

BRITISH COLUMBIA SEAFOOD INDUSTRY



YEAR IN REVIEW
2009



Canada's
Pacific Gateway

British Columbia Seafood Production 2007 – 2009

	HARVEST ('000 tonnes)			LANDED VALUE (\$ millions)			WHOLESALE VALUE (\$ millions)		
	2007 ^P	2008 ^P	2009 ^E	2007 ^P	2008 ^P	2009 ^E	2007 ^P	2008 ^P	2009 ^E
	SALMON								
Chinook	1.4	0.9	0.9	10.5	8.8	7.1	23.8	18.4	16.0
Chum	4.9	1.7	2.7	6.6	3.0	4.3	30.2	18.7	21.3
Coho	0.8	0.4	0.8	2.6	1.9	3.0	19.9	21.3	23.9
Pink	11.2	0.4	13.4	5.2	0.2	6.7	43.3	13.3	41.8
Sockeye	1.9	2.0	0.7	6.7	7.7	2.6	64.1	65.5	49.9
Wild Salmon¹	20.2	5.4	18.5	31.6	21.6	23.7	182.1	137.9	154.1
Atlantic	73.3	77.2	72.7	352.1	381.8	370.5	420.2	455.5	461.0
Pacific ²	5.6	4.2	3.6	32.0	27.5	23.7	49.1	39.7	32.5
Cultured Salmon	78.9	81.4	76.3	384.1	409.3	394.2	469.3	495.2	493.5
Salmon	99.1	86.8	94.8	415.7	430.9	417.9	651.4	633.1	647.6
HERRING									
Spawn on Kelp	0.21	0.14	0.13	6.5	3.8	1.8	7.1	4.2	2.2
Roe Herring	10.5	10.5	11.6	12.8	11.7	15.5	46.0	41.1	59.9
Food and Bait	1.1	0.8	0.6	0.9	0.7	0.5	4.0	3.0	3.2
Herring	11.8	11.4	12.3	20.2	16.2	17.8	57.1	48.3	65.3
GROUNDFISH									
Arrowtooth Flounder	4.5	3.5	3.9	1.5	1.5	1.5	3.0	2.5	3.0
Dogfish	4.1	2.2	4.3	2.0	1.0	2.0	6.6	4.6	7.7
Hake	73.2	73.8	56.2	22.5	25.8	14.2	60.3	83.1	51.4
Halibut	6.0	4.8	4.1	49.5	38.5	31.5	163.2	124.4	132.9
Lingcod	2.5	2.3	2.0	5.5	5.0	4.5	11.1	10.7	8.8
Pacific Cod	0.5	0.4	1.0	1.0	1.0	1.5	2.3	2.5	3.2
Pollock	3.2	1.3	3.4	2.0	1.0	2.0	4.3	2.4	5.6
Rockfish	19.1	17.7	18.1	22.5	21.0	22.5	36.3	35.1	37.2
Sablefish	3.6	3.1	2.6	23.5	23.0	24.0	29.0	31.5	30.0
Soles	4.4	4.2	4.2	4.0	4.0	3.5	11.0	9.3	8.6
Other ³	1.2	1.0	0.9	1.5	1.5	1.5	10.9	14.6	12.7
Groundfish	122.3	114.3	100.7	135.5	123.3	108.7	338.0	320.7	301.1
SHELLFISH									
Clams	1.7	1.3	1.2	9.3	7.2	6.8	10.2	9.8	10.0
Oysters	7.5	5.6	5.4	8.6	6.5	6.5	17.2	13.2	14.0
Scallops & Other ⁴	0.7	0.6	0.7	3.4	2.5	3.1	5.4	5.2	5.9
Cultured Shellfish	9.9	7.5	7.3	21.3	16.2	16.4	32.8	28.2	29.9
Clams	0.9	0.8	0.8	2.6	2.3	2.2	2.8	3.1	3.3
Crabs	6.9	6.9	5.4	38.9	37.4	32.2	53.4	59.9	56.1
Geoducks	1.6	1.6	1.6	31.0	25.8	31.8	38.7	33.6	42.7
Scallops	0.03	0.03	0.03	0.2	0.2	0.2	0.5	0.3	0.3
Sea Cucumbers	1.5	1.5	1.5	2.5	2.9	3.9	3.8	4.7	6.3
Sea Urchins: Red	2.1	1.9	2.1	2.9	2.7	3.0	7.2	7.9	8.5
Sea Urchins: Green	0.06	0.07	0.11	0.2	0.2	0.3	1.0	0.8	1.2
Shrimp	0.8	0.7	0.7	2.8	1.9	1.3	9.1	6.3	4.4
Prawns	2.8	2.4	3.4	28.7	26.3	33.0	37.9	36.8	50.2
Other ⁵	0.2	0.2	0.1	0.4	0.3	0.4	1.2	2.5	2.6
Wild Shellfish	16.9	16.1	15.7	110.2	100.0	108.3	155.6	155.9	175.6
Shellfish	26.8	23.6	23.0	131.5	116.2	124.7	188.4	184.1	205.5
OTHER									
Tuna	6.9	6.0	5.0	17.6	17.9	15.8	25.2	30.7	27.6
Sardines	1.5	10.4	15.3	0.2	2.3	3.0	1.4	18.6	28.7
Other-Wild ⁶	0.3	0.4	0.3	1.5	2.5	1.5	6.3	8.2	5.5
Other-Cultured ⁷	1.1	2.5	1.4	5.0	9.0	7.9	5.6	9.8	8.1
Other	9.8	19.3	22.0	24.3	31.7	28.2	38.5	67.3	69.9
Grand Total B.C.	269.8	255.4	252.8	727.2	718.3	697.3	1,273.4	1,253.5	1,289.4

E ESTIMATES - Volume and value estimates are derived from information available to August 2010 that has been adjusted to account for missing data.

P PRELIMINARY - Volume and values are revised from the previously published estimates but are not yet final.

¹ The total wholesale value of wild salmon includes the value of offal, meal and oil which cannot be identified by species.

² Cultured Pacific salmon includes chinook, coho and sockeye.

³ "Other" includes skate, flounder and the value of groundfish meal and oil which cannot be identified by species.

⁴ Includes abalone and mussels.

⁵ Includes octopus, squid and other unspecified shellfish.

⁶ "Other-Wild" includes marine plants, mackerel, and other unspecified finfish.

⁷ "Other-Cultured" includes marine plants, freshwater trout and all non-salmonid species cultured in fresh and marine waters.

2009 INDUSTRY HIGHLIGHTS

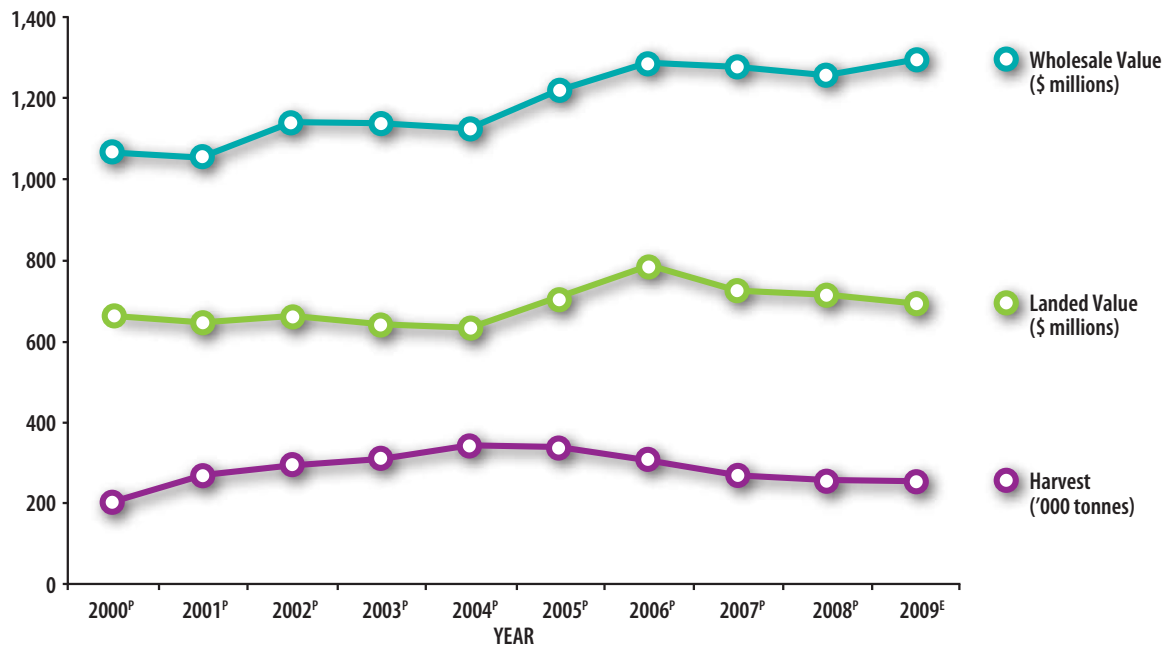
British Columbia seafood was featured in more than two billion meals in 2009 – that’s more than 5.5 million meals every day – here at home and around the world.

More than 100 species of fish, shellfish and marine plants were produced from British Columbia’s oceans and fresh waters in 2009. Provincial production totalled 252,800 tonnes with a landed value of \$697.3 million. Commercial capture fisheries brought in 167,800 tonnes (66 per cent of the harvest) worth \$278.8 million (40 per cent of the value) while aquaculture operations produced 85,000 tonnes (34 per cent of the volume) worth \$418.5 million (60 per cent of the value).

In the fall of 2009 our first two fisheries - Canada Pacific halibut and Pacific hake mid-water trawl - were certified as sustainable by the Marine Stewardship Council. This was a landmark achievement for our industry as it responded to the increased demand for food supply traceability and sustainability in both its global and domestic markets.

British Columbia offered a record 490 distinct fish and seafood products in 2009 with a combined wholesale value of \$1.3 billion. Exports totalled 162,000 tonnes with shipments to 61 countries valued at \$882.7 million.

BRITISH COLUMBIA SEAFOOD



HARVEST

The round (whole) weight of the fish harvested from British Columbia capture fisheries and aquaculture operations. One tonne equals 2,204.6 pounds.

LANDED VALUE

The price paid to the commercial fishers and/or aquaculturists for the whole fish. In aquaculture this can also be referred to as farmgate value.

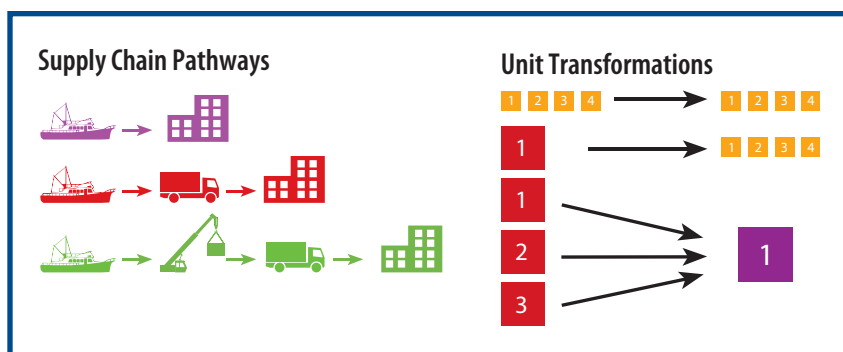
WHOLESALE VALUE

The value of the fish post processing. All of the British Columbia harvest is included in the wholesale value as well as any fish imported from outside British Columbia that has undergone significant processing within the province.

Spotlight on: Traceability in B.C. Seafood

WHAT IS TRACEABILITY?

Traceability is the ability to follow the movement of fish and seafood products through the seafood supply chain from harvesting to processing and distribution through to final sale.



WHY IS IT IMPORTANT FOR OUR INDUSTRY?

In both international and domestic markets interests in the source of food products and assurance of high-quality safe ingredients have led to an increased focus on whole chain traceability. A traceability system can authenticate that seafood is sourced from sustainable fisheries (e.g. Marine Stewardship Council certified fisheries) and has been processed and handled at facilities which comply with health and food safety standards. Traceability also provides a mechanism to advance the branding of seafood sourced from a particular fishery or jurisdiction.

ASSESSING B.C.'S TRACEABILITY READINESS

British Columbia took a national lead on the traceability file in 2005 with completion of the report: "An Analysis of the Requirements, Current Conditions and Opportunities for Traceability in the British Columbia Seafood Sector: Assessing the State of Readiness". The report was updated in 2010 and has become a template for traceability work in other Canadian provinces and territories. It is available at: <http://www.env.gov.bc.ca/omfd/reports/traceability/index.html>.

THE TRACEABILITY TASK GROUP (TTG)

In November 2008, the federal/provincial/territorial Canadian Council of Fisheries and Aquaculture Ministers (CCFAM) identified traceability as a priority issue to ensure Canadian seafood products can effectively compete in domestic and international markets and the Traceability Task Group (TTG) was formed. The TTG comprises government agencies responsible for fisheries management and food safety with support and input from industry and subject matter experts.

EUROPEAN UNION'S ILLEGAL, UNREGULATED AND UNREPORTED FISHERIES REGULATION (EU IUU)

The TTG's first order of business was to coordinate federal and provincial governments' response to the EU IUU. Entered into force on January 1, 2010 the regulation states that "...only marine fisheries products validated as legal by the relevant flag state or exporting state can be imported to or exported from the EU." To satisfy this regulation and ensure B.C./Canadian seafood shipments to the EU could continue unhampered the TTG oversaw development of a process for issuing the necessary EU catch certificates attesting that the fish and seafood products originate from non-IUU fisheries.

TRACEABILITY FOR THE FUTURE

The TTG continues to focus on the increasing market expectation for seafood product traceability. B.C. and the TTG are working closely with the B.C. fishing and processing sectors to better understand the requirements of whole chain traceability, and identify the costs and benefits for the industry. One such project underway is a detailed gap analysis of the halibut fishery. Similar analyses are ongoing on other fisheries in Canada all of which will contribute to the development of a national framework. The TTG work will conclude in 2011 at which point industry will move forward, as appropriate, to implement traceability programs that satisfy market demands.

INDUSTRY PERFORMANCE

British Columbia's seafood harvest was slightly smaller in 2009, down three per cent to 252,800 tonnes from the 255,400 reported in 2008.

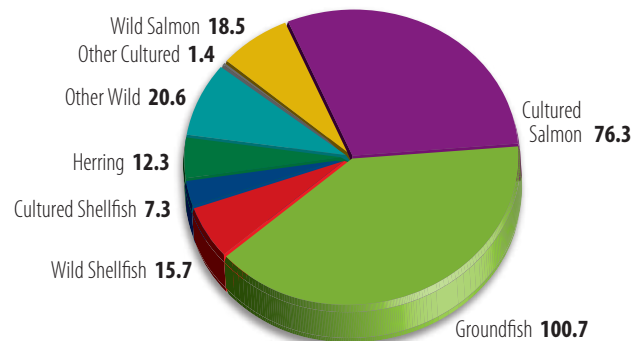
Salmon, herring and the "other species" group increased harvest levels by nine, eight and 14 per cent respectively while harvest declines were recorded for groundfish (down 12 per cent) and shellfish (down three per cent).

The majority of individual species showed some fluctuations in harvest levels compared to the previous year. Harvest declines for individual species ranged from two to 65 per cent while others recorded increases ranging from two to 260 per cent. Pacific sardine and green urchin fisheries experienced continued growth over the last three years and several species rebounded in 2009. Most notable increases were recorded in the pollock and Pacific cod fisheries where harvests more than doubled from 2008 numbers.

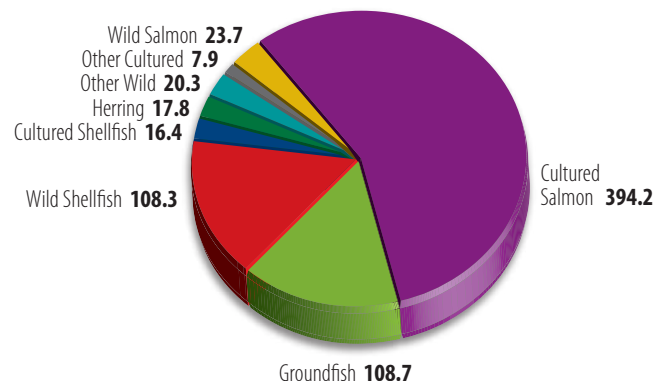
At \$697.3 million, the total landed value of British Columbia's seafood followed the same trend as the harvest with a three per cent drop from the values recorded in 2008. Groundfish, "other species" and salmon recorded reductions in total landed values of 12, 11 and three per cent respectively. Individual species with notable declines (18 to 53 per cent) included sockeye, herring spawn-on-kelp, hake, shrimp and halibut. Overall herring and shellfish values rose 10 and seven per cent each. Fisheries with considerable landed value increases - ranging from 23 to 100 per cent - included dogfish, pollock, Pacific cod, sea cucumber, roe herring, prawn and geoduck.

The wholesale value of British Columbia fish and seafood products was up three per cent from \$1.25 billion in 2008 to 1.29 billion in 2009. Groundfish was the only major species group with a reported decline (six per cent) in total wholesale value while herring experienced a dramatic 35 per cent increase followed by shellfish (up 12 per cent) "other species" (up four per cent) and salmon (up two per cent). Species with significant declines in wholesale value in 2009 included herring spawn-on-kelp (-48 per cent), hake (-38 per cent), shrimp (-30 per cent) and sockeye (-24 per cent). Pink salmon wholesale value more than tripled in 2009 while dogfish, sardines, green urchins and roe herring also showed noteworthy increases of 67, 54, 50 and 46 per cent, respectively over 2008 values.

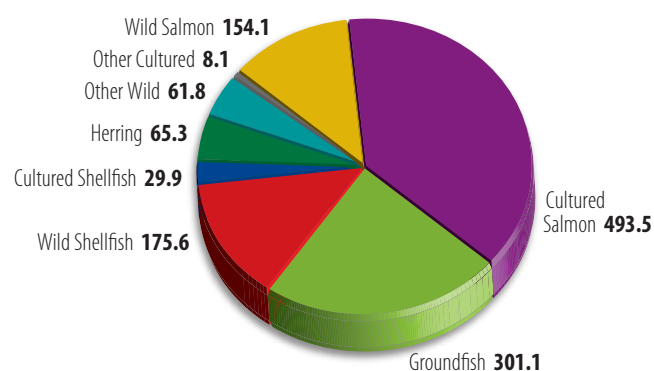
B.C. SEAFOOD HARVEST ('000 TONNES)



B.C. SEAFOOD LANDED VALUE (\$ MILLIONS)



B.C. SEAFOOD WHOLESALE VALUE (\$ MILLIONS)



BRITISH COLUMBIA COMMERCIAL CAPTURE (WILD) & CULTURED SEAFOOD PRODUCTION 2007 – 2009

	HARVEST ('000 tonnes)			LANDED VALUE (\$ millions)			WHOLESALE VALUE (\$ millions) ¹		
	2007 ^P	2008 ^P	2009 ^E	2007 ^P	2008 ^P	2009 ^E	2007 ^P	2008 ^P	2009 ^E
Commercial Capture	179.9	164.0	167.8	316.8	283.8	278.8	765.7	720.3	757.9
Cultured	89.9	91.4	85.0	410.4	434.5	418.5	507.7	533.2	531.5
Grand Total B.C.	269.8	255.4	252.8	727.2	718.3	697.3	1,273.4	1,253.5	1,289.4

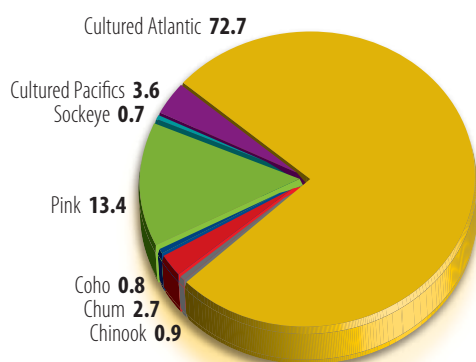
1. The wholesale value includes imported fish value-added in British Columbia and marketed as a product of Canada.

THE SALMON STORY

Six species of salmon are produced commercially in British Columbia – five Pacific salmon species and the Atlantic salmon. Production originated from both our commercial capture fisheries (chinook, coho, chum, pink, and sockeye), and our commercial aquaculture operations (Atlantic salmon and chinook, coho and sockeye).

The provincial salmon harvest represented 37 per cent of the total volume of all fish produced in the province last year as landings increased nine per cent from 86,800 to 94,800 tonnes. The landed value declined three per cent from \$430.9 million in 2008, but at \$417.9 million continued to be a significant sector representing 60 per cent of the total landed value of B.C. seafood production.

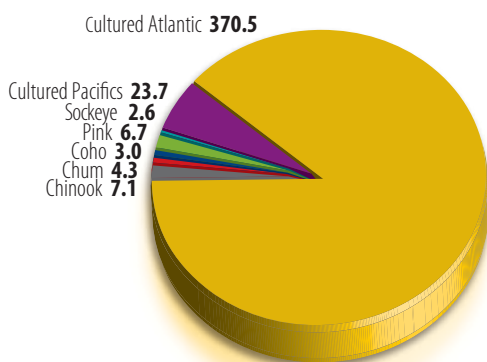
B.C. SALMON HARVESTED BY SPECIES ('000 TONNES)



Cultured Atlantics were the dominant salmon species with a 72,700-tonne harvest worth \$370.5 million in landed value. These levels represented 77 per cent of provincial salmon production and 89 per cent of the total salmon value.

Most of the increase in British Columbia salmon landings can be attributed to the odd-year cycle of pink salmon as they returned in expected large numbers in 2009. At 13,400 tonnes, pink salmon made up 72 per cent of the commercial salmon fishery and 14 per cent of the total provincial salmon harvest. Pinks fetched about \$0.50/kg on delivery to the plants and generated \$6.7 million in landed value for a 28 per cent share of wild salmon but only 2 per cent of the total salmon value.

B.C. SALMON LANDED BY SPECIES (\$ MILLIONS)

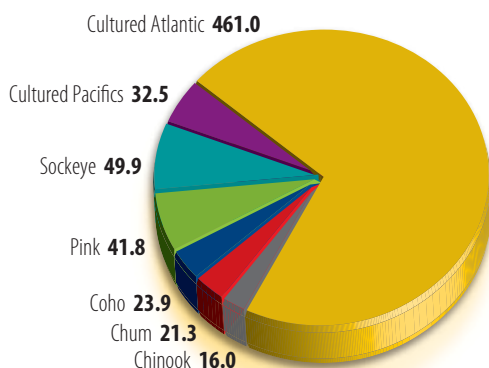


The remaining four species were produced in much smaller numbers in 2009 with a combined harvest of 8,700 tonnes - nine per cent of the B.C. salmon total harvest. Their landed value comprised 10 per cent of the salmon total at \$40.7 million.

British Columbia salmon is processed into a vast array of products from fresh dressed whole fish to frozen fillets, cold smoked, canned and caviar products. In 2009, to supplement local supplies, fish processors imported 2,400 tonnes of salmon for input into our high-quality value added salmon products – particularly canned.

Salmon products generated \$647.6 million in wholesale value in 2009 (up two per cent from 2008) and represented a full 50 per cent of the total wholesale value of British Columbia seafood.

B.C. SALMON WHOLESALE VALUE BY SPECIES (\$ MILLIONS)



Atlantic salmon products made up of 71 per cent of the total value of B.C. salmon products and contributed 36 per cent of the total of all B.C. seafood sales.

Sockeye was the second highest salmon species in terms of revenue with a total wholesale value of \$49.9 million followed closely by pink salmon at \$41.8 million and cultured Pacific salmon at \$32.5 million.

With a diverse supply of salmon, British Columbia's seafood producers are able to customize their product lines for specific countries and markets. Atlantic salmon goes primarily to the U.S. as fresh dressed fish while pink salmon is a popular canned commodity for the United Kingdom. Chum is targeted as a desirable source of caviar and sockeye salmon is highly prized when cold smoked into lox.

THE HERRING STORY

The 2009 herring season garnered a larger harvest and higher prices than have been seen in British Columbia for several years.

The three distinct herring fisheries target the fish (or their roe) for specific product markets. In 2009, the herring harvest rose from 11,400 tonnes to 12,300 tonnes (an eight per cent increase). The total landed value was up 10 per cent from 2008 to \$17.8 million.

Ninety-four per cent (11,600 tonnes) of British Columbia's herring production came from the roe herring fishery in 2009. The harvest was an increase of 10 per cent over 2008 levels. The landed value rose 32 per cent from \$11.7 million to \$15.5 million and contributed 87 per cent of the total landed value of herring.

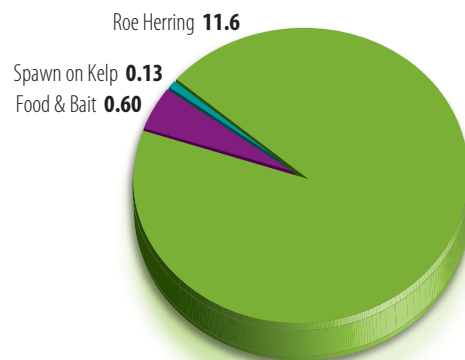
The herring food and bait fishery made up five per cent of the herring harvest in 2009 as production fell 25 per cent from 800 tonnes harvested in 2008. This fishery was a minor contributor to the economic value of the species - in 2009 sales were down 29 per cent from \$700,000 to \$500,000.

Herring spawn-on-kelp (SOK) harvests were down seven per cent in 2009 to 130 tonnes (one per cent of the herring catch). In general, SOK carried a high price/kg and this small harvest generated 10 per cent of the total landed value of the herring fishery - \$1.8 million.

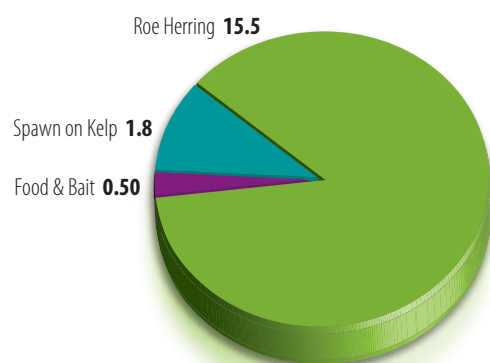
In 2009, the total wholesale value of herring products, at \$65.3 million, was up 35 per cent over the \$48.3 million recorded in 2008. Herring roe wholesale values increased 46 per cent from \$41.1 million in 2008 to \$59.9 million in 2009 and contributed 91 per cent of the total wholesale value of all herring products. The food and bait and spawn-on-kelp products generated \$3.2 and \$2.2 million respectively, to make up the remaining 9 per cent.



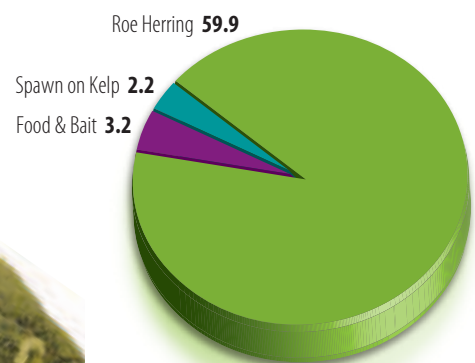
B.C. HERRING HARVESTED BY SPECIES ('000 TONNES)



B.C. HERRING LANDED VALUE BY SPECIES (\$ MILLIONS)



B.C. HERRING WHOLESALE VALUE BY SPECIES (\$ MILLIONS)





THE GROUND FISH STORY

Virtually all British Columbia's groundfish are produced in the commercial capture groundfishery.

Cultured sablefish production has shown strong growth in recent years and has become a significant contributor to the "other cultured species" seafood group. The 2009 groundfish harvest, at 100,700 tonnes, represented 40 per cent of all seafood production in the province.

The hake fishery – at 56,200 tonnes represented 56 per cent of the total volume of all groundfish produced in 2009 and 22 per cent of the total harvest of British Columbia seafood.

While overall groundfishery production was down 12 per cent compared to the 114,300 tonnes brought in during 2008 this was primarily due to the significant decline (down 24 per cent) in the hake harvest. The harvest of other groundfish species - excluding hake - rose 10 per cent from 40,500 tonnes in 2008 to 44,500 tonnes in 2009.

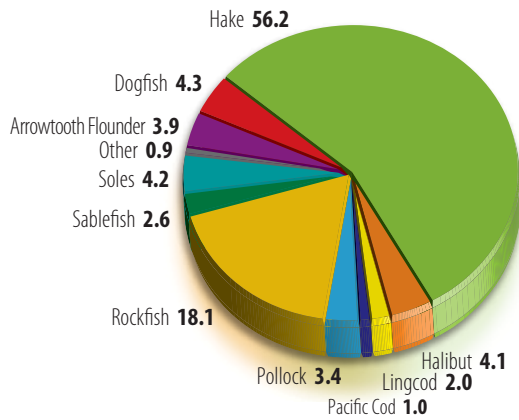
Other groundfish species that experienced declines in harvest in 2009 included: sablefish (down 16 per cent), halibut (down 15 per cent) and lingcod (down 13 per cent). Notable increases in harvest were recorded for dogfish (up 95 per cent), Pacific cod (up 150 per cent) and pollock (up 161 per cent) compared to 2008 landings.

Landed prices for groundfish showed declines in most species which virtually offset any increases in harvest volumes. At \$108.7 million, the 2009 landed value for all groundfish species combined was down 12 per cent from the \$123.3 million recorded in 2008. Significant reductions in landed values were noted for hake (down 45 per cent), halibut (down 18 per cent), soles (down 13 per cent) and lingcod (down 10 per cent). Stronger prices were realized for dogfish with landed value doubling over the previous year and sablefish with a landed value increase of four per cent.

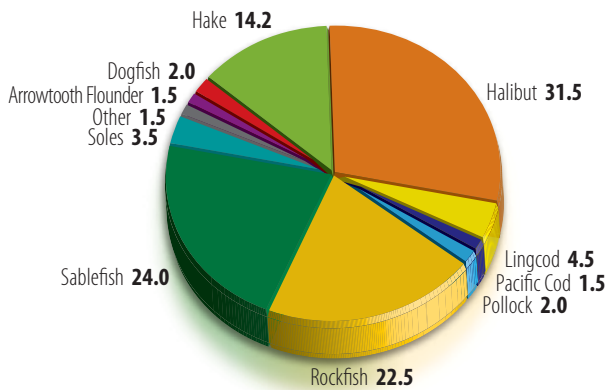
Groundfish products range from smoked sablefish to halibut cheeks, whitefish fillets and dogfish fins. Overall the wholesale value of British Columbia groundfish products fell six per cent from \$320.7 million in 2008 to \$301.1 million in 2009. Individual species performance varied greatly. Pacific cod, dogfish and pollock experienced increases of 133, 67, 28 per cent respectively, while declines were recorded in the hake, lingcod and soles (down 38, 18 and eight per cent respectively). Halibut products generated the largest share (44 per cent) of all groundfish with sales reaching \$132.9 million.

Year-to-year fluctuations in the hake harvest have a great influence on the groundfish sector's performance as a whole.

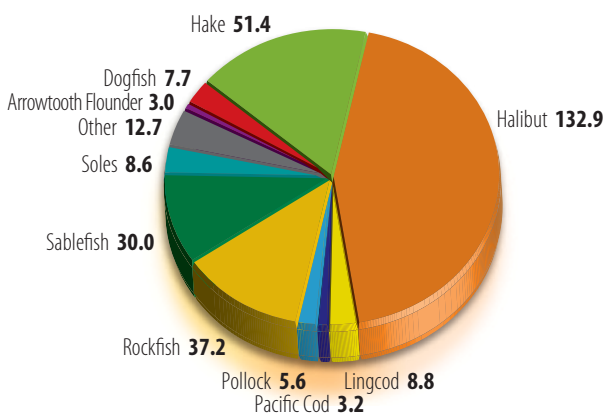
B.C. GROUND FISH HARVESTED BY SPECIES ('000 TONNES)



B.C. GROUND FISH LANDED BY SPECIES (\$ MILLIONS)



B.C. GROUND FISH WHOLESALE VALUE BY SPECIES (\$ MILLIONS)



THE SHELLFISH STORY

Shellfish contributed nine per cent of the total volume of B.C. seafood harvest in 2009. The total production from the sector was down slightly to 23,000 tonnes, in 2009, from the 23,600 tonnes harvested in 2008.

Cultured shellfish production was down three per cent to 7,300 tonnes due to a drop in clam and oyster harvests while the commercial capture harvest fell two per cent to 15,700 tonnes from 2008's production of 16,100 tonnes.

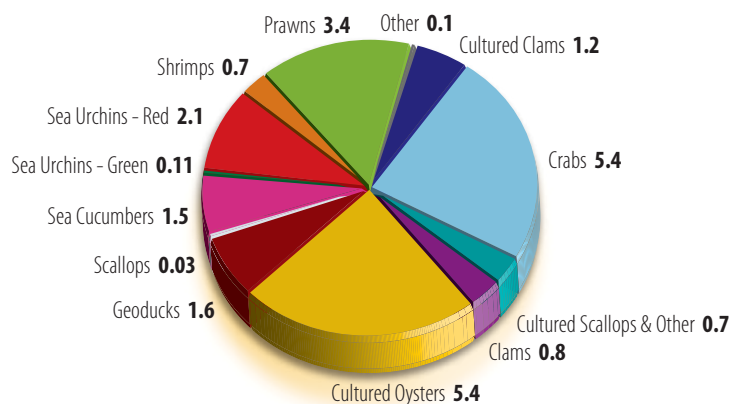
High producing species in 2009 were cultured oysters and wild crabs both with 5,400 tonnes of harvest and each representing a 23 per cent share of the 2009 shellfish harvest followed by wild prawns at 3,400 tonnes and a 15 per cent share.

Prices for shellfish rebounded strongly in 2009 where most species recorded increases in landed values ranging from 11 to 50 per cent over 2008 levels. The total landed value of the combined harvest of all shellfish was up seven per cent to \$124.7 million compared to the \$116.2 million earned in 2008.

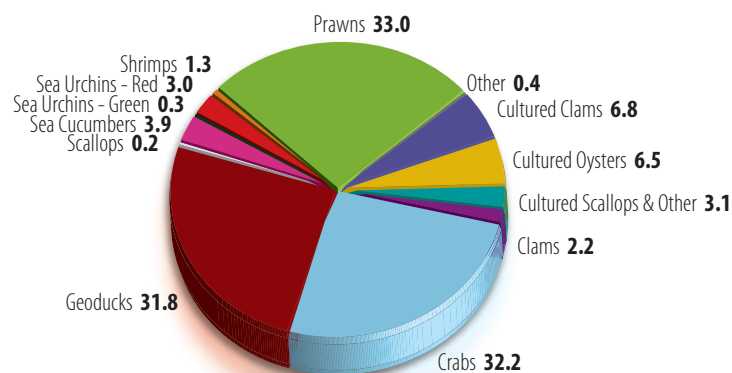
Prawns, crabs and geoduck clams had the highest landed values of all shellfish species by far at \$33, \$32.2 and \$31.8 million respectively. Combined these three fisheries contributed 75 per cent of the total value of British Columbia's shellfish harvest in 2009.

B.C. shellfish is marketed with minimal processing primarily as fresh or frozen in-shell and live products. The wholesale value of B.C. shellfish increased 12 per cent to \$205.5 million in 2009 from \$184.1 million recorded in 2008. Species with significant increases included geoducks (up 27 per cent), sea cucumbers (up 34 per cent), green sea urchins (up 50 per cent) and prawns (up 36 per cent). The top three species – crabs, geoducks and prawns – combined for a total wholesale value of \$148 million and contributed 72 per cent of the total wholesale value of B.C. shellfish.

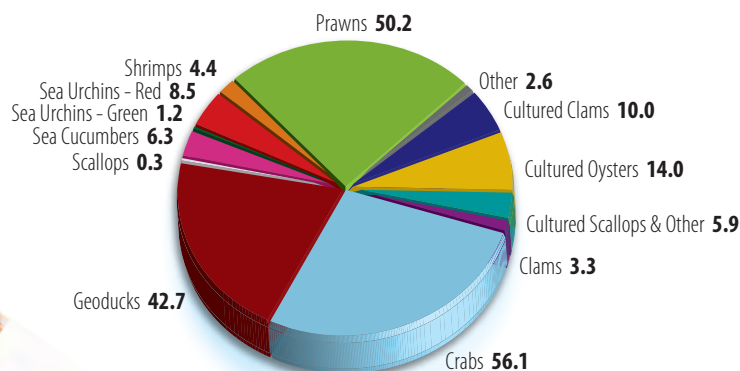
B.C. SHELLFISH HARVESTED BY SPECIES ('000 TONNES)



B.C. SHELLFISH LANDED VALUE BY SPECIES (\$ MILLIONS)



B.C. SHELLFISH WHOLESALE VALUE BY SPECIES (\$ MILLIONS)

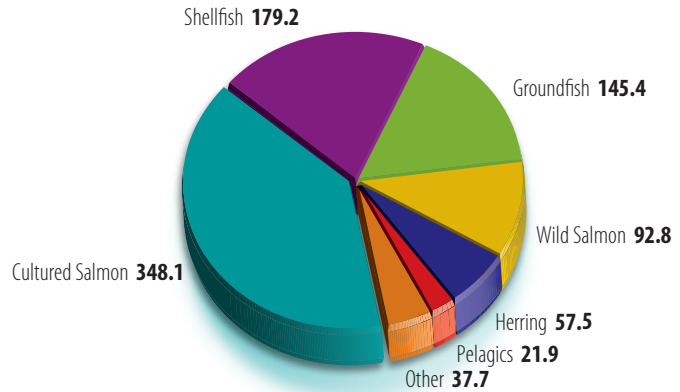


SEAFOOD EXPORTS

In 2009, British Columbia fish and seafood was shipped into the global marketplace as 174 separate export products.

Cultured salmon products generated 39 per cent of the total export value followed by wild/cultured shellfish (20 per cent), groundfish (16 per cent), wild salmon (11 per cent), herring/pelagics (9 per cent), and other fish and seafood products making up the remaining 5 per cent.

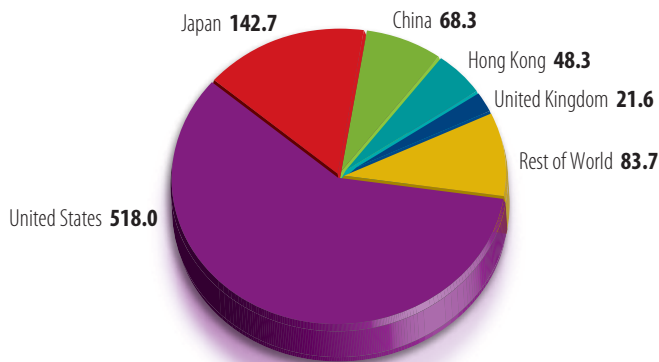
B.C. SEAFOOD EXPORT VALUE BY SPECIES – 2009 (\$ MILLIONS)



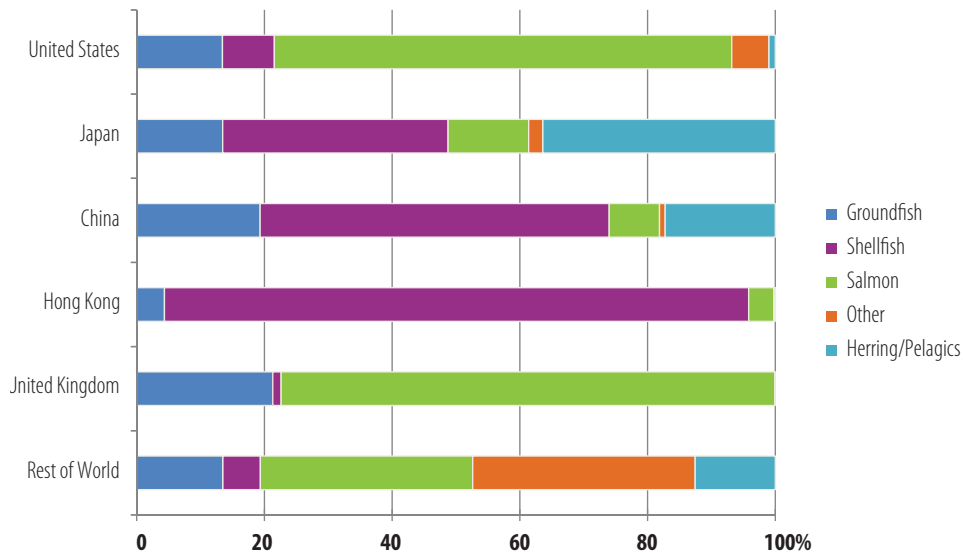
COUNTRY EXPORT HIGHLIGHTS

Ninety-one per cent (\$798.9 million) of the total export value (\$882.7 million) was generated in our top 5 markets of the United States, Japan, China, Hong Kong and the United Kingdom.

B.C. SEAFOOD EXPORTS BY COUNTRY (TOP 5)



Country	Export Value (\$ millions)	Export Value Share (%)	Top Species
United States	518.0	59	Atlantic salmon, halibut, crabs, chinook salmon, other clams
Japan	142.7	16	Herring, shrimps/prawns, sablefish, Atlantic salmon, sea urchins
China	68.3	8	Crabs, hake, herring, geoduck clams, pink salmon
Hong Kong	48.3	5	Geoduck clams, crabs, dogfish, Atlantic salmon, other clams
United Kingdom	21.6	3	Sockeye salmon, pink salmon, dogfish, halibut, sablefish
Rest of World	83.7	9	Hake, sardines, whitefish, salmon
TOTAL B.C.	882.7	100	



Spotlight On: Sardines

Sardine stocks have experienced a resurgence in British Columbia waters in recent years.

Starting as an experimental fishery in 2001, the sardine fishery moved into the exploratory category in 2002 and achieved official commercial status in 2007 when a total of 1,500 tonnes were harvested. By 2009 the sardine harvest (at 15,300 tonnes) was 47 per cent higher than the 10,400 tonnes produced in 2008 and 10 times higher than in 2007. With a landed price of \$0.20/kg sardines generated a total landed value of \$3 million in 2009 - up 30 per cent from 2008.

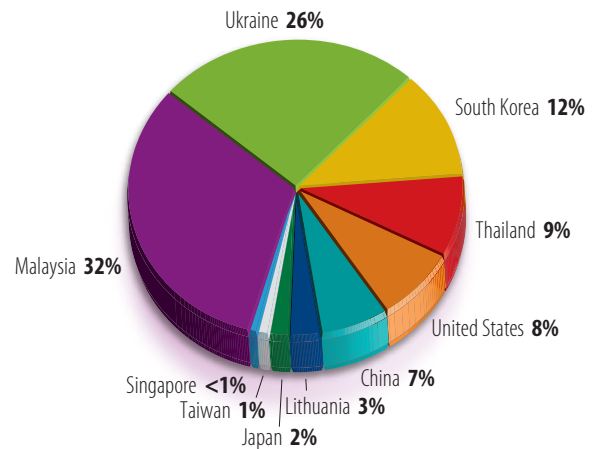
REGIONAL BENEFITS OF THE SARDINE FISHERY

In 2009, 93 per cent of the sardines harvest was landed in Vancouver Island ports. Offloading and handling fees alone generated more than \$920,000 in economic activity (based on a \$60 per tonne average).

GROWING MARKETS

Sardines are processed into food and bait products. Sardine products generated an estimated wholesale value of \$28.7 million in 2009 - a 54 per cent increase from the \$10.4 million earned in 2008. Sardine exports also increased dramatically (up 52 per cent) from \$8.5 million in 2008 to \$12.5 million in 2009. The primary export markets for B.C. sardine products in 2009 were Malaysia (\$4 million), Ukraine (\$3.3 million) and South Korea (\$1.5 million). The combined value of shipments to these three countries represented 70 per cent of all B.C. sardine exports.

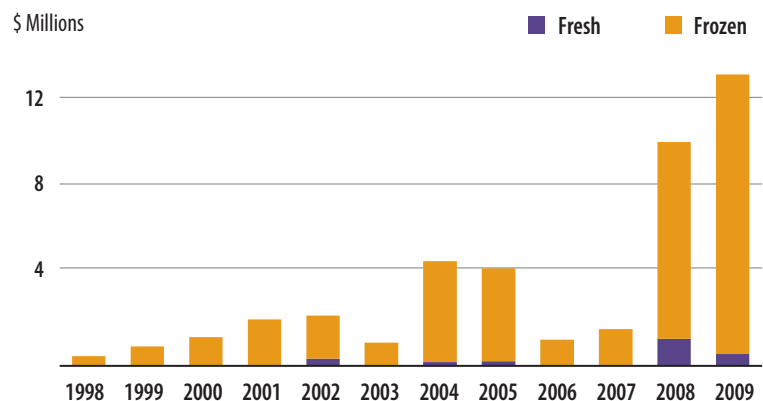
B.C. SARDINE EXPORTS BY COUNTRY - 2009



Landing Port	Vancouver Island Ports	tonnes	%
French Creek	✓	60	0.4
Ladner		180	1.2
Port Hardy	✓	7,146	46.6
Steveston		87	0.6
Ucluelet	✓	3,739	24.4
Westport U.S.A.		776	5.0
Zeballos	✓	3,346	21.8
Grand Total		15,334	100.0

Source: D&D Pacific Fisheries Ltd.

B.C. SARDINE EXPORTS 1998-2009



The sardine fishery has 50 per cent First Nation participation with 25 commercial and 25 First Nations communal fishing licences issued annually.

Significant Events In British Columbia's Seafood Sector – 2009/10

ECO-CERTIFICATION

British Columbia continued its commitment to eco-certification as an active member of the National Strategy on Eco-certification. Efforts are focused on the Marine Stewardship Council (MSC) certification process as it is currently the only approach which is fully compliant with the provisions of the Fisheries and Agriculture Organization of the United Nations' Guidelines for Fisheries Eco-Certification.

British Columbia now has five fisheries that have achieved MSC certification: Pacific halibut and Pacific hake mid-water trawl were approved in 2009 and albacore tuna, sockeye salmon and sablefish were approved in 2010. Other fisheries in the full assessment stage include: pink salmon, chum salmon and spiny dogfish.

<http://www.bcseafood.ca/PDFs/fisheriesinfo/fishery-msc-fisheries.pdf>

AQUACULTURE FEDERAL REGULATION

Fisheries and Oceans Canada (DFO) developed the proposed Pacific Aquaculture Regulations under the Fisheries Act in response to the British Columbia Supreme Court ruling that finfish aquaculture on the coast of British Columbia is a fishery and a matter of exclusive federal jurisdiction. The new federal regulation and regulatory framework took effect on December 18, 2010. The regulation reflects the federal government's objective to develop a well-regulated, sustainable aquaculture industry with a commitment to environmental management.

<http://www.dfo-mpo.gc.ca/aquaculture/bcr-rcb/index-eng.htm>

<http://www.dfo-mpo.gc.ca/media/npress-communique/2010/hq-ac05-eng.htm>

SEA LICE 2010

In May 2010 the 8th International Sea Lice Conference was held in Victoria, B.C.. The conference facilitated collaboration on sea lice biology, research, and management. A record 227 delegates from 11 countries attended the conference representing international research groups, aquaculture industry, environmental and other interested groups, and regulatory agencies. Primary topics discussed during the conference included: regional updates, functional biology, epidemiology, mathematical modeling, genetics, management, treatment resistance, and wild-farm fish interactions.

<http://sealice2010.com/resources/Sea%20Lice%202010%20Final%20Report.pdf>

COMMISSION OF INQUIRY INTO THE DECLINE OF SOCKEYE SALMON IN THE FRASER RIVER

In response to a decline of sockeye salmon returns to the Fraser River, the Cohen Commission was established on November 5, 2009. The Honourable Bruce Cohen, Justice of the Supreme Court of British Columbia was appointed as commissioner. The Commission's focus is on the long term sustainability of the fishery and will consider multiple factors contributing to the lower than average return rate, including environmental changes along the Fraser River, marine environmental conditions and the management of the fishery. Ten public forums were held from August to October 2010 and evidentiary hearings began October 25, 2010. The final report from the commission is due by June 2012.

<http://www.cohencommission.ca>



EUROPEAN UNION (EU) SPORT FISH

Those British Columbian sport fishing lodges catering to European Union (EU) clients experienced major impacts when the EU imposed restrictive limits on the amount of sport-caught fish each citizen could bring in to the EU. The Province encouraged federal agencies to negotiate with EU authorities for solutions to this issue. In the short term the EU agreed to a less restrictive export program for fresh/frozen sport caught fish while a simplified certification program was implemented by the federal government for lodges with sport caught fish destined for the EU.

In 2009 the EU increased the allowable limit to 20 kilograms or the weight of one fish. The increased limit partially alleviated the issue and in 2009 fewer lodges chose to participate in the certification program. The Province will advocate continued negotiations between the federal government and EU authorities towards a long-term solution where the weight restrictions and certificate requirements are lifted.

<http://www.agf.gov.bc.ca/fisheries/licences/main.htm#EUexport>

B.C. PROJECTS RECEIVE AQUACULTURE INNOVATION AND MARKET ACCESS PROGRAM (AIMAP) FUNDING

Six aquaculture projects received federal support through the Department of Fisheries and Oceans AIMAP. The funding supports the development and refinement of management techniques and technologies which promotes the economic and environmental performance of the Canadian aquaculture industry and contributes to Canada as an international leader in sustainable seafood.

The projects include:

- Sablefish farming and hatchery improvements
- White sturgeon farming diversification
- Closed containment salmon aquaculture demonstration project
- Sea lice vaccines for salmonid aquaculture
- Increasing confidence of food safety in cultured shellfish
- Renewable energy at shellfish nurseries

2010 RECORD SOCKEYE SALMON RETURN TO THE FRASER RIVER

The 2010 Fraser River sockeye salmon return was the largest since 1913 with an estimated 34 million run size. Conservation goals were met and exceeded during the 2010 season resulting in the opening of the fishery for the first time in four years to commercial, recreational and First Nations sectors. The Cohen Commission is still in place following this record return to ensure the long term sustainability of this fishery.

REPORTS AND PUBLICATIONS

FRASER RIVER SOCKEYE SALMON: PAST DECLINES. FUTURE SUSTAINABILITY?

On October 29, 2010 The Cohen Commission of Inquiry into the Decline of Sockeye Salmon in the Fraser River released its interim report. The Commission is required to submit a final report to the Governor-in-Council on or before June 30, 2012.

www.cohencommission.ca/en/InterimReport/

ECONOMIC IMPACTS FROM A REDUCED GROUND FISH TRAWL FISHERY IN BRITISH COLUMBIA

To elicit a greater understanding of the economic importance of the trawl fishery to British Columbia and its coastal communities the Ministry of Environment conducted an economic analysis of the sector.

The two main objectives of the study were to:

1. develop a profile of the current groundfish trawl sector and its contribution to the regional economies along coastal B.C.; and
2. assess what would be the likely repercussions on the associated infrastructure and other commercial fisheries if the groundfish trawl fishery sector was significantly reduced.

<http://www.env.gov.bc.ca/omfd/reports/groundfish-trawl-fishery-economic-impacts.pdf>

BRITISH COLUMBIA FISH HEALTH REPORTS

The Ministry of Agriculture released the 2008 and 2009 Fish Health Reports as part of the annual disclosure of information collected through B.C.'s fish health audit and surveillance program. The annual report included random health and sea lice audits and forms part of the Province's management plan to closely monitor aquaculture operations, ensuring a safe and sustainable industry that protects both wild and farmed salmon.

http://www.al.gov.bc.ca/ahc/fish_health/Fish_Health_Report_2009.pdf

http://www.al.gov.bc.ca/ahc/fish_health/Fish_Health_Report_2008.pdf

BRITISH COLUMBIA AQUACULTURE INSPECTION REPORTS

The Province is committed to ensuring that the aquaculture industry is properly regulated and sustainably managed. Compliance with regulatory requirements and the terms and conditions of aquaculture licences are determined primarily by way of regular inspections conducted on-site by provincial inspection staff.

http://www.al.gov.bc.ca/fisheries/aqua_report/2009/aquaculture_inspection2009.pdf

http://www.al.gov.bc.ca/fisheries/aqua_report/2008/aquaculture_inspection2008.pdf



FROM CANADA'S PACIFIC COAST

A Taste of the Pristine

BRITISH COLUMBIA SEAFOOD... A COMMITMENT TO QUALITY AND SUSTAINABILITY



WILD AND FARMED FINFISH

- Chinook Salmon
- Chum Salmon
- Coho Salmon
- Pink Salmon
- Sockeye Salmon*
- Albacore Tuna*
- Herring & Sardines
- Farmed Atlantic Salmon
- Farmed Chinook Salmon

WILD AND FARMED SHELLFISH

- Crabs
- Geoduck
- Prawn & Shrimp
- Wild Scallops
- Sea Cucumber
- Sea Urchins
- Farmed Clams
- Farmed Oysters
- Farmed Scallops

GROUNDFISH

- Arrowtooth
- Dogfish
- Hake*
- Halibut*
- Lingcod
- Pacific Cod
- Pollock
- Rockfish
- Sablefish*
- Soles

For more information on the species and products supplied by the British Columbia seafood industry to the global market visit us at www.bcseafood.ca



*Marine Stewardship Council (MSC) certified fisheries

DATA SOURCES

- All aquaculture industry harvests and farmgate values compiled by the Ministry of Agriculture
- All seafood finished products and wholesale values compiled by the Ministry of Agriculture
- All capture fisheries landings provided by Fisheries and Oceans Canada, Pacific Region. (Preliminary values for 2007 and 2008 and estimates for 2009 have been adjusted by the Ministry of Agriculture)
- Aquaculture and processing facility licensing data provided by the Ministry of Agriculture
- Export data provided by Statistics Canada



We encourage you to email us your comments and any suggestions for future issues to fishstats@gov.bc.ca or by mail to:

Policy and Industry Competitiveness Branch
Ministry of Agriculture, PO Box 9120 Stn Prov Govt, Victoria BC V8W 9B4

March 2011