Summary: Aquaculture Governance Stakeholder Consultations

Fisheries and Land Resources September 2019





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Introduction

The aquaculture industry in Newfoundland and Labrador continues to experience significant expansion and is identified by the Government of Newfoundland and Labrador as a target growth sector in **The Way Forward: A vision for sustainability and growth in Newfoundland and Labrador, and the McKinsey and Company, Economic Growth Strategy for Newfoundland and Labrador Report.**

Industry Development

The aquaculture industry in Newfoundland and Labrador has evolved and expanded over the past 30 years. Aquaculture production in Newfoundland and Labrador is comprised of growers of high-quality Atlantic salmon and mussels, with 88 salmonid sites encompassing 2,500 hectares and 47 shellfish sites encompassing 3,967 hectares.

The aquaculture industry is now worth over \$200 million annually to the provincial economy, directly employing more than 400 women and men in rural communities with over 400 additional individuals employed in seafood processing and other support services related to aquaculture. With the entry of new players in the finfish sector, it is expected that the aquaculture industry will grow significantly, increasing production capability and investment opportunities.

Aquatic Animal Health

The Government of Newfoundland and Labrador has invested significantly in aquatic animal health to ensure the sustainable development and management of the aquaculture industry, and collaborates with the Federal Government and the Atlantic provinces to enhance aquatic animal health initiatives. Under the *Aquaculture Act,* the Minister of Fisheries and Land Resources has the authority to address aquatic animal health matters, such as responding to reportable disease events. Aquatic animal health license conditions and requirements are stipulated by the province as part of the rigorous industry licensing process.

Background

The *Aquaculture Act* (1988) provides the Department of Fisheries and Land Resources with the authority to oversee the development and governance of the aquaculture industry. The purpose of the Act is to promote the prudent and orderly development of the industry, secure property rights, minimize resource user conflicts, and engage in co-operative decision making with external government agencies.

The Aquaculture Licensing Policy and Procedures Manual was drafted in the early 2000s to support the *Aquaculture Act and Aquaculture Regulations*. In 2017, the Department of Fisheries and Land Resources committed to a comprehensive review and modernization of the provincial Aquaculture Licensing Policy and Procedures Manual as part of **The Way Forward on Aquaculture Sector Work Plan**.

The focus of the comprehensive Aquaculture Licensing Policy and Procedures review is to:

Update and modernize policies and procedures, meeting and exceeding best practices by:

- Raising the standards for aquatic animal health and escape prevention; and
- Enshrining policy in regulation, where applicable.

Leading to:

- An environmentally sustainable aquaculture industry;
- The establishment of Newfoundland and Labrador as a world leader in aquaculture health and production; and
- Increased public trust.

Recognizing the importance of the views of industry, Indigenous Governments and Organizations, and the general public on public policy, the Department of Fisheries and Land Resources committed to seek feedback on aquaculture governance, including proposed policies and regulations.

Consultation Process Overview

The Government of Newfoundland and Labrador's Public Engagement and Planning Division, Intergovernmental and Indigenous Affairs Secretariat, and the Department of Fisheries and Land Resources participated in the design and/or delivery of consultation engagement measures to capture feedback and input from aquaculture industry stakeholders, Indigenous Governments and Organizations, and the general public.

In collaboration with the Newfoundland Aquaculture Industry Association, targeted consultation sessions were held on August 6, 2019 in Grand Falls-Windsor. These sessions included industry representatives from the finfish and shellfish sectors, the federal government, and Department of Fisheries and Land Resources to gather input and feedback on aquaculture governance, including proposed policies and regulations.

Six distinct industry or related organizations participated in the finfish sector consultation session, and eight distinct industry or related organizations participated in the shellfish sector consultation session.

Consultation sessions featured:

- An overview to provide contextual policy subject matter information; and
- Small group discussions with a facilitator and note taker at each table ensuring that each participant's input was heard and collected.

Industry stakeholders were asked to provide their feedback regarding positive and negative impacts of proposed policies on their operations and possible mitigations for these impacts. Stakeholders were also asked for their input on measures that should be included to support the continued development of an environmentally sustainable aquaculture industry. Additional opportunity was provided for open-ended feedback and discussion.

Formal correspondence including a copy of the proposed aquaculture policy changes was sent to five Indigenous Governments and Organizations for their review and feedback. The Department of Fisheries and Land Resources extended an invitation to each organization to provide their feedback by telephone, through a face-to-face meeting, or in writing. Similar correspondence was sent to the Torngat Fisheries Board. The five Indigenous Governments and Organizations included:

- Miawpukek Mi'kamawey Mawi'omi;
- Qalipu First Nation;
- Nunatsiavut Government;
- Innu Nation; and
- NunatuKavut Community Council.

One response to the correspondence was received and on September 3, 2019, officials from the Department of Fisheries and Land Resources met face-to-face with members of Miawpukek Mi'kamawey Mawi'omi to gather their feedback and input on the shared proposed aquaculture policies.

During the period of August 6 – 19, 2019, an aquaculture governance questionnaire was posted on the EngageNL.ca website to provide all other stakeholders and the general public an opportunity to participate in the engagement process. The availability of the questionnaire was promoted by a series of social media tweets and a pinned tweet on the Department of Fisheries and Land Resources Twitter feed. Two responses to the questionnaire were received.

The questionnaire featured specific and open-ended questions designed to gather input and feedback on the following:

- Demographic data and familiarity with Newfoundland and Labrador aquaculture governance; and
- Newfoundland and Labrador aquaculture policy including:
 - General governance;
 - Licensing and leasing; and
 - Environmental Considerations.

The input and feedback collected through these engagement efforts, in addition to correspondence we have received over the last several years related to aquaculture governance, informed further decision-making concerning proposed aquaculture policies and legislation.

Key Feedback

Several key themes emerged from the input and feedback including:

- 1. Aquaculture Licensing and Operational Requirements
- 2. Public Reporting
- 3. Aquatic Animal Health Measures
- 4. Waste Management and Environmental Impacts
- 5. Public Safety, Education and Trust

A summary of stakeholder views related to each theme is outlined below:

Aquaculture Licensing and Operational Requirements

Торіс	Key Feedback
Policies (General)	 Proposed aquaculture governance policies were positively received by all stakeholders. In particular, Licensing Appeals, Feedbag, Netwashing, Public Reporting, Biosecurity, Public Consultation, Multi-year Licensing, Buying and Selling Licences, Aquaculture Surveillance Designation and Temporary Licences polices, and security bonding and recapture licence requirements were cited as complimentary enhancements. Proposed polices formalize existing practices, particularly in the area of Aquatic Animal Health. Policies should specify if they apply to shellfish, finfish or both.
Emergency Recapture Licenses	 By placing this requirement in policy, Fisheries and Land Resources license authorization process may be delayed or

	impacted while waiting for recapture licences to be issued by Fisheries and Oceans.
Inactive Applications	 Timelines imposed on industry for site utilization should also apply to Fisheries and Land Resources to ensure there is no lag in application response times.
Alternative Production Methods	 Consideration should be given to ensuring the wording in the proposed policy does not prevent use of new and emerging technology. Policy name should be changed to Alternative Species Production.
Onshore Site Development	 Wharves and lands applied for through Crown Lands are still under a five-year term. Consideration should be given to changing this to correspond with the multi-year licensing timeline of six years. Crown Lands applications are not reflective of aquaculture development needs since they focus more on land development rather than water development.
Classification of Licences	 Consideration should be given to the definition of "commercial" and ensure it encompasses purposes other than human consumption. Consideration should be given to the inclusion of a licence category for groups interested in growing fish to address their food security needs.
Public Consultation	 Concerns about using methods such as town halls to publicly consult were identified. It was noted there is no guarantee the posting would be kept for the required amount of time. More reliability is experienced when working with paid advertisement. Fisheries and Land Resources should consider requiring the use of paid advertising for public consultation.
Sea Cage Inspection	 Requiring increased sea cage inspection during the summer would not capture other months, when cages are at risk due to environmental factors such as weather or during fish transfer periods. Consideration should be given to increase the requirement for sea cage inspections to occur every 30 days year-round.
Security Bonds	 Recommended stipulating procedures for enacting securities bonds.

Licensing Guidance Document	 Consideration should be given to reviewing the Licensing Guidance Document, as it is dated. The document should include examples of Transport Canada's requirements for site maps or drawings.
Appeals	 Recommended an independent internal committee be established separate from the Aquaculture Licensing Committee to review appeals. Fee to appeal a licensing decision should be more than \$100 to avoid frivolous appeals
Multi-year Licensing	 Multi-year licenses provide aquaculture operators with more security.
Moorings	 Consideration should be given to incorporation of ice booms and temporary measures for lines that need to be reattached.
Aquaculture License Fees	 Municipal Affairs and Environment water usage fees are a concern as industry is already paying a lease fee for use of the water. Industry expressed that these water usage fees were implemented without engagement of stakeholders or the federal government as stipulated in the <i>Canada Newfoundland Memorandum of Understanding on Aquaculture Development</i>. Other users such as traditional fishers are not required to pay Municipal Affairs and Environment water usage fees. Consideration should be given to the application of different fees for commercial and non-commercial licences.
Annual Reporting	 Consideration should be given to the implementation of simplistic reporting forms to make it easier for operators to meet increased reporting requirements.

Public Reporting

Key Feedback

- Enhancing public reporting communication is positive, and industry does support reporting on industry websites such as the Newfoundland Aquaculture Industry Association and operator-specific websites concerning escapes, quarantine, and depopulation.
- The reporting system established by the Canadian Food Inspection Agency for reportable diseases currently serves the public well.
- This proposed policy of reporting within 24 hours of a directive may negatively impact the marketing of product and third party certifications.
- Significant concerns were expressed with reporting size, site location and number of fish, particularly in relation to a publicly traded company.
- Other stakeholders recommended that administrative penalties should be high for public reporting of non-compliance.
- Disease events and escapes should be publicly reported on corporate websites as they occur, or monthly.

Aquatic Animal Health Measures

Key Feedback

- Concerns were raised regarding other marine resource users accessing aquaculture sites and being a possible vector for pathogens.
- The Lobster Fisheries and Aquaculture Facilities policy creates an issue with site biosecurity and gear security. Consideration should be given to site exclusion zones. Aquaculture operators are paying a lease for use of the water area.
- A balanced approach must be taken to the policy pertaining to Lobster Fisheries and Aquaculture Facilities.
- Concerns were expressed with the ability to enforce and manage biosecurity measures pertaining to recreational and commercial fisheries, as well as other federal and provincial government departments' equipment.
- Issues with biosecurity proposed policies were raised as they relate to the transfer of product between bays or sites that are more than five kilometers in separation.
- Atlantic Canada is one of the few jurisdictions that does not have a governmentregulated sea lice threshold. Consideration should be given to working with industry to discuss changes to the Newfoundland and Labrador sea lice management plan, including a threshold.
- Consideration should be given to other fish health, environmental and worker safety issues caused by regulating sea lice treatment.
- Newfoundland and Labrador would benefit from regulated depopulation requirements as part of a comprehensive Viral Management Plan. These should be developed in

consultation with industry, with consideration given to equipment availability and processing capability.

- Newly proposed policies allow for more traceability in the event of a disease.
- Fisheries and Land Resources should develop a mechanism for proof of biosecurity standards of practice that can be shown to aquaculture producers requiring proof of biosecurity to maintain their third-party certifications.
- Collaboration with other entities such as Transport Canada, Fisheries and Oceans Canada, Canadian Food Inspection Agency and Environment Canada will be important to maintain biosecure sites.
- It should be stipulated that the single-year class policy applies to salmonids and does not apply to cleaner fish and shellfish.
- Proposed requirement for one-kilometer site separation between species may impact expansion of aquaculture farms. This policy may be an issue for existing operators as some sites are close together.
- It was recommended that timelines be implemented for aquatic animal health reporting.
- Other stakeholders recommend a gradual transition to, and adherence to Norwegian aquaculture industry standards.

Waste Management and Environmental Impacts

Key Feedback

- Netwashing policy should stipulate that net disinfecting occurs at a land-based facility.
- The feedbag policy should give consideration to infrastructure requirements and existing infrastructure.
- The proposed feedbag policy language specifying balers as the particular equipment may be too prescriptive as it eliminates other infrastructure options and adoption of new technology.
- The feedbag policy should focus more on waste management providing flexibility to compress and tie feedbags without the use of balers.
- More alignment is required with waste management providers so that industry can recycle waste.
- More attention should be focused on working with regional waste management service providers to capture and sort by-product into a form that buyers can use (e.g. salmon oil extraction, skins, etc.)
- Concerns were raised with regard to Crown land approval of onshore agriculture or cabin development in the vicinity of an aquaculture operation due to potential water contamination.
- Simple templates should be developed for aquaculture producers to ensure that the collection of Environment and Waste Management Plan information is consistent across industry.
- Waste containment and clean-up should be required as part of the environment and waste management plans.

Public Safety, Education and Trust

Key Feedback Modernization of policies and approach to industry sustainability, escape and disease mitigation will enhance public trust. The message will be that the aquaculture industry is regulated and controlled, further supported by compliance and enforcement measures such as auditing and inspections. Transparent polices such as public reporting can assist in increasing public trust. More effort should be undertaken to educate and promote public awareness of biosecurity measures taken by aquaculture operators and navigation around aquaculture sites. Consideration should be given to implementation of a speed limit for boats within

- Consideration should be given to implementation of a speed limit for boats within aquaculture sites as excessive speeds can be a safety hazard. For example: waves created by boaters can tip over other boats; and boaters travelling excessive speeds can travel over lines put out by aquaculture producers, which could injure boaters and individuals putting out the lines.
- Aquaculture licencees should be required to work with communities and contribute to wild salmon enhancement projects as a licensing condition.
- Government should regulate and invest in aquaculture.
- There should be more public engagement and education on aquaculture; in particular, the benefits and risks of the industry such as the socio-economic benefits to rural communities and impact on wild fish stocks.
- There should be more promotion on the benefits of eating farmed seafood.

Recommendations and Next Steps

The Government of Newfoundland and Labrador will consider the perspectives raised by industry, Indigenous Governments and Organizations, and the general public in further decision-making concerning proposed aquaculture policies and legislation.

Modernizing policies and the approach to industry sustainability, escape and disease mitigation is a positive step for the aquaculture industry which will encourage public trust. Government, industry, Indigenous Governments and Organizations and other stakeholders must work collaboratively to achieve this outcome.

Annex A: Listing of Consultation Participants

- Badger Bay Mussel Farms Ltd.
- Cooke Aquaculture Ltd. Cold Ocean Salmon
- Fisheries and Oceans Canada
- Grieg NL
- L.B.A. Enterprises
- Memorial University Ocean Sciences Centre
- Miawpukek First Nation
- Mowi
- Newfoundland Aquaculture Industry Association
- Norlantic Processors Ltd.
- Sunrise Fish Farms Inc.



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