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Your file Votre référence

Our file Notre référence

4920-01

July 17th, 2015

Re: Recommendations for the offshore Pacific Hake fishery in 2015

Dear Groundfish Trawl Advisory Committee Hake Sub-committee,

On June 4th, 2015, the Groundfish Trawl Advisory Committee (GTAC) made a series of recommendations to address what it characterized as a serious economic crisis affecting market demand for the primary Pacific Hake products produced on Canada's Pacific coast. These recommendations included approval of Russian participation in a Joint Venture (JV) fishery for 2015 and a regulatory exemption that would allow offshore Pacific Hake to be used for the production of fish meal. On June 30th, 2015, the GTAC Hake Sub-committee reiterated the importance of timely approval of a meal fishery, stating, in part, "*that the Federal Government approve as soon as possible for the 2015 hake fishery a regulatory exemption to allow for hake to be used for meal. This exemption is for the 2015/2016 commercial fishery only and any further consideration of a hake fishery for meal would need support of the GTAC HS.*"

This letter is intended as a follow-up to my June 22nd, 2015 letter to provide you with a further update regarding a JV fishery and permission for the use of offshore Pacific Hake in the production of fish meal.

Russian participation in the JV fishery

Given Canada's evolving bilateral relationship with Russia, coupled with the diversity of views among GTAC Hake Sub-committee participants regarding a JV with a Russian partner, the Government of Canada has determined that it will not support a JV that includes the participation of a Russian vessel. Should the hake industry develop proposals with other parties interested in a JV fishery, DFO would consider such a proposal accordingly.

Use of offshore Pacific Hake for meal production

DFO has confirmed the Minister's support for an exemption from section 31 of the *Fisheries Act* for the offshore stock of Pacific Hake for the 2015 fishing season only. Exempting offshore Hake

from section 31 requires the publication of an exemption order in Canada Gazette II, a regulatory process that DFO estimates cannot be completed before the end of August. However, in the course of researching the implementation of an exemption order, DFO has determined that a similar exemption order issued for offshore Pacific Hake in 1986 (for Pacific Fishery Management Areas 121, 123, 124, 125, and 126 only) remains in effect. In order to expedite the permission of a fishery on offshore Pacific Hake for reduction into fish meal in 2015, DFO will draw on the authority of the existing exemption order to permit a meal fishery for offshore Pacific Hake to commence immediately in the PFMAAs listed above. The exemption order will be revoked at the end of the 2015 fishing season.

The amount of offshore Pacific Hake that can be delivered for reduction will be a maximum of 54,928 metric tonnes for 2015. DFO considered several factors in making this determination, including the spirit of section 31 of the *Fisheries Act*, which effectively prioritises fish for human consumption, and the pre-season estimates of shoreside processing capacity.

It is important to be clear that DFO is permitting the use of offshore Pacific Hake for meal production as an exceptional measure intended to provide interim support over a one year transition period for the hake industry to adjust and diversify, such that the industry will be better positioned to adapt to current and future market changes. DFO remains committed to section 31 of the *Fisheries Act* as part of the basis of our fisheries management approach for the long term.

All fishing for offshore hake, regardless of whether it is delivered for reduction or other processing, will be accounted for within the offshore hake TAC to ensure a sustainable fishery. Fishing for reduction purposes will be subject to the same requirements as the rest of the offshore hake fishery (e.g., monitoring, accountability for bycatch, etc), including the requirement for dockside sorting and validation of all catch. This will help ensure that only offshore hake are sent for reduction purposes. DFO will also monitor bycatch in the offshore hake fishery closely and, if necessary, take steps to ensure that the permission of a reduction fishery for fish meal does not introduce or magnify bycatch.

Finally, DFO will also work with its existing hake advisory processes to review the outcomes of the 2015 fishing season.

Sincerely,



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