

**BI-ANNUAL GENERAL MEETING
BEBAN PARK, NANAIMO, B. C.
JUNE 25, 2004**

ATTENDEES

ROSS MORRIS	RICHARD ROUSSIN	TIM JOYS
KEITH WARE	BOB HEGEDUS	GARY GRANT
KEN RIDGWAY JR.	PETER CODLING	BOB REINSTEIN
GREG LOISELLE	MIKE FEATHERSTONE	GEORGE DENNIS
GEOFF KRAUSE	DONALD CHRISTIAN	DAVID MCRAE
DIMITRI TZOTZOS	MICHAEL STEINMAN	JIM HUME

Meeting commenced at 10:00 a.m.

PRESIDENT'S REPORT---mike featherstone

1. State of the Industry: Market and prices have been affected by global competition from Russia and Chile. Nevertheless some companies or fishermen seemed to be more affected by this trend than others. Generally down around 5% but not as much quota was utilized. Others have reported prices as low as \$.40 which is very concerning. Relatively in 2003 there were 3.5 quotas left this season there was 6.5. On a positive note the south remaining is 50% of last year which reflects on the quota planning meeting rationalization the previous year. There seems to be some positive for the upcoming season. First the lease price should come down as the players who have been burned by this market will be less aggressive and secondly there are some indications of some strength in the market in according to certain buyers.
2. Quota planning session: Highlights include the following recommendations. Further rationalizations in the south coast to better utilize quota in certain areas defer to Ken. North Coast includes trying to fish the west side of QCC in September, keeping a central area which has been difficult to complete open all season (includes Smiths, Rivers, Fitz Hugh and Seaforth). Recommendation to maintain key area for important market in December.
3. Seafood Alliance: Association of key industry stakeholders, now recognized as the lead group for West coast fisheries and seafood. Meet 10 – 12 times/year, annual seafood summit and specialty events. Following is recent activity update:
 - a. Legal: Intervener in Kapp appeal – Kapp ruling found defendants (Area E fishermen) not guilty due to an unjustified breach of Section 15 of Charter. This due to the Pilot sales program being discriminator, effect of the program was not proportional to derived benefit. Primary function of an intervener is to bring perspective to the Court. Informing the court of facts pertaining to the fishery, nature and scope of the public right to fish, keeping the discrimination issue within the scope of the original decision. Other interveners include Sport Fish Alliance, Pacific Salmon Harvesters, Aboriginal Vessel Owners and UFAWU.

- b. Annual Seafood Summit: The 2004 Summit focused on SARA (Species at Risk), providing an understanding of the process, how species are listed, implementation of a listing, Cabinet approval, Minister of Environment and Minister of Fisheries. Once listed an action plan for rebuilding has to be developed. Tim Joys is the representative on the Sea Otter Rebuilding Team. Another presentation discussed wild and farmed salmon; the message was that negative advertising is bad for both sides. Alliance is developing a policy statement regarding socio-economic issues, modeling and recovery objectives. Need a co-coordinated approach.
 - c. Oil and Gas: Alliance organized a fishing industry conference to understand the issues. Development stages, first is seismic activity, questions on any research into the effects on divers or impacts to the dive fisheries. Questions on how to engage, how other jurisdictions have adapted. One Ocean is an industry group funded by the O&G which reviews conflicts \$200,000 on the East Coast.
 - d. WCB Safety Project: 4 years ago fishing became a stand alone i.e. having to pay for benefits from assessments. 1st year of operation incurred \$8 million deficit. Program looks at prevention, duration of claims, attributing claims to employers, include new claim form and process. 3 years ago 40% of claims not accountable, now only 3.7%. Showing some improvement but rates still expected to increase to 9%. Now focus on safety to prevent accidents.
 - e. Pearse/McRae: Alliance provided input regarding level laying field, one set of rules for reporting, accurate catch monitoring, buyback for treaty settlements. Support of the report from the Alliance.
 - f. Traceability: Hot topic but ill defined. MAFF funding project to study best practices. Identify gaps. AAFC funds development of all traceability systems for other food commodities i.e. pork, chicken, beef. New mandatory requirements for EU, US, Japan and Quebec. Due to quota urchins should be fine. Latest report is that QMP will provide information for compliance.
 - g. Current letters: LOS - Concern that Living Oceans Society which is clearly biased has an intern working in DFO, access to data? Goal to improve understanding of fishing activities with local ecological knowledge. Information to support an ecosystem management approach. Aquaculture development – DFO needs to recognize responsibility to administer regulations with respect to the aquatic environment and marine safety. Cannot exempt aquaculture from the fisheries Act. Aquaculturists should cause any reduction to the TAC or access to the wild stock due to collection of brood stock.
4. CAFI Marketing Program: 2 trips to Japan, trip to EU, comprehensive report available from Geoff by e-mail. Working together with processors to improve market. Developed point of sale material – video, trade show demos, brochure, and translation into Japanese. Working on brand development – Vancouver gold/Pacific Gold. Quality assurance to back up the brand. Message that Vancouver taste is best, trust in the food safety from Vancouver (CFIA), Sustainable fishery

and steady supply for 9-10 months with December being key month. Discussion of next steps, how to follow up for start of next season.

5. Agri- Food Agriculture Roundtable: This is the first seafood roundtable, already tables for all other producers. Issues of Food safety, Brand Canada, Traceability. Engaging DFO to match harvest to market, looking at productivity.
6. Draft management Plan (attached)
7. Approval of Alum for use in sea urchin processing: Jack provided a lot of help, leading the application. (see attached letter).

Motion for approval of President's Report by Richard Roussin—seconded by Tim Joys---approved by the membership.

FINANCIAL REPORT---ross morris

As of this date we have \$15,580.36 in the bank and because of our new marketing programs, we had to cash in the \$65,000.00 term deposit of last year plus the \$15,000.00 term deposit from the previous year to cover our expenses. There is approximately \$10,000.00 in accounts receivables which we anticipating receiving shortly, plus \$5596.00 in G.S.T. rebate along with 2 licence fees totaling \$11,000.00 due. With anticipated expenses of approximately \$10,000.00, we should close the year with about \$60,000.00 surplus, which is considerably good considering we spent about \$70,800.00 on trips abroad and the marketing programs, which apply to the coming new year. We did receive the \$28,704.00 rebate from C.A.F.I. covering our 2 trips to Japan. The processors (6) contributed \$2500.00 each to assist with our on going survey's and plant monitoring programs.

Motion for approval of the financial report by Richard Roussin---seconded by George Dennis---approved by the membership.

BUDGET---mike featherstone

The budget for the coming year (July 1, 2004 to June 30, 2005) was presented to the membership. This year we will have our financials fully audited, thus enabling P.U.H.A. to get directors insurance. Motion for approval of the budget by Tim Joys---seconded by Jim Hume---approved by the membership.

Reference the following budget:

PACIFIC URCHIN HARVESTERS DRAFT BUDGET 2004/2005			
REVENUE			
	110 LICENCES @ \$5500/LICENCE	\$605,000.00	
	FUND RAISING and GRANTS	\$20,000.00	
	INTEREST	\$2,000.00	
	EXPERIMENTAL HARVEST	\$20,000.00	
	TOTAL	\$647,000.00	
EXPENSE			
	D&D PACIFIC FISHERIES	\$333,000.00	GST
	ON GROUNDS MONITOR	\$132,600.00	\$21,791.00
	GENERAL and OPERATING	\$25,000.00	\$9,281.80
	PRESIDENT HONORARIUM	\$24,000.00	
	BIOLOGIST	\$42,500.00	
	STUDENT BIOLOGIST	\$8,000.00	
	CAFI MARKETING PROGRAM	\$20,000.00	
	LEGAL FUND	\$5,000.00	
	SURVEYS/RESEARCH	\$32,000.00	
	SEAFOOD ALLIANCE MEMBERSHIP	\$2,000.00	
	UNFORESEEN EXPENSES	\$20,000.00	
	TOTAL	\$644,100.00	\$31,072.80
	SURPLUS	\$2,900.00	
Per Licence breakdown			
	no gst	gst	gst incl.
D&D	02830	\$198.10	\$3,028.10
OGM	01205	\$84.38	\$1,289.83
PUHA	01354	\$0.00	\$1,353.71
	05369	\$282.48	\$5,671.64

D. & D. PACIFIC REPORT---don Christian

- Relinquishments:** DFO removed the necessity to pay the crown for any overage that doesn't meet the transfer criteria. This was done without any notification to fishers or D&D and wasn't mentioned in the management plan. D&D requested a formal explanation from DFO to provide to industry. Small quantities of red sea urchin that exceed the licence's annual quota, to a maximum of 200 lbs, can be transferred to another red sea urchin licence provided certain conditions are fulfilled. If all of these conditions are not met, observers will not transfer the overage to another licence. **Harvest of red sea urchins over the IQ after the transfers to avoid small overages may be subject to prosecution and seizure of the overage.**
- IQ's in the south coast:** The south coast IQ is longer split by East & West Coast. There was no notice of adverse affects relating to fishery dynamic as a result of this change. Number of vessels fishing the West Coast and remaining quotas reflected that of historical levels if not improved on them.
- Quota Area boundary changes:**For the 2003/04 season there were 22 north coast and 10 south coast boundary changes implemented. These changes were received well and assisted in spreading the fishing effort more in some areas. The 2004/05 season is expected to have a minimal number of boundary modifications.
- Validation/Harvest Logbook changes:** The volunteer data collection program for abalone was introduced for the 2003/04 season. The number of vessels that participated was 44 representing 53% of the possible harvest entries.

5. **Company certification:** All companies that are currently involved or are seeking to be involved in any dockside monitoring program must be certified as a company by DFO. This requires all companies to comply with ISO9000 standards that will be regulated by the CGSB (Canadian General Standards Board). It was first implemented on the East Coast in 2002 to address major problems with conflict of interest. Example: brother validating sisters' landings. Problems that have not been prevalent, to our knowledge, in the pacific region. All companies were notified mid Feb and are to comply by July or they will not be recognized as a listed company certified by DFO. Therefore, no longer able to participate in any Dockside Monitoring Programs (DMP). DFO held a one-day workshop for those parties interested, about 9 companies were represented and to our knowledge only three have complied so far. ISO9000 standards are amongst the most demanding international standards set by the ISO (International Standards Organization). These standards are used worldwide in various industries for the purpose of quality control. At the moment it is anticipated that this will impact the companies involved by increasing the paperwork and administration by approx. 30%. It will most likely be necessary to hire an individual just to deal with the added workload and cost of the annual internal and external audits performed by the CGSB to retain a current listing and company certification status.

Review of 2003/04 Season

1. All licences (110) were designated and registered with D&D. Two to date are delinquent in payment of the registration fee (PUHA membership & D&D fees).
2. Fourteen licences had a remaining quota over 10,000 pounds compared to nine last season.
3. Forty licences to date are still missing harvest data or charts compared to fifteen last season. DFO has indicated this is an area of concern and will be monitoring this closely next season.
4. South Coast remaining quota is 92,071 lbs. (SE 6,066 lb. / SW 86,005 lb.) compared to last season 148,265 lbs. (SE 17,551 lb. / SW 130,714 lb.).
5. North Coast remaining quota is 652,782 lb. with the majority of that in the central coast.
6. Area of discussion was the lay over time prior to the QCI opening and ways to prevent small amounts of remaining quota.
7. D&D are researching the practical use of utilizing satellite technology and they're tracking capabilities to augment the OGM and allow more flexibility with openings.

SOUTH COAST REPORT---ken ridgway jr.

The were no major changes throughout the season. Moved area quota's that were too large into smaller areas. Basically, there were no changes overall, other than shifting of quota's.

NORTH COAST REPORT---mike featherstone

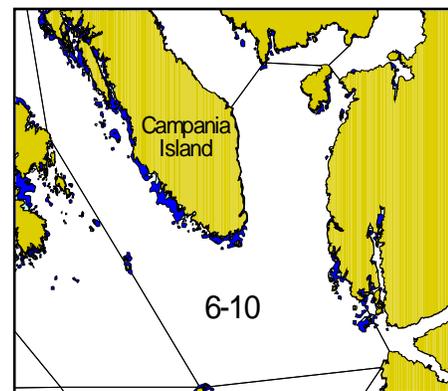
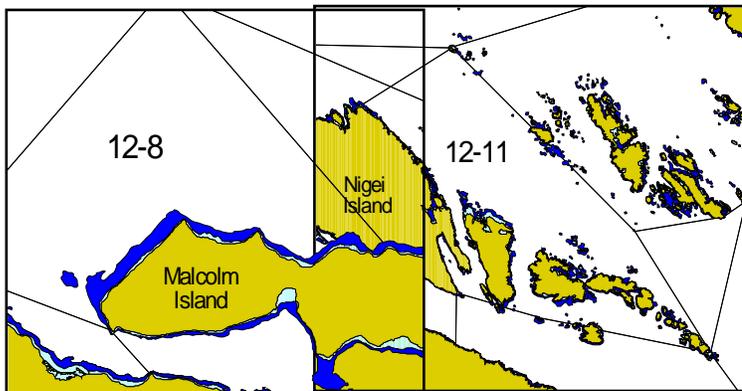
There were 2 area's that were open all season long in the Queen Charlottes, which is something we have been for sometime as it spreads the efforts out. A draft management harvest plan was distributed and we are awaiting approval by D.F.O., which generally gets accepted, provided it falls within their boundaries. There were some changes with quota increases and reductions. Whale Island and Surf Inlet were closed.

We don't expect pressure to fish the first of August, maybe a little bit. The west coast of Queen Charlotte will probably open September 1st. Will change Langara's opening to be at the bottom of the sequence.

Motion to accept the Draft Management Plan by Gary Grant---seconded by Bob Hegedus---approved by the membership.

RESEARCH UPDATE---dimitri tzotzos

- Planned Surveys:
 - Tofino Study Site: June 28 – July 4
 - Assessment Framework Surveys:
 - Queen Charlotte Strait (PFMAs 12-8, -11): July 21-31
 - Campania Island (PFMA 6-10): August 6-16
 - Price Island Study Site: August 20-24
 - Louise Island Study Site: August 25 – September 8 (survey & harvest)



- Assessment Framework:
 - Survey locations tentative; chosen due to pattern of declining harvest areas
 - Survey objectives and methods still being discussed
 - May include:
 - Broadbrush survey vs. targeted survey
 - Ground-truth harvest areas and urchin “beds”
 - What constitutes an urchin “bed”? (i.e. how many $\frac{\text{urchins}}{\text{meter}^2}$)
- Louise Island Survey & Harvest:

- Only 35% of survey was completed in February
- Scheduled so that boats can move into commercial harvest when completed
- 65 transects to be surveyed
- 4 sites to be harvested
- Will try to complete survey before harvest starts
- Best method to assign boats to harvest sites?

Harvest area's have been shrinking because of smaller quota's due to fishermen are going to the same spot each year instead of moving around within that area or they are doing the same area because of bad weather conditions. This gives the impression that each area is shrinking in production.

We will be using a summer student to review the method of how we are surveying and hopefully in the long run can be beneficial and hopefully do it in a more economical manner.

ABALONE REBUILDING---mike featherstone

There was a experimental harvest to clear urchins out of certain areas to see if abalone will come back. It did not go as well as we hoped as we only harvested 19k pounds. We are gong back in August of this year when there will be better weather. We will get a reduction from the unloaders of 1 to 1-1/2 cents per pound; 3 to 4 cents per pound from the packers with the fishermen getting 30 cents a pound and P.U.H.A. getting 70 cents per pound. Sung and Paddy were happy with the arrangement.

SEA OTTER REBUILDING---tim joys

The sea otter recovery plan has no management plan or into transplants. The sea otter is the only specie on the COSWIC and SARA list for recovery from any major oil spills as they feel that the sea otter would be totally wiped out. We as fishermen should pay close attention to our quota's going down as a direct result from the sea otters. Should this happen we should be after the government for some kind of enhancement or promote a buy-back program on the licences. The sea otter is not considered endangered but is considered threatened. Comments such as: maybe we should increase our validation fee for a "legal chest" and approach an environmental lawyer to challenge the sea otter programs.

There is an organization called Fishermen's Oil Response Emergency Team (FORET), which consists of volunteers who get paid and are covered by insurance in case of any oil spills. If we were participate, we would get trained on oil spills an dhow to trap and contain otters, which is something that some of our members should consider.

No further business was presented, so the meeting was adjourned at 2:55 p.m.