

Team,

“I always wondered why somebody doesn’t do something about that - then I realized I was somebody”. Lily Tomlin

Welcome to September - the final push is on!

Federal Government

Although Minister Wilkinson likely never read our lengthy letter in January detailing our view of disturbing shortcomings (to be charitable) in the Aquaculture Management Division (AMD) of his Department, we believe, from meetings held during the summer, that he finally sees what he and wild Pacific salmon are up against. At the very top of the list of the many challenges facing wild Pacific salmon we have to add the AMD itself. If you would like a copy of our January letter to the Minister just reply to this note and I will forward it.

It has taken the Minister a bit of time (understandably) to appreciate that DFO may not be the Camelot for wild fish and wild fish scientists we all hope it would be. To his credit he has seen that there are issues with science and science management in the Department and he is helping to bring them to a head. We believe that what he has regarded as “dueling” or “competing” science is really just an effort by some to confuse the science to create doubt to allow the farmers to continue business as usual...but this will not hold, at least not if reason and right over wrong still matter.

There are two things which demand the removal of the open net pens from the ocean: uncontrollable sea lice for which the farmers receive no penalty whatsoever, and pathogen (ultimately disease) transfer from farmed salmon to wild salmon. On the second issue, we know that:

1. The Department has known since at least 2011 that a virus of Atlantic origin (later proven to be PRV) causes harm to Chinook –

specifically Jaundice- the red blood cells burst and the livers and kidneys try to clean it all up, and that;

2. The AMD did precious little with this knowledge to protect wild Pacific salmon. Instead, in our estimation, it suppressed this knowledge and tried to discredit and marginalize those sounding the alarm...and it continues to do so today.

We have now learned that this same AMD is using (or more accurately: still using) a test for diagnosing Heart and Skeletal Muscle Inflammation (HSMI) - a disease caused by PRV, which seems designed to not find HSMI. And so far, it has worked perfectly. We know from scientists using the International standard for diagnosing HSMI that we have HSMI on our coast, but the AMD has managed to never find it. BC is the only jurisdiction in the world, which allows open net pens in the same water as wild Pacific salmon and is the only jurisdiction in the world to use this “made- in- BC” test to ensure that the AMD doesn’t find HSMI.

Why?

Because, if the AMD finds HSMI, the Minister will not be allowed to approve the transfers of Atlantic smolts from land-based hatcheries into the ocean. It is illegal under section 56 of the Fishing Regulations and contra the Precautionary Principle contained in the Oceans Act which according to two Federal Court judgements applies to fisheries and to DFO. So we are waiting for the Minister who is familiar with the Precautionary Principle (he has written op eds on it) to actually apply it and announce that the Transfer policy allowing diseased smolts to be put into the ocean will stop and that it is time to remove the industrial farms of Atlantic salmon from the same water as wild Pacific salmon.

On our current course, the wild Pacific salmon issue will take care of itself- we will be like Atlantic Canada with its decimated wild fisheries asking: “how did this happen?” We will probably blame climate change to mask our own sins, and then vow to never let it happen again. And the longer we dither on pursuing truly sustainable aquaculture - on land, in closed systems, the more likely we are to squander the chance to be what the world thinks we are - a leader in clean, safe, progressive, sustainable agriculture technology.

Until we transfer the farms to land, we remain the chumps of this piece who allow Norwegian and Japanese corporations to pollute our waters for free. The total revenue to BC from the open net pen tenures is < \$2 million dollars, which works out to about the price of a studio apartment in Victoria for each farm.* This is an extremely lucrative deal for the farmers who rely on four tides per day to wash the cost of their waste off their income (expense) statement and on to the environmental balance sheet (liability) of Canada. No wonder the farmers resist a transition- it's hard to beat polluting for free.

As Dr. Larry Dill, Professor Behavioural Ecology, Simon Fraser University has said many times: "Unlike Las Vegas, what happens in the net pens, doesn't stay in the net pens."

But we are hopeful that the Minister will lead the Department back to high ground and finally deal appropriately with open net pen related problems. The move is late in coming and far from certain at this time, but he appears to be up to the job unlike his predecessors. Anything you can do to help convince him to take the right path will be appreciated. – And please let him know that when he does the right (only) thing he will receive the gratitude and support of most British Columbians.

Now that we have shared most everything with the Minister that we have to share, it is time to engage with the public on these issues as the Federal election approaches. We will continue with our regular one on one government relations meetings where possible, but our emphasis will be on educating the public through earned media, our Wild First digital campaign and harnessing our viewers to help the cause by contacting all candidates for Federal office in their riding and asking them to take our Wild Salmon Pledge. Attached is the pledge we are sending out and a riding-by-riding list of all candidates. Please email the candidates in your riding and ask them if they are taking the wild salmon pledge and encourage them to do so. A record of who has and who has not signed the pledge will be available on Wild First. <https://www.wildfirst.ca>

Provincial Government

We met with Lana Popham, the BC Minister of Agriculture over the summer just to touch base and reconfirm that she is aligned with us- and we think she is - but we were not able to secure meetings with Minister George Heyman (Environment) or Minister Scott Fraser (Indigenous Relations and Reconciliation) despite trying to do so since early spring.

The question we wanted to ask Minister Heyman is: “why is the Province still not testing the farmed fish effluent from processing plants for PRV despite the fact that it is now known to be present in some cases?” The old confidence that: “what comes from the ocean can be safely returned to the ocean” is manifestly untrue where open net pen fish farms are concerned and should be addressed now that we know that the PRV virus comes from Norway via BC fish farms.

Although the real source of the PRV is the Federal government which introduces it into the ocean when approving the transfer of Atlantic smolts, the Province may have had a role in the “made- in -BC” diagnostic criteria used to find (not find) HSMI and so this issue and these questions must be pursued which we will try to do in our usual manner: quietly, respectfully and doggedly.

Now you know what I know!

Thanks for the support and Keep the Faith!!

Tony Allard

Chair, Wild Salmon Forever

* In an email dated Friday, May 26, 2017, Ministry of Agriculture (BC) Asst. DM James Mack advised: “FLNRO [B.C. Ministry of Forests, Lands, Natural Resource Operations and Rural Development] has provided that the total annual rent collected on finfish aquaculture tenures for fiscal 2016/2017 was \$1,953,294.80. This is for all finfish, and therefore includes tenures culturing species other than Atlantic salmon, including the few lake aquaculture sites that are active.”

In contrast, the cost of a tenure in Norway is much more expensive; DNB Markets Report at p. 25 states that the last new licence made available for a new open net-pen site in Norway was in 2014, and it sold for approximately NOK66m, or approximately Cdn\$10m.

To compare the tenure cost of finfish farms in B.C. (rental) and in Norway (purchase of the site), it is helpful to calculate the present value of future annual rental costs. From the available data on tenure revenue in B.C. set out above, and assuming 119 farm sites, the present value of the cost of an open net-pen aquaculture tenure in Canada, in perpetuity is estimated in Canadian dollars as follows:

Monthly payment: \$1,368 Annual payment: \$16,414

Present value:

Use as Discount Rate the 30-year Canadian bond rate (2.385% at January 11, 2018) is \$688,218 or the 10-year bond rate (2.20 % at January 11, 2018) is \$746,091.

Each farming company will have its own cost of capital and this will very likely be higher than the “risk free” government bond rate so the appropriate discount rate will be higher than the one used here (actual cost of capital) and therefore the resulting present value of the tenures in B.C. will be lower.

Assuming tenure rentals in B.C. at perpetuity, the cost is less than 10% of the cost of a new open net-pen site in Norway. Thus, it is understandable why the industry would not want to pursue closed containment in Canada. To encourage the adoption of closed containment technologies, Canada should at least level the playing field for the economics of closed containment aquaculture by charging tenure fees that more closely represent the cost of the use and inevitable degradation of the public resource.