



## **BACKGROUND: Reconsideration of the Process to Phase out Discovery Islands Salmon Farms**

### **Summary**

We ask that the Federal Government meet with industry and local government immediately to begin a meaningful dialogue that takes the following factors into account.

- **Time** – We are asking that the decision be set aside to give everyone with a stake in salmon farming time to develop a plan to minimize its serious impacts.
- **Transfer** – We are asking that industry members be permitted to transfer fish already in their systems to the farms to complete their lifecycle.
- **Table** – We are asking government to bring all parties together in an inclusive and transparent process to find a better way forward and create unity in communities.

### **Discussion**

Following the December 17, 2020, decision by Fisheries, Oceans and the Canadian Coast Guard Minister Bernadette Jordan ordering that all salmon farms in the Discovery Islands be removed by June 30, 2022, and that those farms not be re-stocked starting immediately, the B.C. Salmon Farmers Association commissioned an independent economist from RIAS Inc. to research and report on the impacts of that decision.

If the decision isn't rescinded consequences could include:

- Potential elimination of more than 1,500 jobs. Layoffs will begin mid-February 2021;
- Shut down of more than 24 per cent of B.C.'s farmed salmon production;
- Termination of commercial or benefits agreements: existing commercial or benefits agreements in the Discovery Islands will be terminated.
- Freeze on planned investments: shortly following the decision, investment plans were put on hold by head offices;
- Impact to the local food supply. B.C. salmon farmers currently produce more than three-quarters of the salmon harvested in B.C. each year – more than 6.5 million meals worth every week.
- Force salmon farming companies to euthanize up to 10.7 million brood stock, eggs, parr/smolt in freshwater hatcheries, smolt in saltwater nursery sites, and young fish in saltwater grow-out sites, but for which the industry now has no capacity. This is the equivalent of about two years of the province's total harvest of wild salmon, or over 210 million meals. Process will begin mid-February 2021.

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- Remove almost \$200 million in annual revenue from salmon farming and processing along with the associated salaries, taxes, and community benefits;
- In total, cost the B.C. economy almost \$390 million in annual economic output, with an estimated \$87 million less in annual salaries and benefits and \$21 million less in annual tax revenue at the local, provincial, and federal levels;
- Affect the ability of salmon farming companies to continue to support communities at existing levels for community sponsorship and donations programs, food bank donations, wild salmon habitat restoration projects, ocean and habitat restoration projects and the donation of Pacific salmon eggs and smolts to hatchery operations.
- Potential impact to the viability of the entire \$1.6 billion salmon farming industry in B.C.;

To understand why the decision necessitates the euthanization of salmon requires an understanding of salmon farming. Salmon farming works on a five-year operational cycle. This cycle entails: the selection of appropriate production sites; the growing of brood stock; the development of juvenile fish in large land-based hatcheries; the grow out of these fish in sea farms; and the subsequent harvest, processing and distribution of these salmon to markets around the world. Halting this cycle at any point will result in the killing of millions of animals and the loss of hundreds of millions of meals.

The simple act of extending the closure of the Discovery Islands farms and allowing young fish, already at various stages of growth in hatcheries and brood stock sites, to grow out at the farms would give the industry the necessary time to undertake an orderly transition, potentially saving hundreds of jobs and preventing the euthanization of millions of fish.

In the case of a similar and recent decision, in the Broughton Archipelago, actions to remove farms were not dictated by arbitrary timelines. Instead the parties – Indigenous leaders, industry and the provincial government – carefully implemented a plan that deliberately minimized damage based on timelines that all agreed to and made sense. As a result of this approach, parties emerged from the Broughton process united and committed to reconciliation.

In contrast, the Discovery Islands, which has more production and employment at stake and thereby more potential for greater and perhaps irreparable damage, the decision was imposed without industry or local government input or consideration of the real economic impacts of the decision.