

Pacific Urchin Harvesters Association

Bi-Annual General Meeting

Beban Park, Nanaimo, BC.

June 26, 2007

Meeting commenced at 9:50 a.m.

Attendance:

Mike Featherstone	Darin Macy	Marion Campbell
Gary Grant	Gary Legos	Steve Langford
Kelly Mould	David McRae	John Parkin
George Dennis	Jim Dyck	Ken Ridgway Jr.
David Lansdowne	Ken Ridgway Sr.	Richard Strong
Geoff Krause	Ross Morris	Louise Harker

Presidents Report:

This year only about 52% of the TAC was taken and only 70 (of a total 109 - 110) licences validated, both of which are the poorest showing since quotas were implemented. One of the most positive developments this past year was the Sea Urchin Summit held at the beginning of March which focussed on the continuing problems with the Russian IUU urchin fishery and its impacts on the Japanese urchin market. The summit drew representation from BC industry, DFO Pacific Region Management, DFO International in Ottawa, and industry from California, Alaska and Japan. This summit brought needed attention to the problem, giving credible voice to the problem(s) that DFO could not help but hear, and the ensuing discussions were described by all involved as some of the most constructive and engaging seen in any workshop they had attended.

With reference to possible steps that might be taken to further control the Russian IUU trade, Hashimoto-san brought a number of Russian inspectors into Nemuro at his own expense to keep an eye on the crab and urchin landings from Russia as they are landed. This reportedly had effects on the landings and things slowed considerably in short order.

Mike was part of a delegation that presented arguments seeking additional government funding for fisheries science as a reasonable response to the Laroque decision (which restricted the power of DFO to assign fish to cover off such costs) in front of the Parliamentary Standing Committee of Fisheries. The Committee referred to Mike a couple of times because the impact of the Russian IUU fishing on the industry revenues this year was so extreme that PUHA was forced to cancel its Joint Project Agreement (JPA) with DFO. Darin reported that the position of the Pacific Region has changed somewhat since the Summit so their focus is now to use any funding increase to rebuild their resource base. Their priority will first be funding for the industry biologists that have been let go because of the Laroque restrictions. This works to PUHA's favour but it still seems to be a bit self-centred. It does not seem quite fair that the government should leave the RSU fishery to its own devices given the amounts of money and capacity that the industry has delivered to the government over the past 15 years or so.

There is a big disconnect between the Pacific Region and National DFO when it comes to Departments obligations to the industry. The Pacific Region has been very independent for many years and often appears to act as a power unto itself with little coordination with other regions. For example, the Atlantic and Arctic regions have a working Electronic Vessel Tracking system in place that, according the DFO office running the program, the Pacific fishing fleets, including sea urchins, can easily become a part of. The Pacific Authority however is demanding industry satisfy conditions in addition to the National Standards applied by DFO in other parts of the country, extra demands that are preventing the application of the National System to the Pacific Region. One might argue that it appears Pacific managers are more interested in building and imposing their own unique systems and standards than with supporting and using reliable innovative technologies that have been field- proven effective over the past decade in other parts of Canada. One might also think that the economic advantages of having an effective, standardized National System would be so significant that the National Executive would insist on its adoption by all regions.

The unique regional system along the Pacific coast will likely simply prevent the transition to a cost effective Electronic Vessel Management (EVM) on the West Coast because any possible economies of scale are being sacrificed. Unfortunately, this is pretty much par for the course. For example, discussions with other fishermen reveals that the unique video-based EVM system being implemented by the West Coast Groundfish fisheries does not work, is plagued with a number of ongoing problems and is therefore prohibitively expensive to the point where it is crippling the fishing operations on which it has been imposed.

Quota plans presented by DFO earlier this year at the Sectoral meetings in Nanaimo included TAC reduction of close to 50% because the industry could not afford to finance the surveys wanted by Dr. Campbell. This reduction was later reduced to about 10% because advice from divers at the quota planning meeting filled in some of the needed information. Continuation of the adjusted TAC at around this level is contingent re-establishing funding for the Association Biologist so the data can be properly input and analysed.

Even given the adjustment, the quota reductions on the North Coast are pretty serious. Langara is a particular standout having seen a reduction from about 440,000 lbs to 0 lbs, despite reassurances from divers that the local resources are in good shape. This may be a consequence of the transition back to the shoreline length abundance method but it is also possible that the quota recommendation for Langara on the table presented at the meeting is a mistake. Mike or Darin will make enquiries with Pauline, the current North Coast RSU manager, to get the straight goods on the story. Pauline is going to be replaced shortly by a young lady who does not have the experience of Juanita and who is currently working in the Arctic region.

When the industry agreed to shift to the bed area method of calculating biomass the objective was, at least in part, to spread the effort around a bit. DFO is now transitioning over to the shoreline length method because the beds are assumed to occur only in the area fished as recorded by the GPS on the vessels. As these positions get more precise, the bed areas are actually declining with the result that the apparent exploitation rate is increasing to perhaps 14-15%. All reefs or areas of reefs that are not fished have been eliminated from the biomass calculations.

There are also a number of areas where First Nations have insisted that the commercial activities should be excluded. The Kitkatla designated some areas in their territories because they were worried about the kelp but they have since found that by allowing the urchins to go crazy, the kelp beds are demolished and urchin barrens re-established. Any urchins in unfished areas are not counted in the biomass calculations because there is no data confirming their existence.

All of the processors are projecting a similar buying pattern next year at this point. They are figuring on about 70 active licences again for the coming year. This might be a bit conservative but even the processors agree that more processors and buyers are needed to get production back up. Kiku only worked a couple of tabs last year and PUP really did not get going this past year, a winding down which left a real hole in the industry capacity. Kiku has sold its property on Parker St. and is intending to move its operation somewhere else for next season while it sounds like PUP might be coming back as 'Nautilus'.

The same concerns with companies not covering their obligations on packing, validation and industry support in a timely fashion are still floating around. Companies that fall behind on their payments will be put on Cash on Delivery with fishermen being notified a couple of days in advance so fished product will not have to be abandoned on the grounds or at the dock.

Financial Review

The dramatic revenue decline of the past year resulted in drastic cuts to the activities the Association can support. These included cancellation of the JPA with DFO and consequently the release of the PUHA biologist (Dan Luce) who was working with Dr. Campbell, and cutbacks on the validation and marketing programs. Last years budget projections totalled \$650,000 based on the validation of 102 licences but only 68 were activated resulting in a shortfall of \$187,000.

We did still see some advances. the website (www.puha.org) was really improved as part of the marketing effort to the extent that it is reportedly used as the benchmark site by urchin associations throughout North America now. The Association's brochure was likewise redesigned and is being used as an example of the proper way to do such things up by the Brand Canada folks.

D&D Report

Darin produced a report summarizing the season and handed it out at the meeting. In summary, 52.5% of the TAC was landed, fishing was sporadic throughout the season because of either weather or processor limits and landings per vessel were lower coast wide. Activity was lower in September this past year than in previous years, largely because Tofino was removed from the fishing plan, but there seemed to be a bit of an increase towards the end of the season (April/May). There was even some test fishing in June (<1,000 lbs), possibly because of declining production out of Chile as the taste of product from there has been reported as getting worse. This may be an emerging opportunity if suitable product can be located to be fished over the summer months.

The number of active tabs declined this past year to 70, compared to 98 in 2005/06, and the number of active vessels to 33, from 45. It remains to be seen how many of the inactive boats get back in the game next year, some of the retirements are probably going to be permanent.

From D&D's perspective, some of the more painful problems with the offloading occurred on the South Coast mainly because of the number of single vessel landings. The South Coast catch comprised only about 23% of the total landings but they consumed 58% of the validation budget. It seems that the processors were calling up boats to fill spot orders on very short notice, meaning they had no choice but to fish alone. D&D is obligated by law to pay a minimum call out charge to any of the attending validators, even when boats do not show up where or when they said they were going to. At times it was the offloading crew slowing things down so the average time needed per boat increased up to 1.3 hours. The unloading rate issue was pretty much sorted out once boats started unloading themselves and communications and coordination improved during the season but problems with high unit costs because of single boat landings persisted to some degree. Substituting plant validation for South Coast product was put forward at the Sea Urchin Summit as a means to lower the costs but discussions with DFO on this have not been positive.

On the North Coast, things operated pretty much as per normal with weather and processor limits restricting landings to basically 2 to 4 days per week. The OGM was active over the winter until the funding ran out in February but was again present when the east coast of QCI were harvested in March. In general though, the monitoring budget came up short this past year because things went so far sideways with the market etc.

Given that no real changes are being forecast for next year, a new budget comprising a fixed component to cover the costs to get the system setup and another flexible component that will vary with the volumes landed has been prepared by D&D at the request of PUHA. The system used in previous years was based on average costs etc over the past 10 years so that intermittent spikes did not affect costs, but the split system does not use averages and so will be a bit more expensive on a unit basis. The core costs are broken out as a constant per-licence cost of about a \$1,000 and will be a sort of ante-up for all licence holders continued participation in the fishery. Additional direct costs will be assessed at an estimated \$0.037 per lb landed. More details on the payments, including when they will be due, have yet to be determined.

There is still a bit of a problem with missing harvest data and harvest charts. They are supposed to be handed in within 28 days of finishing the tab but it does not always work out this way. It is not a problem on the South Coast as the fishermen generally meet with the validator when the product is landed but on the North Coast landings involve packers so the fishermen and validators do not generally get things worked out in person. D&D usually follows up on missing bits after each season, getting things taken care of generally by the following November each season but there are still some from the 2005/06 season not in. This becomes a bigger problem the longer it goes simply because it gets so much more difficult to chase down the missing data. D&D is stuck with the process and is supposed to get paid to do it but has apparently been stiffed on occasion. The licence holder is ultimately responsible for paying the bill but the blame and responsibility has been passed more than once back to the fisherman leasing the licence. If that party refuses to pay the licence will not be released in subsequent years until the bill is paid. The problem generally involves leased licences so getting it done and submitted in time was suggested as a condition of lease agreements.

There was a little bit more discussion on the use of EVM in the fleet. The demands of the Pacific Region managers mean a lot of the data processing will remain manual, despite the abundant opportunities to automate the whole thing. This means EVM will remain an expensive option and quite likely out of reach, again extending Canada's reputation as a low productivity jurisdiction.

Additional details, tables and graphs in the D&D season report are available through the D&D website.

South Coast Report

As a recap, the season was very sporadic because of weather and market issues. Most of the left-over quota was in Barclay Sound because there was not a lot of interest in the WCVI once Tofino was out of the picture. There was also some quota left in Bates Pass, but that area was hit hard by otters this past year and the area will likely be removed from the fishery by next season. There is also some quota left around Sidney. This is still being fished sporadically but the prices are too low to generate a lot of interest at this point.

Unloading this past year outside of Port Hardy was pretty tough. The fishermen acknowledge that things did not work out cost effectively this past year and will put more effort to keep things on track in the future. D&D's breakeven point is about 8,500 pounds/landing meaning that at least two and probably 3-4 boats are needed.

There was good exceptional quality reported in all areas but then they spawned a bit earlier than normal as well.

There are some quota cuts in the south that are directly attributable to the transition to the shoreline length biomass calculation method. The basic problem is that a simple system is being applied to a complex problem and it makes for a tough fit, stemming in part from the way the urchin beds are assigned to a particular piece of coast. For example, submerged rocks are often simply just mysteries. Surveys will be prioritized for areas with the greatest need.

Marion spoke to the situation around Ahousaht. Basically, there are lots of otters, with rafts extending right up next the General Store, into Herbert Inlet, around Flores Island etc. As a result, there do not seem to be any sea urchins left.

North Coast Report

The season on the North coast started out slowly with the urchin and cucumber fisheries both fighting over the same packers. Smith Inlet did not get going until October and while product quality was pretty much normal, the late start skewed things a bit so it might have seemed a bit better than normal. Weather was a big factor throughout the year but it seems that the schedule seemed to work out as well as could be expected suggesting that no big changes are needed.

It might be advisable to try and go for bigger open blocks to increase the flexibility to fish to quality and weather conditions. It sounds like this should be doable, especially as DFO defines

the quotas by sub-areas which are generally larger than the RSU fishing areas. The trick is going to be keeping things simple. DFO generally wants a set schedule defining when areas will be fished but this is generally the sort of thing only government or large company employees can realize. The rest of the world, and the fishing industry in particular, is pretty much dependent on being able to make hay when the sun shines. Under this scenario it should be possible to have a couple of 10-boat shows going on in different parts of the block to increase flexibility for the fleet although having the different parts too far apart will impact the packing efficiencies.

It sounds like DFO is going to experiment with less OGM coverage this coming season but it must be emphasized that if proper responsible control is not maintained, full OGM coverage will again be promptly reinstated as a requirement. There have been problems with hails when there is not a responsible person keeping track of these things. Ongoing concerns of some First Nations mean that the OGM will have to be on hand when fishing around Port Simpson and in the QCI. The Port Simpson band complained about urchin boats dangling a line between them to cut and clear the kelp this past season but there was no urchin fishing activity in their area at all. Mike or Darin will make sure this point gets across to DFO and perhaps the Lax Kwa'laams.

There was some demand for partial tabs towards the end of the year but nobody was interested in validating a full tab on spec. There were also a number of tabs with unfished quota left on them that were just languishing at the end of the year. In these sorts of situations, it makes a lot of sense to use the PUHA website so arrangements can be made between various fishermen. D&D cannot put that kind of information up because of confidentiality issues but there is nothing preventing individual fishermen from sharing the information. This is just the sort of thing the website can be used for.

Draft Budget

Mike presented a budget proposal that balanced around \$480,000. It included a per licence decrease of about \$800 or 15%, reflecting the decline in the quotas for each licence, but it was also predicated on 100 licences being activated. This does not look likely so there was general agreement that it would be best to keep the per licence cost at the same \$5,500 level. This provides a bit of a cushion as long as about 87 licences are activated and revenues will come in at about \$440 K if 80 are activated. The main expenditures are directed to the validation program including \$28,235 for OGM coverage for 45 days. A number of the expenses, including the CAFI marketing, are contingent on sufficient activity. In this case, AgriFood Canada is on-board for 50% funding and some cuts have already been made and more are possible.

Electronic Vessel Monitoring

D&D has been talking to DFO Atlantic Region which has an office providing Electronic Vessel Monitoring (EVM) services to East coast and Arctic fisheries and which has also extended an invitation for participation by select Pacific fisheries as well. The system uses an off-the-shelf technology made by Met Ocean which has been extensively field tested and proven on the East Coast as a cost effective and operationally reliable option. It would cost about \$1,000 to buy and \$35 per month for each vessel. The Pacific Region managers are not up to speed on EVM

technologies, systems or benefits and requested D&D provide more information so they were provided with the web links to their own program back east.

It would appear that the Pacific Region has no faith in their peers on the East Coast. Guy Parker polled Conservation and Protection (C&P), and no doubt many others at DFO Pacific, for their input into the program. In response, they came up with a number of unique and excessively restrictive criteria that will likely kibosh any transition to the modern DFO technology. When informed about the response the Atlantic Office apparently shook their heads at the mystery of it all. The conditions include:

- ✧ a position update on every vessel every 30 minutes (vs. 2-3 times/day in other areas);
- ✧ 24/7 access to the real-time positional data through D&D;
- ✧ equipment on all vessels to be active all year (instead of simply when fishing); and
- ✧ < 1% downtime (realistically impossible given current satellite coverage).

They are apparently more interested in developing a uniquely Pacific Region system that will not be able to spread the costs of the development, deployment or operation amongst other fishermen and will not therefore be affordable. Darin mentioned the Atlantic office invitation to join their system to Pacific DFO and got a reaction described (generously) as chilly.

Market Development

The 2006/07 season can be best categorized as variable and unpredictable, both from the perspective of the market in Japan and the weather affecting operations along the BC coast. Continuing and reportedly increased activity in a Russian IUU urchin fishery in the Kurile Islands is having cascading effects throughout the Japanese sea urchin products market that had detrimental impacts on demand for BC product. The impact was again especially severe on the Green Sea Urchin (GSU) fishery as less than 10% of the Total Allowable Catch (TAC) was taken but the impact on the Red Sea Urchin (RSU) fishery was also substantial.

The impacts of the weather this winter on the North and Central coast RSU fishing operations were serious, adversely affecting the continuity of supply and limiting the fleet's ability to take advantage of the intermittent market opportunities which arose when the Russian IUU deliveries were cut off. The Japanese market is very sensitive to sea urchin supplies from the Russian IUU fishery, mainly because overwhelming volumes flood the market with low cost product.

The Sea Urchins From Canada (SUFC) group had meetings throughout the year to coordinate and keep all apprised of developments. All the activities listed in the project schedule for the year were completed save for the annual trip to Japan just after the start of the season. Delegates did commit to the trip but events kept intervening and the delays eventually made the trip unfeasible. A trip to Japan this year has already been endorsed for November and will include a China leg to identify market opportunities in that country. Delegations did attend the European Seafood Exposition in Brussels and the Tokyo Marine Technology and Seafood Show in Tokyo in 2006 although a planned trip to the 2007 ESE did not come off.

A Sea Urchin Summit built around the recommendations of last year's Benchmark Report on BC's Sea urchin Fisheries was held in the first week of March 2007 at the Marriot Pinnacle Hotel

in Vancouver. Attendance included some 48 delegates including representatives from PUHA, WCGUA, California and Alaska harvester associations, DFO Science, DFO Management (Vancouver), DFO International Trade (Ottawa) and the BC Seafood Alliance . Masao Hashimoto, a Japanese processor from Sapporo Hokkaido trying to affect change in the Russian IUU fishery, also attended. The summit examined issues affecting sea urchin fisheries with a bit of a focus on the Russian IUU situation and was considered very successful by all who attended.

The Association also developed a new brochure this year that incorporated more of the features recommended by the Brand Canada initiative. The Canada Brand is conceived as a high level identity but is not a standards-based system. The Canada brand wants to become known for the systems employed (eg. CFIA) as a point of differentiation even as each of the sector develop and apply their own sector specific quality criteria and quality assurance program(s). The Brand Canada folks are working with the various roundtables to develop more specifics for each sector.

There are about 30 different associations, comprising only food and agriculture groups, involved in the Brand Canada program. The goal of the Brand Canada initiative is to link perceptions of Canadian goods and services to the generally favourable view held by people the world over of Canada so when they see “Canada’ on a label or whatever, good feelings come to mind automatically. British Columbia is likewise looking to develop an international Brand identity which it will leverage with the broader Canada brand. The Brand will also develop more of profile domestically as well. This is, or will be, important for developing associations of Canadian products with pleasant memories of visits to Canada which should promote additional purchases once they return home.

Logistics Program

A temperature monitoring and profiling effort was initiated and will ultimately comprise a Quality Assurance (QA) program looking at coordinated handling temperature profiles and quality variables as well as trends in the packer, dock and plant weights. The QA program will provides opportunities to further ID practices and/or events that affect the product quality as delivered to the plants. 3 main elements were included this year:

1. continuation of the water loss data collection;
2. systematic temperature profiling of loads from the time of capture to the plant. A temperature logger was placed on one of the packers to provide details on the background ambient temperatures as a bit of a control measure. The dive boats placed T-loggers into their dive bags and filled out the provided forms which were then passed along sequentially to the packer, the validator and the truck driver along with the other paperwork accompanying the load. These forms were collected with the T-loggers at the plant and set aside for subsequent and periodic upload, reprogramming and redeployment to the grounds; and
3. intermittent quality evaluations comprising pictures of uni from select loads taken by the divers. Coordinated pictures and recovery data from the plants were planned as part of the temperature logging/profiling program to develop objective insights into handling variables affecting product quality but it did not work out this year.

A tablet with a colour reference strip remains under development so the colour assignment for the product in the pictures is not affected by quality of the light (eg. full sun, shade, fluorescent lighting). The reference strip is needed to standardize the light spectrum in each picture so we can avoid setting up a more expensive and involved protocol using standardized full spectrum lights. The inclusion of the strip in each of the uni pictures will allow consistent assignment of the uni in the picture to a particular 'grade' represented in the reference strip. If, for example, a piece of uni registers most closely to grade #2 under natural sunlight it will still register as grade #2 under fluorescent lighting even though it looks different because the colour of the uni and of the reference strip will each change in the same way. The reference strip and uni must however be included in each of the pictures taken under the respective lighting. This procedure was discussed at length with a lighting consultant (Martin Peterson from Durotest Ltd.) who confirmed that it will work as described. As mentioned though, the proper colours have yet to be put into the strip as the ones used to date have not been representative of the uni obtained.

The temperature loggers were more or less set to go by the beginning of November 2006.. An introduction to the devices and an outline of the rationale behind their use and the procedures to recover the devices and their data and recycle them through the fishery was provided to select vessels. Further details are still being worked out so the program can be as effective and easy as possible. The intention of this program is to develop more detailed knowledge of the impact(s) of handling variables on the delivered quality so a number of other coordinated quality measurements are required. Analysis and reporting will involve conversion of the temperature profiles to degree-hours accumulations which can then be used with changes in quality indices (averages for colour and texture), including the indexed recovery data, to get a better idea of the factors affecting the aging of the uni and its eventual shelf-life.

A total of 18 loggers were sent out in mid November of which a total of 10 were recovered by mid-December. 10 and 12 units were sent out in January and March respectively and appropriate summaries of the data to facilitate comparisons of various deployments are presented in a table. Even an examination of this limited amount of data becomes quite daunting so the information is further aggregated and averaged by month (Table 1) . These results are quite encouraging and the highest temperatures and accumulated heat values recorded are quite respectable. The accumulated heat measure does appear to be a more sensitive measure of the possible impacts faced during transport but unfortunately no coordinated quality data is available to draw any real conclusions. Using multiple loggers to get more measures within single loads gives some idea of the variability of temperatures so the data logging effort can be optimized to provide a realistic picture with the least effort.

Figure 1: Summarized data for the 2006/07 temperature profiling effort

		Accum. heat (deg.C -hours)			Hours involved			Avg Temperature		Max. Temperature		Min. Temperature	
		on-water	landed	Total	on-water	landed	Total	on-water	landed	on-water	landed	on-water	landed
Mission 1 n=10	Averages	19.14	42.78	61.91	8.70	37.35	46.05	2.25	1.18	3.65	3.00	1.10	-0.40
	Variation	13.24	36.49	45.19	2.91	7.55	8.92	1.38	0.95	1.06	0.75	1.78	1.20
	CV	1.45	1.17	1.37	2.99	4.95	5.16	1.63	1.25	3.46	4.02	0.62	-0.33
Mission 2 n=10	Averages	125.20	103.63	228.83	23.30	37.13	60.42	5.28	2.73	6.40	4.60	4.30	1.75
	Variation	73.06	60.45	88.78	9.93	14.47	15.17	1.46	0.87	1.41	1.02	2.00	0.72
	CV	1.71	1.71	2.58	2.35	2.57	3.98	3.61	3.12	4.54	4.50	2.15	2.44
Mission 3 n=12	Averages	101.38	109.75	211.13	21.04	31.02	52.06	4.44	3.41	5.29	5.29	3.88	2.08
	Variation	59.24	55.86	76.62	7.71	9.84	9.82	2.02	1.44	2.30	1.74	2.00	1.77
	CV	1.71	1.96	2.76	2.73	3.15	5.30	2.19	2.37	2.30	3.04	1.94	1.18

This occurred on a couple of loads in March when two vessels each placed loggers in their bags. The times recorded during the pre-landed stage differ by about 7 hours (21 vs 27.5) for each vessel's catch on March 11, and the average on-water temperatures came out about the same (6 vs. 6.3 °C) however the landed average temperature (on the dock and in the truck) were about 2°C lower for one of them. This makes sense as the cooling depends on the position in the trailer. In all though, the accumulated heat for the one vessel was about 100 °C-hours higher than for the other vessel. There was however no quality information that could be used to see if there was a measurable impact.

Getting the quality index information from the plants to tie in with the temperature profiles so impacts on quality can actually be deduced did not come together as hoped but at this point it is fair to say that getting temperature data collection, aggregation and processing right so it becomes more than a simple collection of unintelligible numbers, especially as the data accumulates when the real value of the data will become apparent. There is still no agreement on having Q/A staff at the plants take digital pictures of uni samples from monitored loads using the reference strips. This is not yet a priority item as the design on the reference strip still needs some improvement. Another version based on 5 colour gradations will be put together and hopefully by next year agreement and commitment to take the required pictures will be forthcoming so the various data can be integrated.

One of the problems that seems to keep popping up is the disappearance of the loggers in transit or the lack thus far of a dependable and cost effective way to get them back up to the grounds to cycle through the fleet. Darin mentioned that it may be appropriate to route them through the validators as they can easily pass them along to the packers for distribution through the fleet.

Probably the most interesting 'mission' this past year would have been having the profiles for product off the Charlottes. Catching data for a long run later in the year when the air temperatures are warmer and the urchins closer to spawning would have been at the very least interesting and may have allowed confirmation of rising temperature during the packer run as an issue worth worrying about. As things turned out, no data were gathered or are yet available. The loggers were sent up on one of the trucks with instructions to pass them off at the Keep It Cool unloading dock but unfortunately they simply ended up in the back office of one of the trucking firms. They were tracked down and recovered about a month later but the opportunity was lost.

South Coast Open Licence Selection Options

Prior to the voluntary Individual Quota (IQ) system adoption by PUHA there were no area restrictions on where to fish but when DFO permitted the IQ system tryout they also insisted on differentiating North and South Coast areas and on maintaining equal quotas for all licences. At the summit last year the suggestion to make the quotas in the South smaller was put forward. This has been accepted by DFO as an option so now PUHA must develop a new process to assign licences to areas.

In previous years, the South coast has been seen as the preferred area because while the fishing may not be as intense the operating costs and logistical difficulties have been generally lower. Southern licences obtained a higher lease fee and a higher proportion of them were fished. Last

year about 77% and 52% of the quotas for the South and North respectively were taken. 16 of maximum possible 17 licences in the South and 54 of a possible maximum of 80 licences in the North were activated.

Rather than setting it up as a lottery again or mandating particular licences fishing in either area it seems most fair to allow each licence holder to make their own choice using the same system developed and used by the herring fishery. The proposed system will allow each licence holder to select an area, either North or South. After the initial deadline, the respective totals will be tallied and all licence holders will have one chance to change area based on the total subscription for each. They will then be bound to that decision for the rest of the season. Upon licence validation each licence will pay a validation fee based on the core budget requirements for PUHA and D&D as well as a poundage validation rate for each area's respective area quota share.

There are a number of pros and cons to fishing in either area (N or S) that will have to be weighed by each licence holder. One thing that will not change is that the North Coast fishing opportunities will retain priority over the South Coast simply because of its sensitivity to weather over the winter. Getting the 'blocks' idea and the OGM proposal cleared with DFO will also affect the economics in the North and best efforts will be made to finalize those issues prior to the final selection deadline. D&D will develop a profile for each area including projected start dates and TBA area designations/confirmations, for distribution to the membership prior to the AGM in Vancouver so everyone can become more familiar with factors they will have to balance to make a rational and informed decision remembering of course that each licence holder must ultimately bear responsibility for informing themselves and for their decision(s).

Motion: 1°- Gary Grant- PUHA will adopt North or South area selection by licence holders with a single review and decision confirmation as per the herring fishery system. 2° Gary Legos. All in Favour.

WCB

Stability tests are going to be required of all commercial vessels in very short order. As part of this initiative, all commercial vessels are required to put together a manual for emergency procedures and equipment on the vessel. This includes locations and instructions and protocols for using pumps, valves, first aid kits, fire extinguishers, life jackets etc. Fish Safe has come up with a template which can be used to make these manuals which can be found and downloaded at www.Fishsafe.ca.

All crew are now required to have MED-1a (Marine Emergency Duties) certification

Carbon Monoxide detectors are now also required on all commercial boats.

Meeting adjourned at 1530 hours.