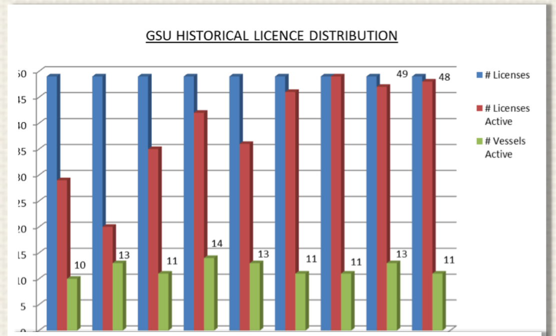
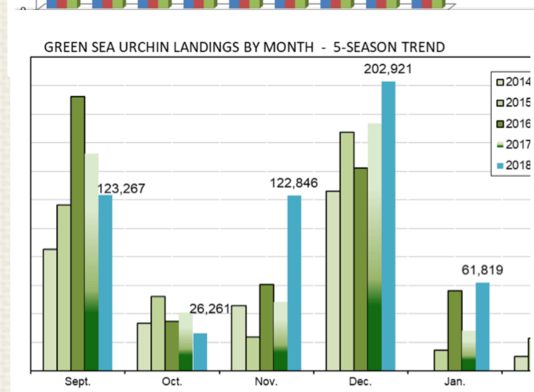
MARCH 18,, 2019 VOLUME #19 ISSUE #3

PUHA NEWSLETTER



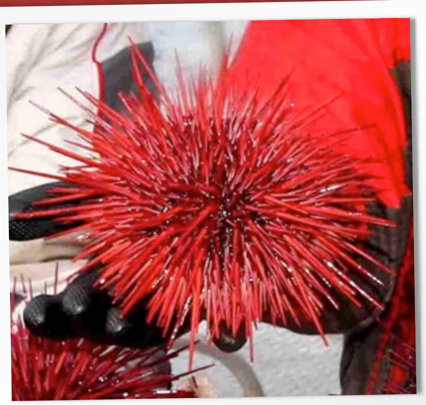


Presidents Report

Mike Featherstone

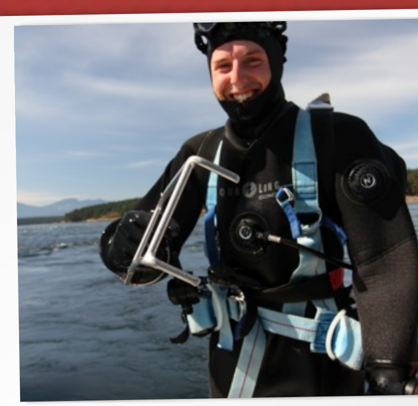
The Haida Gwaii opening for reds is set for March 5th and the weather forecast looks favourable for a safe opening. This year the fleet has decided to move the opening date up due to the difficulty finding consistent and good product on the mainland. The quality problem seems to be related to the lack of feed, many of the traditional good areas just don't have the kelp normally seen. Last fall the water was warm and this is when the kelp is in the water column and settling out. The warm water conditions have a negative impact on the kelp growth and survival.

The kelp restoration project is scheduled for the week following the conclusion of the fishing on the East side of Haida Gwaii.



PRESIDENTS REPORT

MARKETING REPORT



D&D PACIFIC REPORT

Presidents Report Continued Page 2

Geoff has been coordinating the collection of certificates for operators, divers, vessel registrations, etc. This has been a challenge as often 1 or 2 of the certificates are not available and many of the divers are out on the grounds. Never the less it looks as if the project will go ahead as planned. Any vessels with all certificates in order and who still wish to participate can contact Geoff.

Overall the red fishery is behind around 1 million pounds as compared to last season. In the fall many divers took time to upgrade and renew their certifications as 4 courses were offered in Vancouver, on the Island and Prince Rupert. Over 5o divers took advantage of the courses, but this slowed the fishing activity in November and into December. Weather has had some influence on the fishing but the biggest factor seems to be the challenge finding good quality.The green fishery went well this year and there is less than 5% left in the water, this year was the largest landings in over 5 years, partly due to the quota increases over the past 3 years and partly due to the more variable market conditions. The pattern of landings was more similar to traditional years where the fishing activity was greatest in November and December. See Darin's report for more details on landings and fishing activity.

On the protected area strategy, the first large closure in Gwaii Haanas Park has been finalized and will be implemented for the 2020 season. There will be near 30% decrease in quota for the area, however there are many areas outside the park that have potential quota increases based on the sustainable harvest limits and the current estimated biomass. Currently there are no conservation concerns for red sea urchins and in fact if the protected areas are to meet their ecological goals, sea urchins need to be controlled.

The northern bio shelf protected areas committee has just recently put forth their maps for closures. It is quite shocking and certainly at least 3 times over the original targets of 10%. Again there are no conservation concerns for red sea urchins and as history has shown the ecological goals will not be reached without controlling the sea urchin populations. The lack of recognition that the sea urchins need to be controlled and the positive effect the fishery can have for the ecology and the diversity of the species is in the very least frustrating and in some part questions the integrity of the whole program. If the goal is conservation and a better stronger balanced ecosystem then sea urchin fishing should be encouraged not stopped. If the goal is reconciliation and not conservation then call it reconciliation and be honest and transparent.

The funding still has not been approved for the new cycle of marketing funding but hopefully this will be coming very soon as the first trade mission to Boston is in a few weeks time. As a result of the uncertainty in the funding the trade mission participation has been limited and only Geoff and perhaps 1 other member will attend the show. PUHA cannot support a good marketing program without the Government support. You can read more details on the marketing strategy and updates on the conservation issues in Geoff's report following.

On the financial side, the lack of landings and the corresponding lower activation of licences in the red fishery may cause challenges on the budgeting forecast for this year. Each year it is a balancing act trying to estimate the revenues with the expenses. Hopefully the fishing activity increases and the fleets fish steady into the spring.The urchin sectoral meeting is scheduled for April, please provide any comments on area quota increases or decreases to Darin, Geoff or the PUHA office.

NEWS Links:

https://ipolitics.ca/2019/02/05/ocean-protection-neednt-involve-a-huge-hammer-senators-told/

http://www.ourcommons.ca/DocumentViewer/en/42-1/FOPO/meeting-131/notice

https://www.cbc.ca/news/canada/british-columbia/emissions-from-fishing-vessels-have-quadrupled-since-1950-ubc-study-shows-1.4994040

https://www.seafoodnews.com/Story/1132797/Fish-Processor-Testifies-Against-RCMP-over-Shippagan-Riots-that-Destroyed-his-Plant

We are still waiting to hear about the AgriFood Canada proposal although perhaps encouragingly they have recently been asking some questions about what we did and didn't do this past year. I am not sure what happened there- apparently they got more proposals in and they have not been processing them in the order they arrived. I suspect it is because of the new USMCA Trade agreement as I know Vanessa was working hard on our stuff last summer but it somehow got bumped. That is I understand the same as with all the other seafood proposals from BC. Hopefully they will have word for us before the end of this fiscal.

As part of that program we are scheduled to attend the Boston show next month. So far the only person confirmed for the show is yours truly- I am hoping some others will come along. We have the standard information counter in the BC booth so having a couple of others along would be a good thing. I have 4 rooms booked, please let me know ASAP if you know of anyone willing/wanting to come along. The next trip coming up will be the Hong Kong show in September.

It also sounds like DFO is going to be funding domestic activities- I put another proposal in to the Atlantic Fisheries Program back around January 10 that included the upcoming Canadian Seafood Expo in Montreal in late September. I also included a visit to the Vietnam expo in late April in the proposal just in case they feel inclined to say yes. Another show we were looking at in Seoul South Korea is not covered by either program as it is part of the Canada Pavilion program. That program subsidizes the booth cost to the tune of about $5K and leaves the proponents to cover all the rest of their travel etc. costs. I do not see it as particularly helpful especially given the timing of the show in late May.

I have continued collecting and collating all the import numbers from Japan Customs for Japan up to the end of 2018. Strangely it remains the easiest, most informative and most useful national statistics site to access and use. Imports into Japan from all over the word are easily found and compared and it surprising that Canada's, and the US for that matter, are in comparison so limited in what they offer or are so difficult to navigate.

At any rate, there are no real surprises, I think everyone is aware that things have improved although I'd just like to point out that the volume of greens from Canada last year @ 241.7 MT achieved a level not seen since 2003 with a value close to $4 M CAD, the highest since at least the turn of the century.

RSU shipments last year to Japan on the other hand were down to 175 MT, off by about 45 MT from 2017, while the value was off by about $4.4 M CAD from 2017. On the plus side though the recorded unit price averaged out to about $105 CAD per kg.

Russian production into Hanasaki on the NE corner of Hokkaido is, at just over 6,00 MT last year, still a pretty big deal, It peaked in 2006 as that IUU fishery that was causing us so much grief but it settled down to between 6,000 - 7,000 MT/year by 2009 and has generally remained in that band since.

Marketing Report Continued Page 4

Gwaii Haanas Kelp Recovery Project

I got a call around mid-January that a proposal was needed by the end of the month to respond to the Gwaii Haanas urchin removal project solicitation. I guess because it is government they can't make it too simple. Basically the plan is to have 5-8 boats providing 40 boat-days of service to cleanup the urchins along a 3 km stretch of shoreline on NE Murchison Island in Gwaii Haanas. The timing is expected to coincide with the completion of fishing along the North and eastern Charlottes just before the fleets head over to the west coast- sometime around mid to late March. A packer is included to transport quality product but most of the urchins are just going to be popped in place.

I managed to figure out what was needed and get it in by the deadline with enough substance in it that they have requested the back- up documentation so they can proceed. That in itself is turning out to be simpler said than done. The first deadline was last week, which we did not/could not meet but I got enough stuff in that they gave us another week. It looks like we have achieved the next level although I am waiting to hear the official response on whether it is a go. Once we get that it should give us a bit more time to get everything together and make a good show of it all. I think it is important to get this project right because there are still a number of changes coming in Gwaii Haanas other parts north because of the MPA networks being proposed that success here will inform. There is, in short, a lot going on.

New Proposed Reference Limits and harvest guidelines for RSU

Janet Lochead et al at PBS just completed a paper that explores increasing the Reference Limits on RSU on the South and North Coast and around Haida Gwaii. The current 2% exploitation rate is arbitrary and they feel they have enough data now from the fishery to justify a more explicit science based assessment. I was part of the review committee that went over the paper and discussed the issues.

In summary what it is looking like is that an increase to a 4% exploitation rate on the North Coast and Haida Gwaii is sustainable while the South Coast lags and will retain the 2% rate. There was some resistance on the idea most especially on Haida Gwaii and additional consultations with some First Nations might be needed. I am hoping there will be enough information in the paper and available from the Gwaii Haanas project that they will see the light and come on board.

RED & GREEN SEA URCHIN FISHERY UPDATE

2018-19 RSU FISHERY

North Coast Fleet

Weather has been an issue most of January and February and quality as well. Lots of Urchins, but only so much feed line of quality. The fleets worked their way south to West Aristazabal Island down to Prior Pass being blown out of the Trutch Group of QMAs. The fleets moved back to West Banks Island QMAs but the top end weather was an issue and quality poor where they could harvest.

As of February 20th, the fleet is in port.

South Coast Fleet

Vessels struggle to find quality. Bio-mass is large but the feed line only produces small numbers of quality. Vessels are active out of Kelsey Bay and Campbell River. Minimal landings out of Bamfield on the west coast in February.

Harvest Charts

Overdue charts seem to be increasing dramatically this season. Requirements are:

- Charts completed by midnight of the harvest day
- 30 day requirement for submission to D&D

These are not being met by many Vessel Masters – DFO will be sending in-season letters of non-compliance to licence holders

Figure 1 – RSU Comparison by Month 3-Year Trend

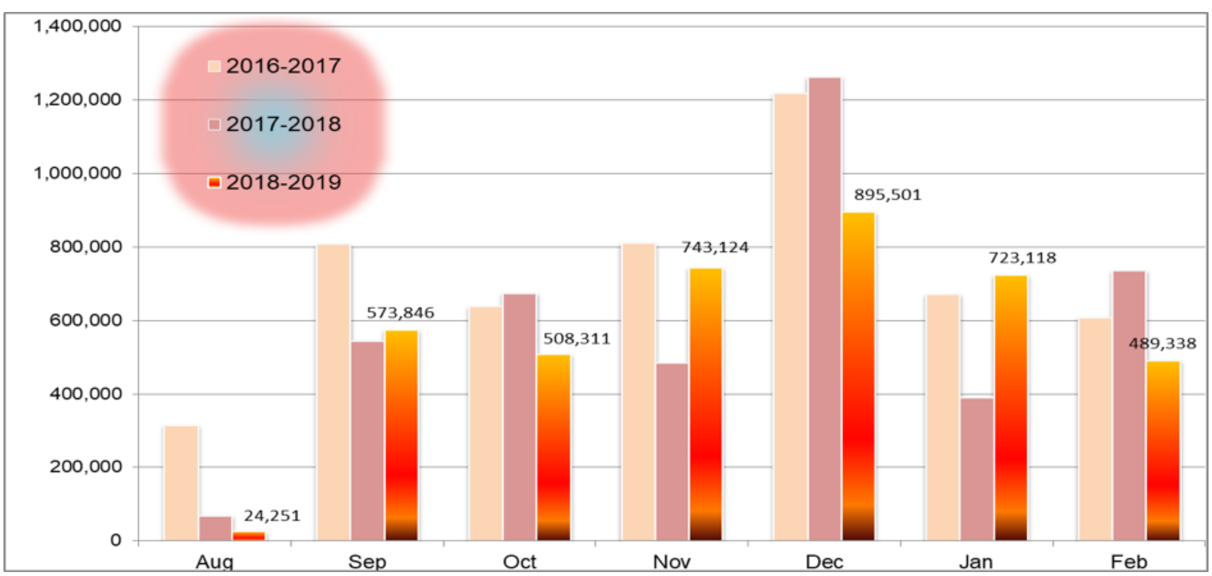


Figure 2 – RSU Comparison - Landings to Date [end of February – annually] 6-Year Trend

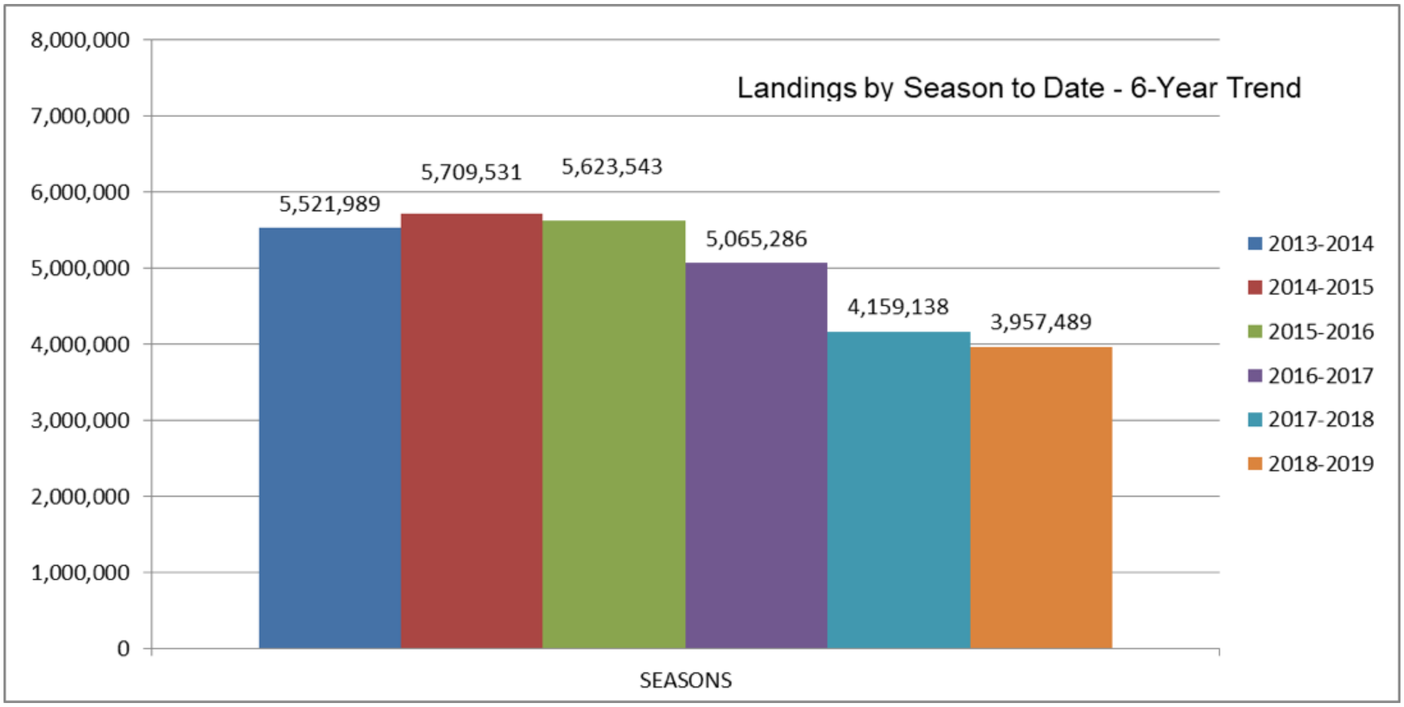
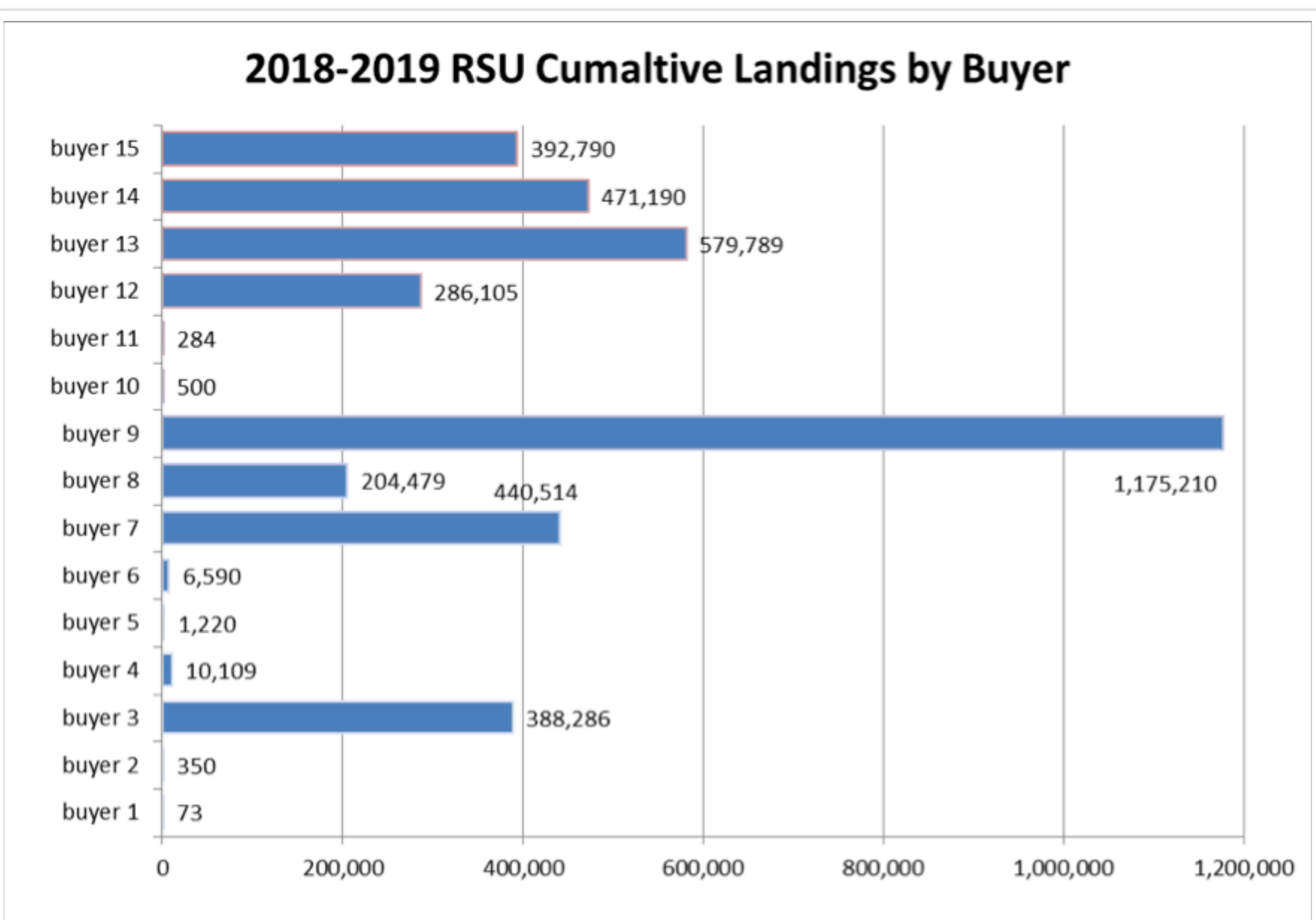


Figure 3 – Landings by Buyer



2018-19 GSU FISHERY

The 2018-19 fishing season started off slower compared to the last two seasons, but maintained high harvest levels into January.

The market dropped off in early January, but in the first week of February by a couple of vessels made efforts to complete their tabs.

Figure 3 – GSU Historical Landings – 8 Season Trend

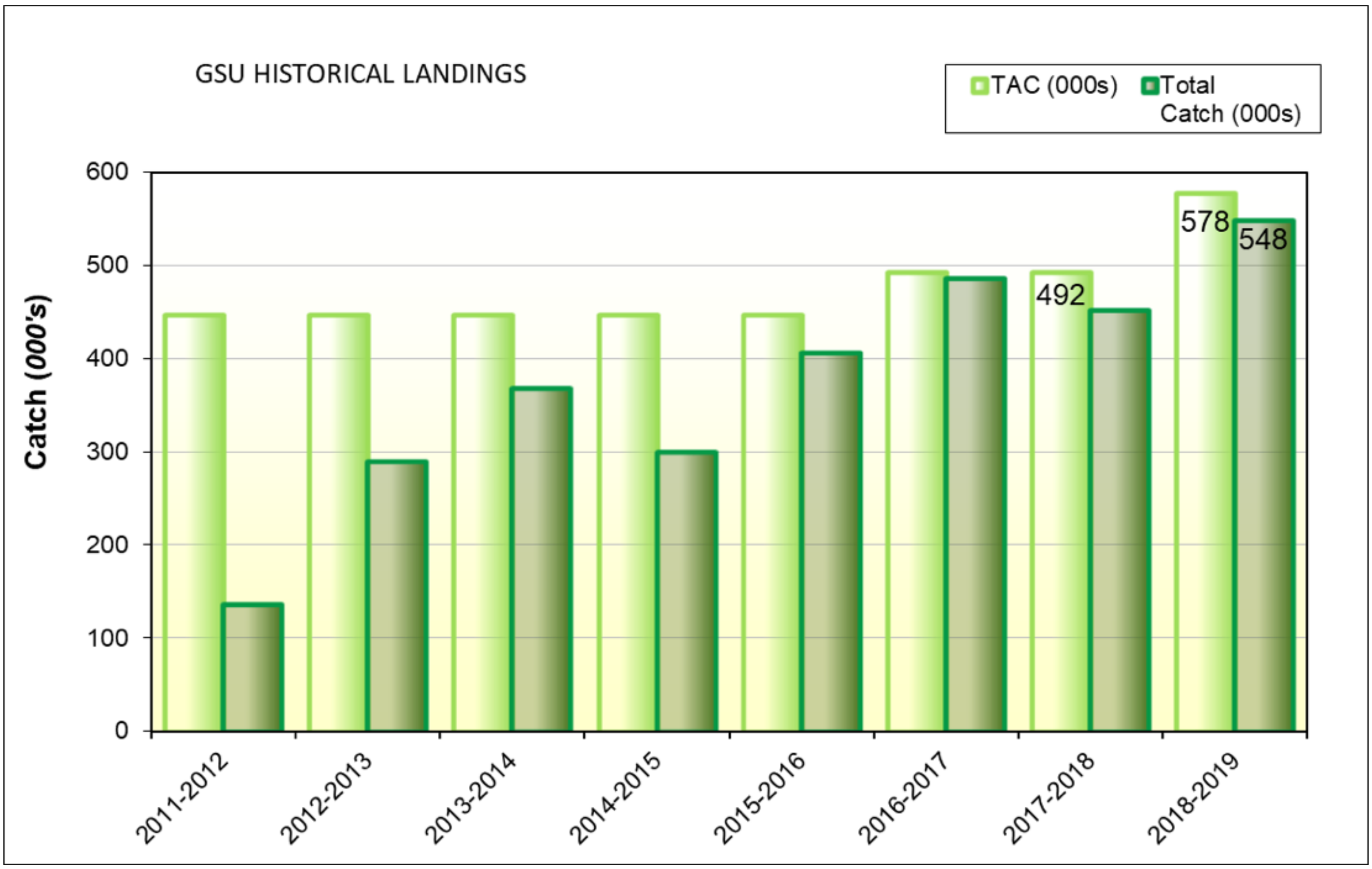


Figure 3 reflects that the GSU fishery had an increase to their total allowable catch this season. Market had vessels fishing last minute, making some Conditions of Licence hard to adhere to. Vessels and Observers worked as best as possible to limit issues surrounding hails to fish and to land product.

Figure 4 shows a 5-year trend on landings by month. September and October show a change in landings this year compared to previous seasons. November & December show a dramatic increase in harvest levels.

Figure 5 reflects that we almost had all ZA tabs active this season, short by one tab.

Figure 6 details the Landings by Quota Management Area showing that we have left - so far 5% in the water.

Figure 4 – GSU Landings by Month – 5-Season Trend

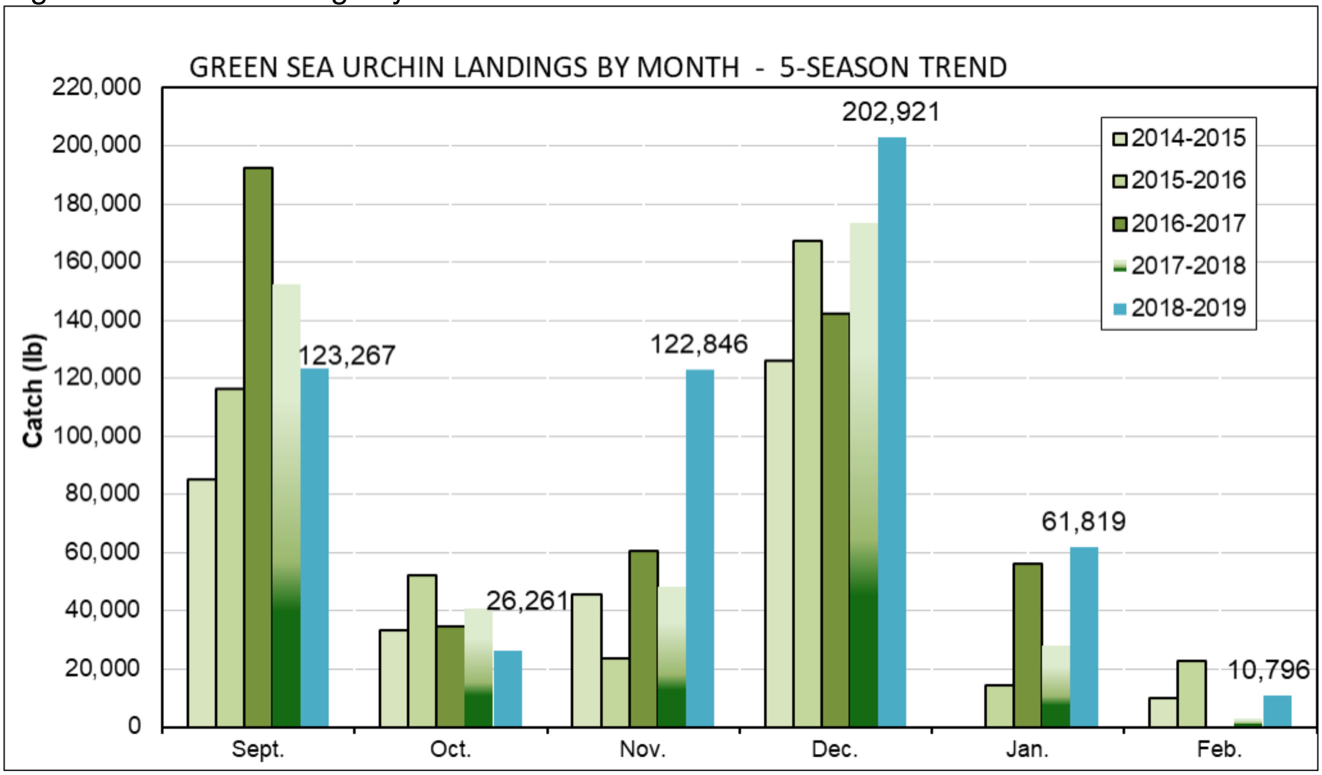


Figure 5 – GSU licence Distribution – 9-Season Trend

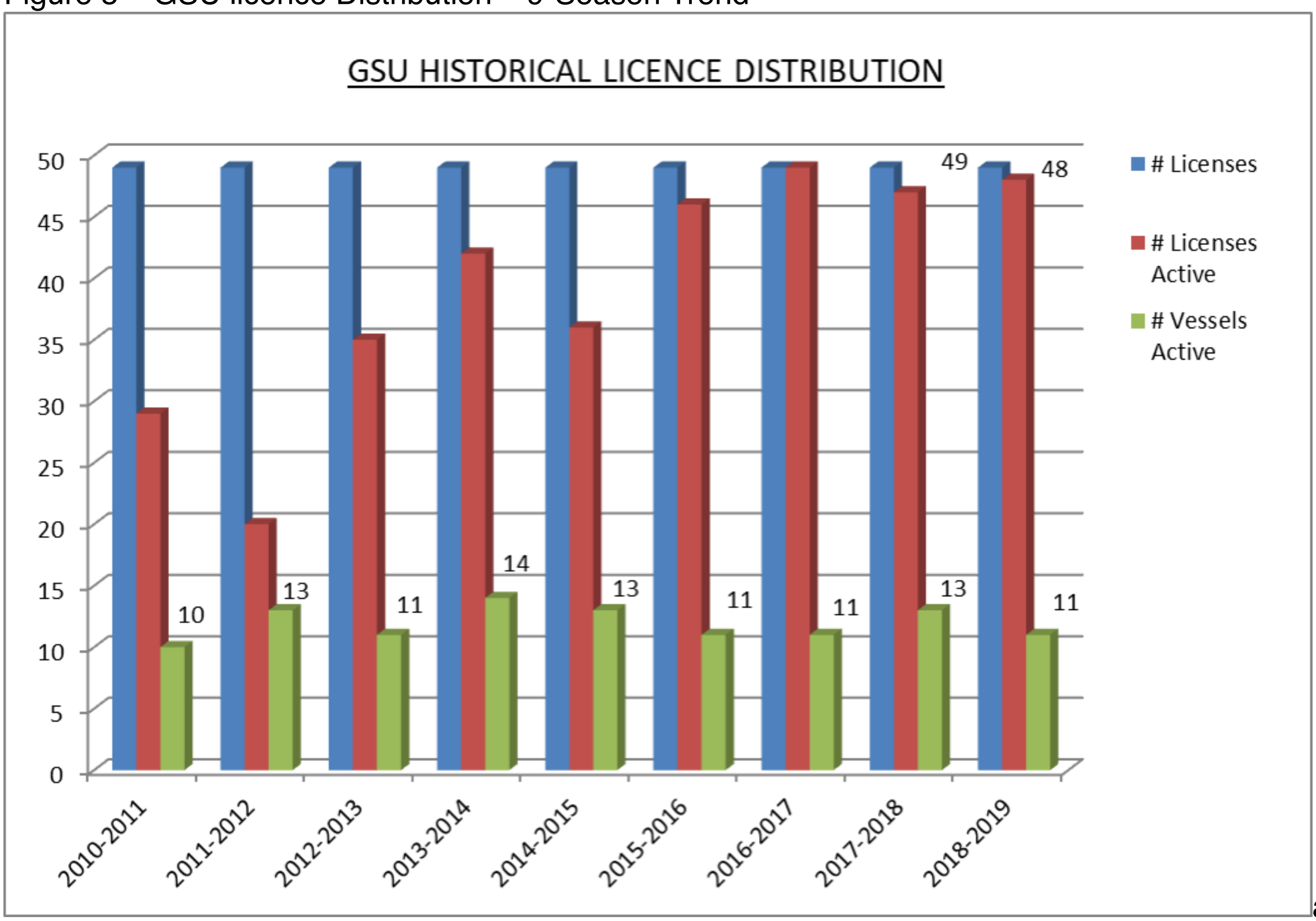


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Figure 6 – GSU Landings to Date

GREEN SEA URCHIN 2018-19						
		Last Update On:	February 20, 2019 2:08 PM			
Open Date	**Close Date**	**Quota Area**	**Quota Allowed**	**Cumulative Ldg**	**Remaining Quota**	**%Taken**
1/Sep/18	29/Jan/19	**11 A**ll subareas in QMA 11	3,000	0	3,000	0.0%
25/Sep/18	5/Jan/19	**12** - All subareas except research closures	253,000	253,054	-54	100.0%
1/Sep/18	17/Sep/18	**13A CAPE MUDGE - CHANGED** 13-1,13-14 and 13-15	60,000	59,796	204	99.7%
1/Sep/18		**13B KELSEY BAY** subareas 13-27 to 13-35	56,000	31,860	24,140	56.9%
1/Sep/18	14/Dec/18	**13C CORDERO CHANNEL -** subareas 13-23 to 13-26 & 13-36 to 13-43	30,000	29,958	42	99.9%
1/Sep/18	25/Sep/18	**13D SONORA / DISCOVERY PASS NORTH - CHANGED -** 13-07 to 13-13 & 13-16 to 13-22	10,000	9,864	136	98.6%
1/Sep/18	25/Sep/18	**13E WILLOW POINT - CHANGED** - 13-02	25,000	25,256	-256	101.0%
14/Dec/18	10/Jan/19	**13F DISCOVERY PASS SOUTH - NEW -** 13-03, 13-04, 13-05 & 13-06	25,000	24,844	156	99.4%
1/Sep/18		**18 SIDNEY** - all subareas plus 19-6 and that portion of 19-5 north of a line running due east from Cormorant Point	29,750	27,908	1,842	93.8%
1/Sep/18	18/Dec/18	**19 VICTORIA -** all subareas except 19-6 & that portion of 19-5 south of a line running east from Cormorant Point	36,450	36,387	63	99.8%
1/Sep/18	18/Dec/18	**20A SOOKE EAST- CHANGED -** PTN 20-05 EAST OF OTTER PT. - 20-06, 20-07	36,000	35,992	8	100.0%
1/Sep/18		**20B SOOKE WEST- CHANGED -** 20-01 to 20-04, & PTN 20-05 WEST OF OTTER PT.	14,000	12,991	1,009	92.8%
		Total	**578,200**	**547,910**	**30,290**	**94.8%**