries (e.g. Skeena)
Inside (Areas 1-5)	chin	5	F													2.0%	*	by-catch provision
NEW-WCVI	CHILI	3	1													2.070		by-calch provision
Inside	chin	6	В													5.0%	5%	Area 23 sharing arrangement currently 33.3%SN: 66.7%GN. May need to review
NEW-WCVI			_															
Inside NEW-WCVI	chin	6	D													80.0%		
Inside	chin	6	Е														75%	Area 25 fishery (e.g Conuma)
NEW-WCVI																		
Inside	chin	6	G													15.0%	15%	w inter troll fishery
NEW-WCVI Inside	chin	6	н													0.0%	0%	
II ISIUE	CHILL	U	П													0.0%	0%	

Excel file provided by DFO with Historical Commercial Harvest Information and CSAB Initial Allocations in Table R3b.



#### **APPENDIX B**

#### CSAB Advice to DFO on Commercial Allocation Modernization: May 29, 2014

After meeting on May 29, 2014, the CSAB Allocation Working Group agreed on the following advice to DFO:

As the current process concludes, CSAB wishes to recognize the significant progress that has been achieved, in terms of improved understanding and convergence of views, both among CSAB members and in the small group meetings that involved CSAB, DFO and SCC representatives. The discussions have helped to bring CSAB members together, with a focus on the "Evergreen" proposal as a basis for moving forward to resolve some of the key issues in redefining the commercial allocation framework. The CSAB also recognizes the invaluable opportunity in being able to work collaboratively to develop a common understanding that will help to shape emerging First Nations commercial fisheries and contribute to the success of those efforts. Notwithstanding this significant progress, the CSAB notes that PST Mitigation Funds were to be used to modernize the commercial allocation process and meet CSAB objectives for modernization. In CSAB's view, those objectives have not been fully achieved to date, as the structure/direction of the current process did not provide sufficient opportunity to complete the indepth discussion required to resolve priority CSAB issues.

The CSAB therefore proposes that with a limited amount of further discussion time, CSAB can easily reach agreement and provide advice on resolving several outstanding priority issues, including:

- 1. Refine the Evergreen proposal and develop details of this allocation plan.
- 2. Decide on a fixed initial term for the Evergreen plan (review to follow the initial term).
- 3. Troll mitigation buy-down and effects on allocation.
- 4. Area re-reselection (permitted or not).

Further discussion will also provide more clarity and direction on how to deal with more challenging fishery management issues, including ITQs and/or partial fleet ITQs, even if fundamental differences among CSAB members with regard to ITQs are unlikely to be fully resolved. Once CSAB has been able to discuss and resolve the above priority issues, we propose further CSAB meetings to discuss appropriate rules and management for First Nations commercial fisheries, as those relate to the future viability of commercial fisheries. CSAB will be able to contribute more effectively to further discussions with DFO and SCC once it has developed its own coherent internal approach on key issues, including:

- The need for appropriate definition and allocations for ESSR fisheries.
- First Nations commercial fishery rules for all fisheries in common areas (flexibility/fairness issues).
- Temporary leasing of licence shares (e.g. Area C issues)
- Tracking of allocation/transfers
- Monitoring, compliance and traceability.
- Cap on transfers from existing marine commercial fisheries, fleet size & viability.

If time permits, and once CSAB priority issues are tackled, CSAB also welcomes discussion of additional topics that DFO may propose.

#### **Process:**

CSAB will require appropriate funding and support to accomplish these objectives and we propose that Mitigation funds be allocated to fund a contract for an advisor/facilitator with appropriate technical experience, as selected by CSAB, to help with this work.

#### CSAB Advice to DFO on Commercial Allocation Modernization: May 29, 2014

We propose 6 days of meetings in fall 2014, with the initial 3 days allocated for CSAB meetings with the Advisor/facilitator to resolve the CSAB priority issues identified above. Once CSAB's priority issues are resolved, the remaining meeting days can be used to discuss the above issues relating to integration of First Nations and marine commercial fisheries. Once CSAB has had the opportunity to resolve these

issues internally, we will be able to contribute more effectively in a continuation of small group CSAB/SCC meetings. CSAB also proposes to consult with constituents on these issues over the summer. The intent would be to wrap up and provide final advice to DFO in time to implement changes in the 2015 fishery season.

#### **APPENDIX C**

#### **Commercial Salmon Allocation Framework**

#### **Area H Troll Submission**

**DATE:** February 2, 2015

**TO:** Barry Rosenberger, Facilitator, Commercial Salmon Advisory Board (<a href="mailto:barryrosenberger@hotmail.ca">barryrosenberger@hotmail.ca</a>)

Jeff Grout, Regional Resource Manager, Salmon (<a href="mailto:jeff.grout@dfo-mpo.gc.ca">jeff.grout@dfo-mpo.gc.ca</a>)

#### **BACKGROUND**

This submission is being made on the behalf of the 77 Area H licence holders that fish by troll in Johnstone Strait (portions of Areas 12 and 13), portions of Area 18, portions of Area 29 off the Fraser River mouth; and that fish in the First Nations (FN) Economic Opportunity fisheries (EOF) that may be conducted in the same marine areas or Fraser River systems.

The following chart outlines the current number of licence holders in each of the commercial salmon fleets including licences acquired pursuant to the Pacific Integrated Commercial Fisheries Initiative – Allocation Transfer Program (PICFI/ATP), the Catch Per Unit Effort (CPUE) shares established by the Kelleher Formula, the adjusted CPUE shares after giving effect to the impact of the fleet reduction arising from the Mitigation Fund troll licence retirement program (allocating the benefit of troll fleet reduction proportionately across all fleets), and the coastwise shares (based on sockeye equivalents) derived from the current number of licences and the adjusted CPUE:

	ASA	ASB	AGC	AGD	AGE	ATF	ATG	ATH
Licences	108	168	638	378	390	238	121	77
Kelleher CPUE	0.145%	0.145%	0.027%	0.027%	0.027%	0.041%	0.041%	0.041%
CPUE (Sharing Mitigation Impact)	0.151%	0.151%	0.28%	0.028%	0.028%	0.042%	0.042%	0.042%
Coastwide	16.34%	25.41%	18.05%	10.69%	11.03%	10.08%	5.13%	3.26%

Share (SE)				
Silare (SE)				

The following chart illustrates the recent historic allocation data for the Area H fleet based on the preseason allocation and actual harvest data<sup>10</sup>:

	2010	2011	2012	2013	2014	2010-	2011-
						2013	2014
Coastwide Share – Preseason (SE)	2.94%	1.82%	1.34%	2.91%	3.40%	2.25%	2.37%
Coastwide Share – Actual (SE)	4.34%	2.24%	0.72%	0.82%		2.03%	

Even with the reduced number of Area H licence holders and the benefits of the Mitigation Fund troll fleet reduction distributed across all commercial salmon licence holders, the Area H fleet, on both a preseason and postseason basis, has been receiving roughly two-thirds of its Kelleher-based troll share. The shortfall was recognized during the Subcommittee on Options for Review and Evaluation (SCORE) process struck by the Commercial Salmon Advisory Board (CSAB) to consider options to address the decline in the commercial fishery and how it might be addressed. In the SCORE report published in March 2008, the Area H share of Fraser River sockeye was pegged at nine per cent at a point when there were 89 Area H licences.<sup>11</sup>

#### Allocation Policy - A New Direction

The following is drawn from the policy document upon which salmon allocation decisions continue to be guided<sup>12</sup>:

#### "To encourage selective fishing:

• a portion of the total available commercial catch will be set aside for existing commercial licence holders to test alternative, more selective harvesting gear and technology; and,

<sup>&</sup>lt;sup>10</sup> The data was sourced from information provided by DFO which is appended.

<sup>&</sup>lt;sup>11</sup> Salmon Management Reform, SCORE Report, Diamond Management Consulting Inc., March 1, 2008.

<sup>&</sup>lt;sup>12</sup> AN ALLOCATION POLICY FOR PACIFIC SALMON A New Direction: The Fourth in a Series of Papers from Fisheries and Oceans Canada, October 1999.

• over time, commercial allocations will favour those that can demonstrate their ability to fish selectively."

"Given the mixed stock nature of the Pacific salmon fishery, more selective fishing practices are required in order to maximize the harvest of target species, in particular sockeye, pink and chum, and minimize the by-catch of other species."

"Over the longer term, target allocations for seine, gillnet and troll gear will be adjusted to reflect the relative ability of each gear type to harvest selectively through modification of existing gear and fishing operations."

The Area H fleet has been on the forefront of the implementation of sustainable harvesting practices and now boasts what is arguably the "cleanest" commercial salmon fishery on the coast. The Area H fleet has accomplished this by having the lowest bycatch incidence rate and bycatch release mortality (of 10 per cent as established by scientific study) of the three gear types. The impact on species of concern (which include coho, sockeye and chinook salmon) is significant when compared against the 25 per cent release mortality for the seine fleet and the 75 per cent release mortality for the gillnet fleet.

In response to the amended direction of the fishery prescribed by the then Minister of Fisheries in the July 16, 2007 launch of PICFI, Area H implemented a number of industry-leading demonstration fishery projects which:

- promote the use of clearly defined catch shares through individual transferable quota (ITQ) fisheries that have improved manageability and fishery viability;
- enhance management control of and conservation performance in the fishery through the adoption of 100 per cent monitoring of these ITQ fisheries; and
- increase the ability of harvesters to work cooperatively with other fleets (and ultimately other sectors) to harvest available surpluses and to take on greater responsibility for control and monitoring of the fishery.

The Area H Harvest Committee has proposed that its fleet explore and assess traditional and historic Area H fisheries that may have been suspended due to resource constraints or lack of participation. The structure and management of such fisheries would be established in cooperation with the DFO resource managers and biologists with the scientific assessment required to confirm the abundance and mix of the target stocks supported by the "Use of Fish" funding arrangement provided by the Area H fleet share.

The Area H and Area B seine fleets were the first to enter into inter-fleet fishing privilege transfers and the Area H Harvest Committee recently proposed extending this demonstration program to evaluate the transfer of fishing privileges between and among other interested commercial salmon fleets, user

groups and resource stakeholders. This could involve incorporating alternative catch monitoring and traceability methods which promise comparable or better data, lower cost and enhanced compliance, all of which are in line with the direction that progressive fisheries are being taken. The first step contemplates a demonstration fishery which would allow for the voluntary transfer of pink and sockeye salmon fishing privileges in South Coast and Fraser River areas between Area H licence holders and participating FN EOF.

Given the effort being made by the Area H fleet to ensure the economic viability of the fishery and optimize the value of the resource through the adoption of sustainable fisheries practices and onboard value-add processing, the Area H fleet expects to be treated reasonably in the modernized allocation framework. The nature of the fishery, the capital investment required, and the operating costs incurred by the Area H fleet, support the provision of a CPUE share which is commensurate with that provided to the other troll fleets. This is an opportunity to demonstrate that those who embrace the enhanced compliance and monitoring practices that are the foundation of selective fishing will, in turn, receive a fair share of the resource.

#### Recommendation

The Area H Harvest Committee representatives have proposed that the species and production areas which form the basis of the Area H fishery be allocated so as to provide the 77 Area H licence holders with a coast wide (sockeye equivalents) share of 3.26 per cent based on an estimate of preseason harvest over a recent four-year period (2010-2013 or 2011-2014). In consideration of this, the Area H fleet would relinquish any future claim to the Mitigation Fund with the Area H share to be directed at compensating the Area F and Area G troll fleets for future chinook impacts either through licence retirement or the acquisition of salmon fishing privileges. This would also see the practice of area selection or area redesignation cease as it applies to Area H (with the exception of one-for-one exchanges which would not increase the total number of Area H licences) in order that the number of Area H licences remain at or below the current 77 count. As outlined above, the Area H Harvest Committee intends to further extend fishing privilege transferability, exchange and trading in order to maximize the value of its fleet share.

Alternatively, the Area H Harvest Committee proposes that the Area H share of the remaining \$18 million Mitigation Fund which approximates \$3.2 million (based on 17.7 per cent or 77 Area H licences of the total 436 troll licences) be used by the Area H fleet to acquire salmon fishing privileges from other fleets in the same fashion as PICFI/ATP continues to procure fishing privileges from the commercial sector for transfer to the FN. This would enable the Area H fleet to acquire the salmon fishing privileges of 40 to 50 Area D or Area E gillnet fishing licences which would represent 1.08 to 1.35 per cent of the coast wide commercial salmon share (based on sockeye equivalents).

#### **Appendix**

# **Historic Commercial Salmon Allocation**

# **Pre-season Allocation Values and Actual Outcomes**



#### **APPENDIX D**

Area D Harvest Committee

Area E Harvest Committee

Monday, Feb 2, 2015

To the CSAB,

Attention Barry Rosenberger,

Re: Defined Share Table - unresolved shares for Area B, D, E, G and H

The following letter is in response to the request of Barry Rosenberger for written submissions to substantiate the positions of the Area D and Area E Harvest Committees regarding the outstanding unresolved B-H shares. This written submission is in line with our verbal arguments on this issue for the past two years, including the final CSAB- CSAF session.

We have heard from the Area H troll fleet that the share of Fraser sockeye TAC (6%) that was allocated to the trollers in 2014 is an appropriate number to use moving forward long-term. We whole-heartedly reject this notion. The 2014 Fraser forecast was one of the largest sockeye forecasts in history. This large Fraser sockeye forecast helped to counterbalance the large chinook catches in Area F and G, and therefore on a one-year basis only, it was fair and appropriate to allocate some Fraser sockeye to the troll fleet. If the pre-season allocation meeting of 2014 had been conducted with an average Fraser sockeye TAC as the forecast, the Area H share of the TAC would have been substantially lower, and the Area G share would have been zero. If we had gone into last year's allocation meeting with the instructions to fix allocations for 4 years, the net fleet would never have agreed to a 6% fixed share for the south coast trollers. Furthermore, the 2014 offer from the net fleet was 5% for H, and 1% for G, it was through internal troll negotiation that the shares were changed to 5.5% and 0.5% in 2014. This request to increase H and G shares in the last session is inflammatory and clearly an inflated bargaining position to take advantage of the current time limitations to extract the maximum amount of fish from the net fleet.

The history of how we got here is clear and well documented. Under the existing allocation policy rules, the shares of each A-H fleet are manipulated yearly to achieve "as close as possible" coast wide gear shares of 19% troll, 41.5% seine and 39.5% gillnet (or 40:38:22 before the recent troll buyback). To achieve these shares as close as possible would have required giving Area H zero fish on many years that had low Fraser sockeye TAC, because the sockeye equivalents from the good chinook fishery in Area F and G take up all the Troll share of 19% (or 22%) leaving no mathematical justification to allocate any fish at all to Area H, unless there is a large Fraser sockeye TAC. This mathematical result of zero fish has been rejected by the various net fleet representatives at the allocation meetings, and we have instead adopted the concept that no one should be left on the beach if possible, and that the south coast net fleets would forgo some of their allocation to keep Area H fishing. This was the only source of Area H allocation for sockeye, pink, and chum in many years in the past, and will be the case for many of the future years as well, if we don't finish the current CSAF process. Since the current allocation policy doesn't mathematically generate any shares for Area H on many years, we needed to use something

else to generate a number larger than zero. The Area D and Area E Harvest Committees have both supported the concept of "gifting" allocation from the Area B seine share and the Area D and E gillnet share to keep Area H off the beach, up to an appropriate amount that is no more than what an Area E or Area D would get. This was seen as "fair" in the eyes of the gillnet fleet, because although we do not want anyone to be on the beach, it was unreasonable to ask a gillnetter to give up fish to a troller when it would result in the recipient making more money than the giver.

We feel that the current Area H share of 4.8% of the Fraser sockeye TAC is the maximum that the net fleet should be asked to give up to keep the Area H troll fleet off the beach. In the future the chinook fishery in Area F and G could diminish in value, and if this is combined with a stronger Fraser sockeye fishery it could result in the coast wide troll share falling below the 19%, or whatever the appropriate number is after the buyback is finished. If this happens then the troll share of Fraser Sockeye may need to be increased. That is why there is a review period built into the Allocation Framework, and this future possibility should not be used to influence the initial allocations on the table.

Area G has achieved great success in recent years with the strong abundance of chinook and high prices. Furthermore the troll fleet has been reduced considerably in the ongoing 30 million dollar troll buyback. The abundance index of AABM Chinook has increased by a much larger percentage than the 30% reduction in catch that was negotiated. Nevertheless, even though it is not mathematically justified, we feel that Area G should have some access to Fraser sockeye so they can mount a fishery on a year with exceptionally high Fraser sockeye returns. An allocation of 0.5% of the Fraser sockeye TAC will allow Area G to mount an appropriate sized fishery. To this end, the south coast gillnet fleet is offering to reduce their share of Fraser TAC by 0.2% (the rest of the Area G share could come from Area H, or Area B). This reduction will be split, 0.1% from Area D, and 0.1% percent from Area E.

These reductions in gillnet shares are not meant to be taken as beginning negotiation positions, these are the maximum amount of fish that will be conceded by the gillnet fleet in the south coast. Sometimes the regulator decides to take a central position on a dispute such as this. If that was to happen in this case, and the Area H share is increased above 4.8%, then it is paramount that the Area H over-generous share of Fraser River pink and chum be substantially reduced and transferred to the net fleet. For instance Area H enjoys 10 percent of the Fraser pink run for only 74 licences, whereas the Area D and Area E fleets combined have 772 licences and are only allocated 7% of the Fraser pink TAC. This means that currently an individual Area H licence has 1300% more Fraser pinks than an individual Area E or D licence. As well as the over-generous pink share, Area H currently enjoys 50% more Fraser chum TAC per licence than a south coast gillnetter. Any increase in the Area H sockeye share will mandate a reduction in Area H chum and pink shares.

For south coast gillnetters, we need every little bit of our sockeye allocation to get in the water on years of low Fraser TAC, because of the large size and impact of our fleets, especially when we consider how the run is now managed by individual stock groupings. In many scenarios, getting an opening or not getting an opening could be determined by a few thousand sockeye. It is critical that we do not give up any additional Fraser sockeye TAC and risk our already endangered openings on years of low or medium Fraser TAC. Any further allocation that is given to Area H could threaten to eliminate a possible Area D or Area E opening. When we succeed in planning fisheries that get the south coast gillnetters in the water, we provide income for 400-600 active fishermen and their deckhands, as well as for the large packing and processing that accompanies such an opening. Fish that moves to the Area H fleet is only

shared between their 77 licences, either leased out to the seine fleet, or fished by their 20-30 actively fishing vessels.

A last minute request for a share of Barkley Sound sockeye TAC was tabled by Area G during the final session. There is no mathematical justification for Troll access to Barkley Sound sockeye. The Area G catch of chinook and coho already exceeds their coast wide allocation shares. There is also no "fairness" justification for Troll share of Barkley sockeye. This is not the same situation as the Fraser where the TAC might grow and shrink by tenfold. Even at its largest abundance, Somass sockeye TAC is relatively modest and will never grow high enough to overshadow the extra chinook and coho that are caught by the troll fleet like the Fraser TAC occasionally does. Any allocation of any Barkley Sound sockeye to Area G troll will disrupt the very successful Barkley Sound Harvest Table, which has in recent history successfully managed the harvest of Barkley Sound sockeye allocations among the First Nations, Recreational, and Area B and Area D.

Sincerely,
Ryan McEachern
Area D Harvest Committee
Darrel McEachern

Area E Harvest Committee

#### **APPENDIX E**

# Area B Harvest Committee/Area B Seine Society

Representing British Columbia's south coast Seine Fleet



'brailing & sorting salmon - selective Seine fishing'

February 4, 2015

Mr. Barry Rosenberger – CSAB Facilitator to the CSAF

RE: Area B - Final Submission to CSAF Process

On January 28, 2015 the CSAB concluded the '2<sup>nd</sup> Round' of the Modernization of the Commercial Salmon Allocation Framework (CSAF). This was not only the conclusion of a 1 ½ year process but was the culmination of years of frustration of having to deal with an Allocation formula that provided the commercial salmon fleet with little more than frustration.

## The Kelleher Formula - the Problem Formula

It had been broadly acknowledge by all parties that the Kelleher Formula was an unworkable Allocation formula and that recognition was the genesis of the call for the Modernization of the Allocation Framework process.

- a) Imbalances overages/underage's in stocks, which Kelleher prescribed to be moved and shared to maintain balanced allocations, in accordance with a pre-set formula, could neither be accessed nor moved because of geographical licencing restrictions. Yet in past years, following the 'letter of the Kelleher formula', (as an example) shares of stocks in the South were transferred from one gear-type/group to another gear-type/group to balance/compensate a shortfall to the same gear-type in the North. This would result in no compensation to the Northern gear-type, who was short of allocation, but penalized an 'innocent party' in the South.
- b) A more perennial problem had been the allocation overages to the 'Troll share', created by the abundance of chinook available to Areas F & G, that could not be re-allocated, shared or accessed by the 'net fleet' because of the International Treaty.
- c) Some groups maintained that the sockeye equivalent (SE's) formula penalized those that strived to add value by self-processing at sea, although the net fleet believes that supply and demand,

selling to niche markets and the necessity to be self-sufficient were more likely the influencing factors that determined price and motivation.

## **The CSAF Process**

The main objective of the 2<sup>nd</sup> Round, as stated in the CSAB 'Advice to DFO' - dated May 29, 2014, was to affirm and fine tune the Evergreen Model – which was identified, by <u>most participants</u>, as:

- a) Assessing, identifying and affirming 'the traditional' shares of the 'traditional' stocks in the Production Areas normally accessed by each harvest group in their annual fisheries.
- b) That the perceived 'fine tuning' of shares was identified as 1) minor adjustments to some 'traditional shares' 2) describing and assigning shares of stocks that have not been accessed in recent years (10 years or more), usually because of conservation concerns (coho being one), so that an assigned share/division could be recognized at some point in the future when those stocks, presumably, become accessible again.

However, at the end of process on January 28<sup>th</sup> there were still a number of allocation-shares in some of the Production Areas that remained unresolved or disputed. Representatives of those Harvest Groups, which had outstanding issues, (identified primarily as requests for a larger share), were invited to provide submissions to make their final arguments.

Although Area B did not have any aspirations to increase its share beyond what had been identified as its 'traditional share', Area B does feel compelled, at this time, to affirm our position on any requests from Area H and Area G to have their allocation shares increased – <u>Area B does not support or agree</u> with any increase in Area H and G's allocations beyond what was identified at the December 2 – 3 session.

#### **Area H – Increased Allocation Share**

At the December 2-3 session, Area H's Fraser sockeye share was pegged at 4.8%. Area B believes that this percentage, (4.8% - Fraser sockeye), to not only be fair and in line with their traditional share but that it does also factor in the reduction of 14 licences to their fleet through the Mitigation buyback. Since that time Area H has persistently argued that their share should be significantly larger. To support this position Area H has relied on using the 'Historic Kelleher data'. This data incorporates 'annual overages' that could never be shared and even proportionally averages the 102 Troll licence reduction across all eight licences groups, further perpetuating a biased argument. Additionally Area H has asserted that their post-season catch outcomes have been far less than their pre-season allocations. Unfortunately, given the vagaries of the south coast fisheries over the past decade, Area H's outcomes have generally been no different than that of the net fleet.

What isn't factored into this analysis, nor has ever been included in the Kelleher formula, is the fact that Area H Troll prices/SE's, (which Area H claims to be double that of the net fleet), are the exactly the same as those applied to the net fleet. Obviously negating any perception of a 'value added penalty'.

Area H has emphatically stated that they <u>do not</u> wish to see their fleet get any smaller than the current 77 licences and for this reason they have indicated that they wish to withdraw from any further participation in the Mitigation Buyback program. In exchange for the withdrawal from this program they

have requested that there not be any further Licence Reselection or licence re-designation through 'licence stacking'. <u>Area B fully supports this proposal</u> as being logical as it provides a realistic outcome for maintaining their fleet size at its current level.

#### Area G

Area G's annual allocation has consistently exceeded their proportionate share of the coast-wide Troll allocation. Even with the Mitigation-dictated 30% reduction to the WCVI commercial chinook allocation Area G's share still remains above that benchmark. In 2014, the other south coast commercial 'net' groups (B,D,E) did recognize that if the Fraser sockeye came back as forecast it was possible that Area G would fall below their proportionate allocation and consequently it was agreed to allocate Area G 1% of the Fraser sockeye. It was again agreed, on January 28, that this 'temporary allocation', (of 1%), should be extended to Area G on years of extremely high Fraser sockeye abundance. No determination of what "extremely high abundance" was made, however, it would be assumed that at the very least that it would be in the range of the 2014 forecast of >20 million. Area B supports this allocation, as stated, subject to future review.

Additionally, Area G requested a 2% share of Barkley sockeye. At this point, with Area G's allocation remaining consistent with previous years and with  $\sim $18$  million remaining in the Mitigation Buy-back account, Area B does not see any justification for this allocation request.

On behalf of the Area B Harvest Committee,

Chris Ashton, Executive Director

#### **APPENDIX F**

#### Area C Harvest Committee Proposal

Submitted by: Joy Thorkelson

February 5, 2015

Area C provided two documents the first is displayed as follows and the second is a excel spreadsheet attached at the end of this appendix.

The Seine Gillnet Troll Kelleher for the NORTH COAST is 37% seine / 40% gillnet / 23% seine

Α	С	F	Total	
108	630	238	976 # Licences	
68.1%	12.7%	19.2%	100.0% Relative Catch per Licence (%)	
34,177	6,374	9,636	50,187 Catch per Licence	
3,691,168	4,015,478	2,293,354	10,000,000 Allocation Values (SE's)	
37%	40%	23%	<b>Kelleher North Coast Allocations</b>	
37%	40%	23%	Kelleher North Coast Allocations	
62%	27%	11%	Kelleher South Coast Allocations	
40%	38%	22%	Kelleher Coast Wide Allocations	

The north coast seine/gillnet split is **Seines 48% and Gillnets 52%** which I used to balance to because it is difficult to impact troll allocations

The "red' column (Table 6) gives seines and gillnets a 45/55 split which is the same as the average over the past 12 years, the same as the 'initial' CSAB allocations, and because I have taken some coho away from the trollers (10/10/80 areas 1-10) the troll share has gone down from 33% over the past 12 years to 31%. I could have changed the allocations around to more closely meet Kelleher but that would mean changing things greatly from historical allocations.

Based on Table	6	
A SE	644,407	31%
C SE	787,932	38%
F SE	658,386	31%
Total	2,090,725	
seine45%	gillnet55%	

We include in the allocation calculation, sockeye caught in the now-infamous Area 6 fishery. However, in the formal CSAB sheet for presentation to SCC and DFO we would like the sockeye Prod Area 2 to be demarked with asterisks in each gear's box — and then a notation that if there was a surplus to seine and gillnet bycatch needs, a targeted fishery could take place. If the targeted fishery on sockeye took place, the allocation on that targeted fishery only (seine and gillnet bycatch not included) would be split on a 25% seine, 75% gillnet basis.

Spp	ProdArea	LicArea	"Table 6"		
sock	1	A	25.0%		
sock	1	C	75.0%		
sock	1	F	*		Directed
sock	2	A	84.0%	Bycatch	25%
sock	2	C	16.0%		75%
sock	2	F	*		
sock	3	A	*		
sock	3	C	100.0%		
sock	3	F	*		
pink	1	A	80.0%		
pink	1	C	20.0%		
pink	1	F	*		
pink	2	A	95.0%		
pink	2	C	5.0%		
pink	2	F	*		
chum	1	A	54.0%		
chum	1	C	43.0%		
chum	1	F	3.0%		
chum	2	A	54.0%		
chum	2	C	45.0%		
chum	2	F	*		
chum	3	A	45.0%		
chum	3	C	55.0%		
chum	3	F	*		
coho	1	A	10.0%		
coho	1	C	10.0%		
coho	1	F	80.0%		
chin	1	A	*		
chin	1	C	*		
chin	1	F	100.0%		
chin	2	A	*		
chin	2	C	100.0%		
chin	2	F	*		

chin	5	A	*
chin	5	C	100%
chin	5	F	*



#### APPENDIX G

# AREA "G" submission

# Chinook

As per the IFMP for southern AABM Chinook. 98% by table R3b.

As for the inshore, could not find the allocation table, but I thought I saw 20% somewhere. That may be available only in terminal areas, but should be able to access.

## Coho

With things the way they are these days with risk averse management, getting any coho before September 10 is almost impossible, other than small by-catch numbers, after the interior Fraser coho are past we should be able to fish to maximum yield outside beach corridor. No set amount, as many until say October 31. Table R3b shows from 80-100% of allocation, most caught in offshore areas in the September, October fisheries

# Sockeye

A minimum of 1-2% in years of lower abundance to cover by-catch in other fisheries (Fraser pinks), with the ability to increase up to 3-4% on years of high abundance (2010, 2014)

In previous years, it was always recognized that Fraser Sockeye were an anomaly and needed to be dealt with separately. Data shows that harvest can range from less than 1 million fish to surpluses over 10 million (data source DFO Jan 2015).

This was resolved by having a stepped sharing arrangement that rejigged opportunities depending on run size in season.

Example for modeling purpose only:

TAC below 3 million: Gillnet, Inside Troll and Seine

TAC above 3 million: add in Area G. Shares between other groups alter to maintain equitable distribution

Example- no significant abundance for 3 years, no Area G fishery, compound opportunity in years of higher abundance. (Area G 1% 2008, 2009 no fishery, 2010 large fishery up to 3%).

Area 23, this only happened years ago when Area "G" had years of no Chinook or coho access, and was used for a catch-up mechanism. Don't have any percentages, but refer to 2007&2008 post season catch table. (Table R3a)

### **Pinks**

Not sure what percent, 5-10% of TAC with enough sockeye by-catch. Don't know how much participation there will be, but need the ability to go.

# Chum

Along with the fall coho, should be open access in the outer areas along with opportunity in terminal areas, (Nootka, Esperanza).

Compiled and submitted by Mike Wells on behalf of the Area "G" harvest committee.

#### **APPENDIX H**

#### Area F Harvest Committee Submission

It was our understanding that any Area NOT in agreement with the shares identified on the spread sheet presented at our meeting on January 28th needed to submit what they thought was wrong with this sharing arrangement with supporting reasons why. We do not remember whether those not requiring any change needed to respond to these submissions but we error here on the side of caution and respond.

Area F feels that, in the North, the shares identified on the spread sheet presented January 28th were both fair and reasonable given the history and new potential realities of the coming chinook conservation concerns. I repeat, the only reason Area F is over their Kelleher share is NOT the result of F doing exceptionally well but rather the facts that sockeye and chum returns have been lower and access has been challenged. This along with the pink prices has caused the nets to be below Kelleher and the troll to be above. Even a slight increase in pink price will see the seines back to Kelleher. Dealing properly with ESSR fish would see the gillnets there too. What the next five years will produce is unknown.

As discussed at length in our CSAB meetings we are locking ourselves in for a five year period with a four year review. Therefore we must not only look back but also look forward in the hazy crystal ball and design what is potentially reasonable for this time frame. Chinook catch could look much different over the next five years as opposed to the last decade.

Area F agreed to move 19% of its coho to the nets as a by catch to ensure that they could carry out their harvest of other stocks of abundance. Historically it shows that this is a percent higher than what has been needed. We agreed with this but do not agree with any additional coho shares to the nets nor a targeted coho fishery by the nets.

John Hughes / Ron Fowler

# **APPENDIX G**

SCC Final Proposal



# FIRST NATIONS FISHERIES COUNCIL

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January 29, 2015

The Honourable Gail Shea Minister's Office 200 Kent Street Station 15N100 Ottawa, ON K1A 0A6 (via email; original by mail)

Dear Minister Shea,

# Re: First Nations Salmon Coordinating Committee Proposal for Changes to the Commercial Salmon Allocation Framework

The First Nations Fisheries Council (FNFC) and the First Nations Salmon Coordinating Committee (SCC) are writing to you to express support for the SCC's proposal for changes to the Commercial Salmon Allocation Framework (CSAF). The SCC's proposal is consistent with DFO's broad objectives for updating the CSAF, the objectives of DFO's Pacific Integrated Commercial Fisheries Initiative (PICFI), as well as the BC First Nations Fisheries Action Plan. As such, the FNFC and the SCC strongly recommend your approval and implementation of the SCC's proposal for an updated CSAF, for the start of the 2015/2016 commercial salmon season.

## The SCC's proposal for an updated CSAF

Since October 2013, the SCC has actively participated in valuable Tier 1, 2, and 3 discussions with Commercial Salmon Advisory Board members and DFO staff to review and update the CSAF. These discussions have recently concluded. After 16 months of analyses and discussions, the SCC has developed a comprehensive proposal for a revised salmon allocation framework; the SCC proposal is included as an attachment to this letter. The SCC's proposal for an updated CSAF is shaped by the following objectives:

- 1) Healthy growth of salmon populations;
- 2) Greater certainty and access to stable salmon allocations through multi-year agreements; and
- 3) Flexibility in commercial fishing options.

The proposal consists of three significant areas of change to the current CSAF that has broad support from both SCC participants and Commercial Salmon Advisory Board members: a) establishing initial shares for commercial fleets and First Nations at a species-specific production area level, b) maintaining shares for a multi-year time period of up to 5 years, and c) providing commercial fishery participants, including First Nations, with greater flexibility to

make fishery plans to harvest allocations; subject to clarifying conservation, appropriate management, monitoring, compliance, and other operational considerations. Additionally, all the commercial licences obtained through the PICFI and the Allocation Transfer Program (ATP) will be made available for First Nations to fish these licences in A-H fisheries or transfer some or all of the harvest shares associated with these licences to approved First Nation economic fisheries.

The SCC's proposal meets DFO's broad objectives for changing the CSAF, which are to enhance the long term sustainability of Pacific wild salmon, create more resilient commercial salmon fisheries, and enable fishers to realize greater economic benefit. The clear identification of First Nations' harvest shares in both marine and in-river fisheries at the fishery production area will create incentives for improved stock assessment and fisheries management, thus enhancing the long-term sustainability of Pacific wild salmon. Additionally, First Nations' harvest shares, maintained through multi-year agreements with periodic review, will increase certainty in access, thus creating a more resilient commercial salmon fishery. This change signifies a vast improvement from annual agreements that have resulted in high uncertainty in First Nations' access to fisheries. The SCC's proposal will also allow First Nations to determine flexible options for fishing their harvest share in approved First Nations fisheries, which will enable greater economic and employment benefits while accounting for impacts to stocks of concern.

The SCC's proposal is also consistent with key fisheries initiatives for BC First Nations. By establishing shares based on licences acquired through PICFI and ATP, the SCC's proposed changes provide an opportunity for First Nations to finally realize the full benefits of PICFI and ATP programs, which were originally established to support First Nations' increased participation in Pacific commercial fisheries. Additionally, the SCC's proposal also provides a solid foundation for First Nations to incrementally increase shares over time and increase their involvement in management and decision-making, as envisioned in the BC First Nations Fisheries Action Plan, a foundational document developed by BC First Nations that continues to drive the work of the FNFC.

There has been extensive discussion of the SCC proposal with DFO and CSAB representatives over the past 10 months and general agreement has been achieved regarding the key elements of the SCC proposal. These discussions have also identified the need to define a common set of principles and operational guidelines for implementing the proposed changes to the CSAF. Some progress on defining these principles and guidelines was made in January 2015 but more work remains to be done. The FNFC and SCC support the completion of this work.

## Recommendations

It is our understanding that as the CSAF review process concludes, the Department will be developing recommendations for your approval and approved changes to the CSAF and *Allocation Policy for Pacific Salmon* (1999) could be implemented for the 2015/2016 commercial salmon season. The FNFC and the SCC provide the following recommendations:

• For the reasons outlined in this letter, we strongly recommend that you approve the SCC's proposal for an updated CSAF that allows First Nations to identify and increase their harvest share of commercial salmon, and obtain their harvest share through approved First Nations economic fisheries that are conducted within their territories.





- We also recommend that these changes be implemented in a 2-stage approach:
  - Stage 1 Policy-related changes: Establishing initial shares at the fishery production area and maintaining shares for a multi-year time period can be implemented immediately through appropriate changes to the *Allocation Policy* for Pacific Salmon (1999).
  - Stage 2 Operational changes: The details regarding how the new CSAF will be implemented for A-H and First Nation economic fisheries will be clarified through the definition of a common set of principles and the development of operational guidelines that will apply to all commercial salmon fisheries. The SCC is prepared to work with DFO and CSAB representative to define the principles and guidelines are needed to implement the proposed changes to the CSAF in 2015 with the recognition that these principles and guidelines will likely evolve over time.

The FNFC and SCC have clearly indicated on numerous occasions during the CSAF review process that SCC is a committee tasked with coordinating discussions and exchanging information and ideas related to salmon fisheries. The SCC is not a decision making body for any First Nation or group of First Nations. Consequently, DFO consultation with the SCC does not in any way satisfy the requirement for bi-lateral consultation between DFO and any First Nation.

The SCC proposal has been prepared for consideration by First Nations and DFO in the following context:

- a) the implementation of the SCC Proposal will not negatively affect or restrict First Nations ability to harvest and manage their Section 35 fisheries;
- b) the SCC Proposal does not create, define, evidence, amend, recognize, affirm or deny any Aboriginal rights, Aboriginal title and or treaty rights, and is not evidence of the nature, scope or extent of Aboriginal rights or Aboriginal title or treaty rights;
- c) the SCC Proposal does not limit or prejudice the positions First Nations may take in any negotiations or legal or administrative proceedings;
- d) the SCC Proposal does not alter, define, fetter or limit or shall be deemed to alter, define, fetter or limit the jurisdiction, authority, obligations or responsibilities of the First Nation; and
- e) The SCC Proposal does not create, define, evidence, amend, recognize or affirm Crown title, rights or jurisdiction.

FNFC and SCC support for the SCC proposal should not be interpreted as a consensus position among all First Nations in BC. The FNFC encourages and expects that DFO will receive letters of support and letters of concern from individual First Nations and/or organizations.



Finally, the SCC proposal was developed through intensive discussion with SCC members, DFO staff, and CSAB representatives. The SCC proposal is a complete package addressing the overall objectives of the CSAF initiative, SCC interests, and most CSAB interests. Revising or selecting only aspects of the SCC proposal without full discussion and agreement of the SCC will void FNFC and SCC support for the process.

Thank you for your consideration of the SCC proposal to revise the Commercial Salmon Allocation Framework and the continued opportunity to work with DFO staff and CSAB representatives to implement a workable solution for all parties.

Sincerely,

Ken Malloway Chair, First Nations Fisheries Council

cc: Salmon Coordinating Committee
Matthew King, DFO Deputy Minister
Sue Farlinger DFO RDG
Rebecca Reid DFO Pacific Region RD Fisheries and Aquaculture Management
Jeff Grout DFO Regional Pacific Salmon Coordinator

Attachments: Salmon Coordinating Committee Proposal for Updating the Commercial Salmon Allocation Framework



# Commercial Salmon Allocation Framework (CSAF) Review Summary of the SCC First Nations' Proposal

(22 Jan 2015)

#### **Background**

In October 2013, Fisheries and Oceans Canada (DFO) engaged the Salmon Coordinating Committee (SCC) in a discussion about updating the Commercial Salmon Allocation Framework (CSAF) in preparation to revise and update that section of the *Allocation Policy for Pacific Salmon* (1999). They are also engaging commercial salmon harvesters through the Commercial Salmon Advisory Board (CSAB). The updated CSAF is intended to make the allocation of commercial access to salmon more responsive to current situations, challenges, international and First Nations treaties, and constitutional and legal obligations to First Nations. The Department is engaging with First Nations under its "Terms of Reference for Updating the Commercial Salmon Allocation Framework" (<a href="http://www.pac.dfo-mpo.gc.ca/consultation/smon/saf-crrs/tor-cdr-eng.html">http://www.pac.dfo-mpo.gc.ca/consultation/smon/saf-crrs/tor-cdr-eng.html</a>). Funding for this work came from a portion of the \$30 million that the US provided to Canada for signing the 2009 Pacific Salmon Treaty agreement that required the US to mitigate for a reduction in the West Coast Vancouver Island (WCVI) troll chinook catch.

The scope of this work, as defined by DFO, is limited to the allocation of the *commercial* shares of salmon in BC. It does not address recreational harvest, allocation of fish for financial purposes (draft "Use of Fish" Policy), nor does it address Aboriginal rights or title.

#### How are salmon allocated for commercial use now?

The goal of the current commercial salmon allocation framework is to share the total value of annual salmon harvest allocations using a coast-wide ratio of 22:38:40 among troll (F-G-H), gillnet (C-D-E) and seine (A-B) fleets. Each salmon species is valued according to its "sockeye equivalent" value. Next, the total value of all species of salmon expected to return and be catchable (considering constraints due to co-migrating species, environmental conditions, etc.) that year is tallied and then divided amongst the share categories (troll, gillnet, and seine according to the 22:38:40 split). For this process, DFO uses 21 production areas based on major target stocks (e.g. Fraser sockeye), and sockeye equivalent values are adjusted every year based on prior year market values. This annual process makes it difficult to plan business opportunities and removes incentives to add value to product since it would result in lower allocations.

Sharing decisions are made by DFO, but the process is guided by input from the CSAB. First Nations have stated concerns that their communal commercial harvest interests are not represented in the process. Although the Native Brotherhood has a seat on the CSAB, they represent First Nations regular commercial licence holders and not necessarily those who fish the commercial-communal access, some of which is done by alternative gear types (e.g., fences, hook and line, small boat gillnet, beach seine, etc.). Therefore, First Nations are largely outside of the existing CSAB process which decides how much and how they can access salmon for commercial purposes.

Finally, because First Nations' communal commercial fishing opportunities are not explicitly covered by the existing CSAF, many Nations lack certainty that an opportunity will be provided and therefore are hesitant to develop business opportunities around salmon sales. For instance, a Nation may not wish to invest in developing a smoke-house if they fear that a commercial opportunity will not be provided because of a breakdown in yearly negotiations. In some instances, agreements for economic opportunities are tied to agreements for FSC harvest, and therefore those Nations may not want to sacrifice FSC opportunities to ensure economic opportunities.

For more information on deficiencies in the current salmon allocation framework, see Appendix A.

#### What are the interests in participating in this process?

DFO has broad objectives of changing the CSAF to enhance long term sustainability of Pacific wild salmon, of enabling industry to realize greater economic benefit, and of creating more resilient commercial salmon fisheries. First Nations' have listed the following objectives to guide their participation in the process:

- 1. Healthy growth of salmon populations
- 2. Greater certainty and access
- 3. Unencumbered allocation (e.g., license shares are sometimes tied to license Area and not necessarily best aligned to Nations' territories, licenses provided to First Nations should not come with obligations to past owners to sell product, etc.)
- 4. Flexibility to negotiate and implement multi-year agreements for harvest shares, harvest methods, and monitoring requirements
- 5. Species specific allocations
- 6. Clear and fair fishery rules and transfer mechanisms
- 7. Encourage equitable inland commercial fishing opportunities
- 8. Maximize First Nations' social and economic benefits
- 9. Viable First Nations' economic fisheries
- 10. Maximize employment opportunities for First Nation members
- 11. Develop a First Nations Joint Fisheries Management process
- 12. Reform economic agreements to meet the needs of First Nations

## The SCC's First Nations proposal

SCC First Nations representatives have worked together since October 2013 to develop a proposal for specific changes to revise and improve the Commercial Salmon Allocation Framework. It is clear that First Nations have an interest in increasing their share in commercial fisheries, and this could be done through a variety of mechanisms, including PICFI/ATP license transfers, Treaty and rights-based negotiations, license purchases and further license buyback programs. The First Nations' proposal is meant to 1) ensure that the CSAF process is easier to understand, 2) identifies explicit harvest shares and the means for First Nations to increase their share, 3) is more consistent over multiple years, and 4) clearly recognizes First Nations communal commercial fisheries and provides harvest shares for these fisheries.

#### **Key Elements of the SCC Proposal**

# A - Healthy growth of salmon populations

- The CSAF is meaningless without healthy salmon populations.
- Clearly defined commercial harvest shares and more viable fisheries will create an incentive for investment in better stock assessment and fisheries management programs.

# B - Greater certainty, access and multi-year agreements

- Identifies initial harvest shares for First Nation's communal commercial fisheries ("First Nation's economic fisheries") and each Area A-H licence group for each production area/species combination. (e.g., Skeena Sockeye, North Coast pink salmon).
- Harvest shares will be identified for multiple years with periodic reviews (5 year) of these shares.
- The initial determination of harvest shares under the new CSAF will be based on the total number of commercial Area A-H licences, excluding only those 23 licences currently classified as First Nation treaty related licences.
- First Nations shares can be increased through ongoing conversion of A-H licenses.

### C – Flexibility in commercial fishing options

- Any First Nation individual, group or governing body, including any First Nation owned company or First Nation who owns an Area A-H licence may continue to fish that licence in a DFO authorized Area A-H fishery; or they could transfer the harvest shares associated with their licence to an approved First Nation economic fishery.
- Any First Nation (or group of First Nations) may propose to implement a new First Nations
  economic fishery where their members can harvest a share of the total commercial catch
  (within TAC and non-TAC fisheries) from each production area/species using methods, times
  and locations that may be similar to, or may be very different from, the methods, times and
  locations for Area A-H fisheries.
- Any proposal for a new First Nations economic fishery would need to identify how this
  fishery would be coordinated with other fisheries in the proposed area and how commercial
  fishery standards for catch monitoring, compliance and enforcement will be met.
- These monitoring, compliance and enforcement systems will evolve over time. Costs in the first year(s) will likely be greater than in subsequent years.

The SCC has prepared examples of how the proposed SCC changes to the CSAF could be implemented for Nass sockeye, Skeena sockeye, and Fraser sockeye as well as all five salmon species on the Central Coast and West Coast of Vancouver Island. These examples have been used to help the SCC members, the CSAB and DFO understand the proposed changes to the CSAF defined in the SCC proposal. Further details regarding how the harvest shares associated with Area A-H licences could be allocated to

regional First Nation economic fisheries (e.g. Central Coast) or stock-specific First Nation economic fisheries (e.g. Nass sockeye) can be explored through these specific examples.

Further clarification of the proposed changes to the CSAF is provided below:

- Allocation categories: Adding a First Nations' category (an area-based First Nations "basket") to the current allocation categories of seine, gillnet and troll. This provides First Nations with a share and a position to participate in decisions about allocations and to participate in transfers.
- Consideration of fishing location: Some fisheries have different values and fishing constraints than do other fisheries. Considerations should be made of the location (e.g., marine, in-river, terminal, preferred fishing location) when allocating share and fishing opportunities.
- *Duration:* Instead of annual agreements, First Nations are proposing 5-year agreements with flexibility for adjustments through a post-season review process. This will provide more certainty to businesses to invest, develop partnerships, etc. This will also provide an opportunity to evaluate the mechanisms of the updated CSAF.
- Valuation: Instead of using "sockeye equivalents" which are based on landed value and can
  work as a disincentive to add value to product, First Nations are proposing that harvest shares
  be defined on a species and catch area basis, including inland fisheries, and encourage
  innovation in business approaches to maximize landed value.
- Flexible management: Once shares are determined, each gear sector, First Nation, or First Nations' group can determine the best approach for the fair distribution of the harvest opportunities and benefits while reducing impacts on stocks of concern. Options may include competitive fishing, individual quotas, communal access, etc. Also, in-season transfers can occur if pre-season plans outline possibilities.
- Transfers: Pre-season plans outlining the rules and mechanisms for transfers to all allocation
  categories (including the First Nation's basket) will be developed prior to the fishing season. This
  includes species-specific harvest shares that are associated with PICFI and ATP licences, since
  trading amongst First Nations will help to achieve local harvest priorities and access to local
  stocks.
- Uncaught fish: Groups "upstream" of the fishery that could not catch their share could be
  provided opportunities to harvest a portion of the share not caught by the "downstream"
  fishery. No compensation is required.
- Role in management: First Nations want to have a defined role in management. Currently, annual changes to fleet/fishery shares can have an impact on the First Nations shares associated with the inventory of licenses that DFO uses to provide First Nations with economic access to salmon. First Nations' communal-commercial licenses are not presently represented at the CSAB (inter-sectoral discussions), but will be according to this First Nations' proposal (under the First Nations' "basket"). Furthermore, a separate management body/process may be developed to manage the First Nations' "basket" of salmon (intra-sectoral). This central First Nations' licensing board would harmonize with DFO's systems to administer/document share utilization, short and

- long term transfers, etc. First Nations also want to have more flexibility in managing their fisheries to meet their community and fisher's interests and priorities.
- *Dual fishing*: First Nations fishers may retain non-target species for FSC purposes. If the species has a conservation concern, only those likely to die may be retained for FSC.
- Catch monitoring: Sufficient validation requirements would be established for all fisheries with provisions for increased monitoring where necessary to achieve compliance and catch reporting goals. The process would be more transparent than it is now and costs would be shared between harvesters and governments. First Nations monitors will be preferable where available.

There has been extensive discussion of the above proposal within the SCC, with DFO and with Commercial Salmon Advisory Board (CSAB) representatives over the past 10 months. However, the above descriptions of the proposed changes to the CSAF are essentially identical to those in the March 2014 draft of the SCC Proposal. While there is general support for the key elements of the SCC Proposal, more work remains to be done on defining the guiding principles and operational details for implementing the proposed changes to the CSAF.

#### Next steps

The definition of a set of guiding principles for a new CSAF was initiated in January 2015 through a series of meetings with representatives from the SCC, CSAB and DFO. The SCC has proposed to continue to work with these representatives to define a common set of principles and operational guidelines needed to implement a new CSAF. The document defining these principles and operational guidelines is expected to evolve over time. The 2015 version of this document will need to be completed by early April 2015, so it can be used to determine the degree to which any proposed changes to the CSAF can be implement in 2015.

#### **SCC Role and Context for SCC Proposal**

The SCC has clearly indicated on numerous occasions during the CSAF review process that SCC is a committee tasked with coordinating discussions and exchanging information and ideas related to salmon fisheries. The SCC is not a decision making body for any First Nation or group of First Nations. Consequently, DFO consultation with the SCC does not in any way satisfy the requirement for bi-lateral consultation between DFO and any First Nation.

The SCC proposal has been prepared for consideration by First Nations and DFO in the following context:

- a) the implementation of the SCC Proposal will not negatively affect or restrict First Nations ability to harvest and manage their Section 35 fisheries;
- b) the SCC Proposal does not create, define, evidence, amend, recognize, affirm or deny any Aboriginal rights, Aboriginal title and or treaty rights, and is not evidence of the nature, scope or extent of Aboriginal rights or Aboriginal title or treaty rights;
- c) the SCC Proposal does not limit or prejudice the positions First Nations may take in any negotiations or legal or administrative proceedings;

- d) the SCC Proposal does not alter, define, fetter or limit or shall be deemed to alter, define, fetter or limit the jurisdiction, authority, obligations or responsibilities of the First Nation; and
- e) The SCC Proposal does not create, define, evidence, amend, recognize or affirm Crown title, rights or jurisdiction.

Appendix A: Summary of First Nation issues with the current CSAF

Issue	Explained
Valuation	Process of using marine value and sockeye equivalents is outdated.
	Inland fish are less valuable
	Sockeye equivalent valuation provides a disincentive to add value to product
	• Amount provided to FNs is based on TAC/total number of licences, but marine
	fisheries can access TAC/total number of active licenses
	First Nations want to realize full value of FN licence
Transferring	By-catch needs may be different in where license is fished than where license
allocation	was from
	Value is different between marine and in-land (may make allocation not
	economically viable to fish)
Uncertain	CFAs are signed late in spring/summer yearly and are tied to FSC agreements
inland share	• In-season adjustments: coastal fisheries occur before full assessment and thus
	may access a greater share than upriver harvesters.
	Harvesters are not always able to access excess spawners because of
	management constraints.
Lack of FN	• First Nations' communal-commercial licenses are not represented at the CSAB.
participation	(Note that Native Brotherhood sometimes at table, but they only represent FN
in decision	commercial licence holders, not communal commercial fishers)
making	
Fleet structure	More FN participation
has changed	More corporate ownership vs owner-operated participation
since 1999	Allocation does not necessarily support more sustainable fishing
Monitoring	Level of monitoring is much higher on First Nation communal-commercial
	fisheries than on regular commercial fisheries
Socio-	Benefits of economic access for First Nations have not been assessed
economic	
studies	
incorrect	
Current	Reallocation doesn't always make sense economically. Allocation may be too
reallocation	small to fish, or no associated by-catch for area constrains fishing opportunities,
process (via	etc.
ATP, PICFI) is	
insufficient	
Local	Currently no mechanism for flexible local management of communal

management	commercial access to maximize benefits
	At times of local/terminal abundance, fishers are not always able to access fish
	because of fleet restrictions. The current structure is not flexible to local
	conditions
Vessel length	Licences reallocated to First Nations don't always fit their infrastructure
restrictions	Doesn't provide opportunities for "mosquito fleets
Unallocated	DFO holds licences but doesn't always reallocate them
licenses	
Ideas of	Associated with uncaught fish, licence relinquishment, compensation for
"ownership"	overages/underages
	Armchair fishers get to make decisions instead of actual fishers who lease the
	licenses
Flexibility	Some Nations not able to use PICFI and ATP licences because they don't meet
	DFO requirements
Uncaught fish	Excess fish identified in-season but no mechanism to allow for catch up-stream
	• Currently, uncaught allocations move between A – H fleets, not to First Nation's
	economic fisheries