

# Pacific Urchin Harvesters Association

## Semi-Annual General Meeting

**Beban Park, Nanaimo, BC.**

**June 21, 2006**

---

Meeting commenced at 9:50 a.m.

### **Attendance:**

Ross Morris	Don Christian	Marion Campbell
David Lightly	Kirk Montgomery	Gary Grant
John Twigg	Peter Codling	Kelly Mould
Bob Hegedus	David McRae	Bob Reinstein
Edward Izykowski	Larry Duggan	Mike Fay
Thom Liptrot	John Parkin	George Dennis
Jim Dyck	Ken Ridgway Jr.	David Lansdowne
Ken Ridgway Sr.	Michael Steinmann	Dave Yoshida
Jim Hume	Greg Loiselle	Allan Campbell
Alice—Seagate	Geoff Krause	

**Presidents Report:** Mike supplied a comprehensive document summarizing the report.

### **1. B.C. Seafood Alliance**

#### **2005/06 Full Members**

- Area A Crab Association
- Canadian Sablefish Association
- Canadian Sardine Association
- Deep Sea Trawlers Association
- Fisheries Council of Canada
- Pacific Halibut Management Association
- Pacific Prawn Fishermen's Association
- Pacific Salmon Troll Alliance
- Pacific Urchin Harvesters Association
- Pacific Sea Cucumber Harvesters Association
- Spawn on Kelp Operators Association
- Underwater Harvesters Association
- West Coast Green Urchin Association

#### **2005/06 Associate Members**

- BC Salmon Marketing Council
- Canadian Groundfish Research and Conservation Society
- Canadian Pacific Kazunoko Association
- Pacific Coast Fishermen's Mutual Marine Insurance Company

## **A. Priorities:**

### **1. Security of Access**

Necessary for a stable and healthy industry. The BCSA released *The Case for Reform: What Do We Want from BC's Commercial Fisheries* which endorsed the key principles of Pearce/McRae while making the case for fisheries reform based on the experience of reformed fisheries to date. The Alliance released the final version of a discussion paper on the concept of a licence bank, funded at arm's length by the provincial and federal government to acquire licences and/or quota, hold the entitlements until they are needed, and then distribute them to First Nations. It followed up this paper with a subsequent November 2005 *Towards Treaties: A Business Case for Progress on Fisheries*, detailing the concept of a licence bank and presented this as support for a proposed joint INAC/DFO memorandum to Cabinet for funding to transfer commercial fisheries access.

These papers are based on the following principles for transfer of access/fisheries reform:

- ✧ A single, integrated commercial fishery with all participants operating on a level playing field, with the same rules and the same priority, with all fish caught for commercial sale subject to the same terms and conditions;
- ✧ Equivalent quotas and licences purchased to offset new First Nations commercial allocations or increases in FSC harvest;
- ✧ Fair rules of compensation established for non-quota fisheries to avoid arbitrary decisions;
- ✧ A mandatory catch monitoring and independent third party dockside verification program for all fisheries;
- ✧ Retention of the single, decision-making management authority by DFO; and
- ✧ Enhanced security of tenure.

### **2. Fisheries Reform/Co-Management**

In April 2005, the then Fisheries Minister announced a program of Pacific Fisheries Reform based on clear conservation objectives, strengthened DFO programs, First Nations access and improving the economic performance of fisheries. The Alliance issued a news release endorsing those principles but criticizing the preponderance of fine words over concrete commitments. Subsequently, DFO held exhaustive public consultations on the broad proposals for reform. Many Alliance members participated in the consultation process and the Alliance submitted detailed written comments.

The Alliance also appeared before the Senate Standing Committee on Fisheries in June 2005 and again on its visit to Vancouver in October and put together a subcommittee on enforcement and

has begun preparing a discussion paper arguing that enforcement is a public good. It assisted the Area A Crab Association in getting clarification on departmental policy on service providers.

### 3. Species at Risk

Tim Joys has represented us at these meetings. Ken attended the meeting last week as Tim is away. PUHA and the BCSA advocate adopting a more coordinated approach, a clear set of priorities to SARA and encourage a review process sooner than later.

PUHA is involved with 2 SARA programs. Abalone and Sea Otters. With respect to Abalone we have been active on at least 2 fronts. First with the recording of abalone sightings in the harvest logs, all sightings are reported on the log. Some fishermen are a bit gun-shy about including these reports on their logs because of allegations of them made as a result of the reports and they feel it is sometimes just best to leave sleeping dogs lie. We probably pay for the compiling and entry of this data as well.

Secondly PUHA has coordinated with the Haida fisheries program to study the interaction between red urchin and abalone, specifically the affect of harvesting sea urchin on abalone. The RSU research harvest area last year saw all the urchins removed so the competitive interactions between the urchins and abalone can be assessed. This study could have implications on management of MPA's, fishery management and the algal community.

With respect to Sea Otters PUHA has raised concerns that here are no targets for de-listing. The otters are expanding at a rapid rate and are the biggest threat to the sustainability of our fishery. The concern of the rebuilding team is the devastation of the otter population if there is a major oil spill. In this respect PUHA members have trained with the FOSET program in oil spill recovery.

The Marine Protected Areas strategy is like a freight train coming- particularly if otters are factored in along with abalone. A big problem with the COSEWIC and the Species At Risk Act (SARA) is that there are no criteria for removal from the list. The sea otter is still at considerable risk according to some because it is conceivable that a single oil spill could endanger the animals in BC, even though said oil spill would have be very large and cover some 250 - 300 miles of coastline covering a distance from Tofino, up the West Coast and around the top of Vancouver Island to almost Port Hardy. It may be a pro-active move by fishermen to get the oil spill training offered by Burrard Clean and to learn how to corral and trap the otters so they can be moved out of harm's way should a spill of that magnitude occur.

The fishery around Tofino, historically the most productive of the South Coast urchin fisheries, has collapsed and it seems that the rest of the WCVI urchin fisheries will disappear within the next five years or so. The Tofino RSU study area was obliterated this past winter by the arrival of the otters and the long term data series from that area is now terminated. The government offers compensation for losses accruing to companies when the area involved is on land and a SARA designation alienates farmland, or perhaps affects some larger resource extraction operations (logging, mining), but no compensation is being considered or is possible at this time for lost fishing opportunities. This does not seem to be fair or equitable to those with established business and financial interests in shellfish fisheries. The Ahousaht are considering control

measures to preserve their cultural activities. They assert this as an aboriginal right and have at least a fair probability of success.

The last count on the otters was 2,673 animals along the WCVI and 507 on the Central Coast using data from surveys conducted in 2001. The population growth rate is estimated to have declined from about 18.6% to 15.6% in recent years on Vancouver Island in recent years while the population growth estimate for the Central Coast population of 12.4% is considered on the low end (L.M. Nichol et al. 2005. CSAS Research Doc. # 2005094).

**Fish Safe:** stability training etc for fishermen. Gina Johansson has been instrumental in getting this set up so it responds to fishermen's concerns as well as to the WCB and Transport Canada requirements. As this point only vessels over 60' require a stability test and a stability (record?) book on board but this is changing so that vessels down to about 30', especially those used for charter trips with tourists, must also be tested. These tests require considerable effort and expense from the owner. Right now the focus is moving onto trap vessels, presumably because they often carry a substantial number of traps and a lot of weight on their decks.

#### **Agriculture and AgriFood Canada (AAFC) and the BC Seafood Alliance (BCSA)**

The BCSA was instrumental in getting seafood recognized as a food category and get it qualified for Canada Agri Food International (CAFI) Program funding. The Value Chain Round Table (VCRT) is also a part of this process and provided support for the Sea Urchins from Canada group to conduct the Benchmark Study comparing BC's fishery to others around the world and on-going support for our position on the Russian IUU fishery.

**Country Of Origin Labelling (COOL):** This has been increasingly implemented around the world to assist consumers in identifying the source of the foods they are purchasing and tracing the activities and ingredients as part of the international focus on traceability and sustainability. COOL has been coming into force in developed nations, including Japan, for the past few years partly as a bio-security measure in response to 911.

The SUFC group is hoping to tie it in with various quality control and quality assurance protocols in the fishery and on the PUHA website respectively as a marketing aid. The processors are still reluctant in their acceptance and are maintaining their independence in their sales efforts.

Matching funding up to about \$46 K per year from CAFI has been approved for the next two years. This funding has supported the marketing efforts undertaken by the Association over the past 3 years. There have been definite, if not overwhelmingly obvious, benefits from the activities: fishermen have obtained a much better knowledge of the distribution networks in Japan and are no longer quite so dependent on the processors for market information. We have also earned considerable credibility with the buyers in Japan and have generated some buzz with them with our ideas on how we can better and jointly market product from Canada. However, the marketing program must be put on the table, in whole or in part, as a possible cost saving measure because of the financial difficulties being faced by PUHA. It should be noted that enterprises which cut back on marketing spending are generally more to suffer more and take longer to recover than those which maintain their marketing efforts. The relationships and credibility the SUFC group is building are not the sort of thing that come together with one trip

or over one year, although all the gains made thus far could disappear very quickly if the effort is abandoned.

This meeting is intended to get ideas out to the membership for consideration so informed discussions and votes can be taken during the main Annual General Meeting in September.

## **Brussels Video**

Mike put up the video made of this year's European Seafood Exhibition. There seemed to be much more knowledgeable response to Canadian presence this year in comparison to previous years. Comments from the video include the good iodine taste of Canadian uni, the high water quality and the quick transport times to Japan. Orders into the EU tend towards single, or perhaps a couple of cases per week, per customer so servicing single customers is not feasible. Having a distributor there though will to break out consolidated loads to lower costs may however make sense, although again processors are still reluctant to consolidate loads particularly if it requires sharing sales information. Harvesters don't get a lot of information from the processors on their sales to Europe and hear generally only about the problems, especially undercutting.

The tariffs for finished seafood products though are still at about 10-12% and while CFIA coordinates its rules with the European authorities, inspection delays are not unknown. These sorts of delays can be deadly with fresh products like uni. Using frozen or otherwise stabilized product increases flexibility and may provide the most workable option. Kiku won a major innovation prize at the show for its new frozen "Uni on a stick" for use on sushi while HiTo produces a preserved in alcohol product which might also be suitable in Europe.

Larry mentioned that getting prawns into Japan is still a tough proposition but that it is getting easier to get them into the EU as their local stocks decline. The distance and time from Vancouver to Frankfurt is virtually the same as that required between Vancouver - Tokyo.

## **Financial Report**

PUHA had about \$25 K in the bank as of the end of June. This is not a large amount and will be largely drained by the surveys being undertaken this summer. According to D&D, only 98 licences were activated this past year. When the licences are not activated, everyone else carries the load for free-riders. The costs include non-negotiable costs mandated by DFO which cannot be avoided. According to the Society Act, payment of the Association Fees is required for the licence holder to remain in good standing with the Association so there should be some remedy possible to ensure free-riders cover their share. Mike will check with the lawyer to check this out. This extends to DFO as well. There are now only 106 licences in the fishery, 2 were sold a couple of years ago and 2 more this year to DFO which is apparently aggregating them for treaty settlements. The problem is that once DFO takes over these licences, they are inactivated and the Association fees are not paid. This has so far added up to about \$27.5 K over the past two years. It seems funny that DFO can impose costs on the Association and then start removing the resources used to pay them. There was general agreement that DFO should be invoiced for the unpaid fees.

This transfer of licences to DFO might also be affecting the division of quota shares. This is generally based on dividing the TAC by the number of licences but when the number of active licences is lower than the total number, the quota per licence should be a little bit higher. This is not a big deal at this point, but it may be an issue in the future.

There are now 11 First Nations Sea Urchin Licences (FSC) and 99 standard commercial licences, including the 4 in custody of DFO, in the fishery. It is interesting that First Nations are actively picking up a couple of licences per year and thereby expressing confidence in the future of the fishery.

The experimental fishery last year in the Queen Charlottes lost about \$26 K as all the costs, including packing, trucking and validation etc, were absorbed by PUHA. A number of processors have not paid for product they received because the quality was so bad it could be thrown away. The Queen Charlottes shut early after this and fishing moved back to the mainland coast.

## **D&D Report**

The cleanup schedule started on January 7<sup>th</sup> this past year. Weather was a factor this year as many exposed areas were not touched earlier in the season, reportedly because of low quality. This cascaded to problems with accessibility later in the year when weather is more of a problem because all of the protected areas were already gone. This stands out as a red flag issue because of the importance maintaining a flow of product in the market throughout the season. If this is interrupted, the credibility of the industry as a dependable supplier takes a major hit and buyers, including consumers, substitute product from other suppliers. Hitting as many exposed areas and leaving as much protected ground as possible early in the season when the weather is good (or at least better) has got to be a priority (even if it means more travelling). That did not happen this year and there were periods of up to 10 days in January through March when fishing was not possible and over 2 million pounds was left in the water. December and March were the only two months where the fishing was larger than the historical average.

The fleet moved back to the Charlottes at the end of February. Weather was again an issue and the fleet could only find time to run past a number of WCQCI areas in weather windows. Once this was done, they just ran through the cleanup schedule again.

Sea otters are increasingly affecting the fishery. They are spreading rapidly on the North Coast as well as on the West Coast of Vancouver Island (WCVI). Sea otters are reported around Vargas Island (Tofino) and there were also some quality issues as well. Tofino was the most productive area on the WCVI in the past but is now history.

## **Fleet Movements**

Moving to new areas went pretty well this year, especially considering that there were 3 OGM's moving through the fleet this year. When moving to new areas, the general rule is that there are no same day decisions. This is a ground rule that should not be cancelled.

## **Water Loss**

The water loss study has now generated enough information to make a preliminary presentation to DFO. The study will produce coefficient related to the quota area and the time to offload which can be used to adjust the landed weight so the processors are not paying for water. This should allow more timely landing of the product, as packers will no longer have to hold off unloading to allow drainage, and help increase quality. Quality trends are affected and it seems that the more the urchins are drained the lower the quality in terms of either colour or texture both of which affect the realized recoveries. It would be interesting to set up detailed studies where this could be empirically examined to identify any apparent trends.

Thus far the data is limited by the set tares used for the totes and the bags, the plant weights are assumed to be net weights and the time factors are estimated, complicated as they are by having multi-day loads on the packers etc. At this point there seems to be about a 20% weight decline from the grounds to Vancouver (assuming 2 days?) with about 8-12% of this occurring post landing.

The data is pretty minimal thus far and plenty more work is needed. Validated plant weights might be useful and the losses on packers are not equal. Various other differences are not controlled for including the observation that if the urchins are packed upside down they will not drain suggesting the data so far only reflects random and variable drainage rates.

The benefits of all this to fishermen are a bit obscure at this point as they may simply see their payments decline. Grand Hale indicated an interest in a quality top up payment based on realized recovery.

## **Non-compliance**

There were only 3 non-compliance reports this year from D&D, down from previous years. There were a couple of guys caught fishing for, or as, another boat this year. This causes extra confusion and just generally provides more reasons behind DFO suspicions.

The abalone poaching case earlier this year really increased the reluctance of DFO to allow non-OGM fishing. TBA fishing spreads the effort and allows small fleets to work independently, increasing flexibility and essentially facilitating higher production continuity. The second fleet this year actually disbanded before TBA fishing was approved. It would really help if TBA areas close to port could be designated, especially for shoulder seasons when only 1-4 boats might be working, so they could transport their own product to port and not have to fill packers.

## **Black Box**

D&D is putting together a proposal for DFO based on the pilot program this year on Cory Hayes boat. The history of the boat movements are logged and archived from the time the system is installed on the boat. The system depends on satellite reporting through the internet and can be queried for any time interval. It will probably take about the full OGM budget to set up the

system for the fleet but this will be a non-recurring cost and will be very quickly recovered over the years. Of course, DFO likes having an OGM and may keep insisting on that presence notwithstanding the costs.

### **Canadian General Standards Board**

There is lots of paperwork now with the imposition of the CGSB requirements and this is fairly effectively rendering any efficiencies D&D might be able to achieve superfluous. D&D is has been forced to hire outside help to keep up with the burden. The whole process is keeping smaller companies out, raising costs and forcing lots of audits because they have still not yet finalized the requirements. The whole process is very cumbersome and because the procedures manual for DFO remains in draft form, in a state of constant change. This includes the forms, dock procedures, office procedures, key punch procedures and personnel conflicts of interest because of part-time seasonal work at fish plants etc. This apparently after the program, obviously another Keystone Initiative (like the cops), was launched only two or three years ago. How typically federal.

Mike will write a letter to DFO requesting a review of some of the more onerous requirements.

### **Fishing Reports**

Ken Ridgeway provided a quick summary of a recent abalone recovery meeting. It seems DFO decided in its wisdom decided that it was not a good idea that proponents actually be able to sell any of their production even though they no longer have access to any government funding. This of course removed any possibility of a cash flow from the investment so the investors- I suppose this was a surprise- decided they were no longer willing to throw their money away and pulled their support. All of the operations are now close to collapse. Three cheers for the resident "Brain Trust" (I remember when they first started up with government support and funding that there was another crisis when the operators could not get permits from DFO to obtain broodstock- the saga continues.)

First Nations have established training programs in their schools to raise awareness of the problems involved with the abalone depletion. High quality educational materials have been developed and are being shared amongst coastal communities. The QCI recovery is coming along nicely now but the other areas are staying pretty much the same- heavily depleted. There seems to be general acknowledgement now that some food and ceremonial uses might come back but no commercial is likely again. Ever.

All bands are against poaching and offenders are being subjected to local justice even if they are not officially apprehended. Industry must keep working to keep everything clean.

### **South Coast RSU Fishery**

Last year the processors requested an end of September start up for the WCVI fishery around Tofino to give the product quality indices time to improve. When the time came and the fishing opened in early September, they all forgot about their commitments and started fishing Tofino right off the bat. The quality was bad- just as had been projected.

Weather was again a problem in 2005-06. The areas with more quota now seem to have poor quality, a result of the areas with good quality getting excessively hammered. Many of the good quality areas have not seen strong recruitment of late and their numbers are not coming back.

Logistics and staffing problems prevented a lot of infill efforts between the North and South Coast fisheries and the processors held back harvests at some times when they should not have and ordered extra long hold-overs for the packers to give the product more time to drain. Trucking and unloading was again a problem as the effort gets too dispersed especially later in the season. Many of the landings are quite small and hardly sufficient for shipping. The periodic and episodic landings in some outports further complicates things.

All the costs involved with fishing are up and the urgency of finding efficiencies is increasing.

### **North Coast RSU Fishery**

When the fishing started this year, there seemed to be some problems getting a packer.

There was a bit more discussion on moving areas. There are always some problems with some guys wanting to stay in an area while others want to move along to a new one based on quality and upcoming weather. There is general agreement that it should be an on-grounds decision because imposition of a decision from the “armchair” breeds resentment on the grounds. (Quality and or production level calls from the processors, or other market strategists, must have a place at the table to avoid a production-driven scenario which is unresponsive to the market. Making the call to fish a protected area instead of in exposed area when the weather is good or pounding product when demand is limited just does not make sense.) Having a clear majority is considered mandatory but setting a base number, of say a 60% majority, just increases the conflicts, particularly when considering the changes in the fleet seen throughout the year. Having the guys work out their own consensus maximizes the flexibility in the process and seems to work best.

Different areas are best served by differently sized fleets. Having a larger number of small fleets provides more systematic coverage of the areas while having larger groups is more efficient from the perspective of filling up the packer(s). The economics of packing get more serious with greater distance and the problems were most serious during January. Things were going pretty good in February and everybody was fishing to the market. There is always some confusion/conflict with the appropriate capacity especially when more than required packing capacity is on the grounds.

There was a suggestion that the North Coast fishing area be split into 2 areas to allow more flexible fleet deployment/control. This is an old idea and presents some problems from DFO, logistical efficiencies and how the fleet splits. Majority support from the membership will be required before the executive starts putting effort into having it happen. It will likely be easier to get passed by DFO once the Electronic Vessel monitoring is established in the fishery. The proposed North-Central split would be somewhere around Otter Pass/ Top of Aristable.

This past season saw a slow start, poor weather and separate packing shows. Some processors worried about non-payment of packing etc by free-riders and the resulting battle between

processing groups was very damaging- and is still causing problems. The PUHA executive took great pains to get these issues resolved before the problems showed up on the grounds but could not bridge differences. A meeting was held at a neutral location in early December where the problems could be worked on, but the 'new' processor group declined to attend.

George Dennis suggested that "Providing the freshest product at the lowest price" should be the policy of PUHA. There was general agreement that this makes sense but of course the devil is in the details. There is, for instance, lots of price competition and undercutting going on, which combined with what are basically personal issues between various processors, propelled the dispute this past season.

There was the suggestion that PUHA take responsibility for the packing even though this could see the transfer of a lot more risk to PUHA. A workable strategy, whereby PUHA was going to collect deposits to cover the packing etc., was worked out and tried last year but it fell apart. The fact is that talking tough might sound great but it is not going to make things better. Different processors have different business strategies and priorities. With fishermen having different cash flow requirements it would be virtually impossible to maintain solidarity for a production shut down to force change. There was general agreement again that an open transportation system is required.

These sorts of problems come and go but get worse when people fixate on their positions rather than on the objective issues and necessary compromises for potential mutually advantageous solutions. The geoduck fishery faced the same issue(s) a while back but the situation did not escalate to the same degree and things just sort of calmed down on their own. This might apply here as well and taking direct action through PUHA could simply inflame the situation again. It might be best to let sleeping dogs lie for now and keep looking for confidence building opportunities.

## **Shoreline-based Quota Calculations**

Alan Campbell gave a short presentation on the transition to the new quota derivation method using shoreline length instead of the bed area estimates. The GIS database at PBS is more suited to shoreline length as there are many uncertainties in the bed area method. Problems with the bed area method have been showing up as the improved technology and subsequently more refined information on the harvest logs are shrinking the apparent bed area for the urchins. This is a data artifact as the fishermen target the beds with higher quality product but it is leading to a decrease in the apparent RSU biomass, and therefore of the fishing quotas. The fished urchin beds are only a subset of the total available urchin habitat and DFO is transitioning to a biomass estimation method similar to the one used in Alaska which incorporates unfished areas.

The shoreline length method is based on the length of usable urchin habitat perpendicular to the shoreline between depths of about 0 m to 10 - 15 m BCD. Multiplying this distance by the shoreline length provides an area estimate for that section. The density of the urchins is then sampled, or perhaps extrapolated from other similar surveyed estimates, to get a biomass estimate for the section of shoreline of interest. Aggregating the habitat and biomass estimates over the coast should provide a closer and more stable estimate of the RSU available.

Habitat is qualified by substrate (rock, gravel, boulders etc), water flow, slope and surface physiography so that areas such as fjords or areas with muddy bottoms etc are classed as having no usable habitat and are excluded. Parks, aquaculture sites, Marine Protected Areas, polluted and poor quality areas etc. are also excluded, although this seems a bit unfair given that any urchins in these areas also contribute to the reproductive output of the stock. There was also mention of excluding areas affected by poor recruitment or overfishing.

DFO requires information from industry to aid the mapping efforts for the urchin habitat along the coast. Dr. Campbell is hoping to get together small groups of fishermen with D&D and/or DFO rep's so additional information can be obtained. They already have the accumulated information on the high quality areas from the harvest logs and surveys over previous years so the exercise is simply trying to include more marginal areas for the biomass estimate. As noted above- there is still some question as to what the total biomass estimate is actually based on.

Quality in beds changes from year to year (actually probably on an even finer scale) so areas are generally surveyed informally before the decision is made to actually harvest. There was a suggestion that log recording procedures change to require recording of survey dives on harvest logs. It would also be beneficial to keep an easily updated electronic survey data set. Getting the OGM to consolidate this data on a daily or perhaps weekly basis is an option that was suggested.

Well fed urchins actually look different than those that are off the feed line. (Is it because they look more vigorous?)

On aging urchins using the growth lines on aristotles lantern - the lines get closer together as the urchins get older/bigger and become very hard to discriminate.

## **Quota Planning Session**

TBA (no OGM required)- September to October. Areas that might work include Smiths, Tree Nob and Stevens. North Dundas will not get a go as a TBA this year - despite it's being suitably located and not seeing any fishing last year on its 300 k-lbs quota.

OGM: starts on October 1

The only major area change was to divide Compagnie in half along a E-W axis.

Juanita is off to manage the geoduck in September. The new manager is an unknown factor at this point and is actually off on maternity leave until Christmas. Hopefully she will be as accommodating as Juanita has been.

## **Budget:**

There was some discussion as to whether the association fees should be split out by licence fee, Ass'n fee and validation fee so at least the Association fees can still be collected to keep PUHA at least somewhat solvent. There are likely lots of repercussions with this so the issue should be put to a vote at the AGM.

**Website:**

There seems to be agreement that the member section intimidates too many guys and should be eliminated. There were about 9,700 hits on the website between January and May, 2006. This included 6,700 from the US, 1,000 from Canada, 73 from Japan and 689 from undefined sources.

**Benchmark Summary**

Geoff Krause gave a presentation on the benchmark study which compared BC's urchin fishery with other producers around the world. This study will be available on the website shortly.

**Constitution**

PUHA was incorporated as a permit holder's association but of course the regulatory architecture of the fishery has changed dramatically since then. The UHA has come to the same conclusion as PUHA that the Association Constitution is out of date and has lots of hole in it. The PUHA lawyer put together a Section 2 for the Constitution but it appears that this too still needs some changes. It might be a good idea to strike a committee at the upcoming AGM to study these changes and report and make recommendations to next year's AGM. It should be noted that the notice for the AGM must include the Agenda and that any votes on Constitutional matters require a Special Meeting (which can be held right after the AGM).

There was some discussion as to exactly what comprises a quorum- the Society Act defaults to 3 members present at a meeting. This may not be appropriate. Interestingly, it is also worth noting that votes by proxy are also not allowed by the Society Act although Corporate Representatives can be designated to vote. It may just be semantics but it might not be a bad idea to ask the Association lawyer what the difference between the two is.

There was some discussion on 3 General Resolutions and 3 Special Resolutions. Votes by the membership are generally allowed only at the AGM or SM where the Resolutions are included on the Agenda but the General Resolutions (labelled #2 and #3) had been supported by PUHA in previous meetings and were again supported. As follows:

**General Resolution #2: re co-op transportation system**

Motion made by Gary Grant; 2° by George Dennis; All in Favour

That the Membership of PUHA hereby reiterates its support for an informal co-operative transportation system in which the packing boats and truckers are encouraged to co-operate in the collection of product from harvesters and the transportation of that product to competing processors, in order to reduce costs and speed the delivery of product for all concerned.

**General Resolution # 3: re performance norms for processors**

Motion made by Gary Grant; 2° by Mike Steadman; All in Favour

That the Membership of PUHA hereby reiterates its support for existing and new buyers provided that those buyers/processors make payments in a timely manner, provide ample supplies of their own totes as needed and generally perform in a manner conducive to industry stability and development.

Three other Special Resolutions (labelled #1, #2 and #3) were looked at but not discussed in particular because they involve amendments to the Association Constitution that can only be considered at a Special Meeting which can immediately follow the AGM in September. The PUHA executive will consider the next steps.

### **Comments from Seagate**

Alice attended the meeting to represent Seagate and provided some comments on her take on things. Seagate expects the same market conditions to prevail next year. The Company has still has buyer support but prices are (as always) an issue. Vietnam is starting to produce urchins and North Korea is also (still) active in the Japanese market. They found that 2-3 day old loads still comprised 8-10% water.

### **Other Discussions**

The RSU fishery in Oregon was transformed a few years back into a cooperative because of the infighting between different processors etc. The new organization, known as Blue Ocean, is an aggregated co-op buyer and seller and has a website. There may be some useful/helpful lessons to take from these guys.

