

MEMORANDUM FOR THE DEPUTY MINISTER

**DISPOSITION OF FRASER RIVER FSC FISH IN COLD STORAGE IN THE
FRASER VALLEY
Updated June 6, 2006**

(Information Only)

SUMMARY

- Last summer in response to the Williams Review, efforts were made to improve catch monitoring and tracking of Fraser River sockeye.
- An audit of fish plants was conducted by C&P and verified through Consulting and Audit Canada (CAC).
- The audit has determined that at the end of the fishing season (September, 2005), an estimated 1.9 million pounds or approximately 345K pieces of food, social and ceremonial (FSC) salmon was in cold storage in 110 plants throughout the lower mainland.
- DFO plant audits in 2005/2006 revealed a further 27,000 lbs or approximately 5400 pieces of sockeye in cold storage on Vancouver Island last fall.
- Current information suggests that 60%-70% of the fish have now been removed from cold storage. Interviews with facility owners indicate the fish were moved out in small amounts (couple hundred pieces at a time).
- Measures are being taken to reduce the likelihood of unauthorized sale of 2005 Fraser sockeye.

BACKGROUND

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- In late August, 2005, an audit of cold storage facilities on the lower mainland and on Vancouver Island was conducted by Fishery Officers.
- On February 7, 2006, Consulting and Audit Canada (CAC) was contracted to verify the earlier work conducted by Fishery Officers.
- The results of the verification were not completed until the week of May 15th.
- The CAC audit confirmed that by the end of September, 2005, there was 1.9 million pounds or approximately 345K pieces of sockeye harvested for FSC purposes in 110 plants that were audited throughout the lower mainland. A further 27,000 lbs or approximately 5400 pieces of sockeye were found last fall in storage on Vancouver Island.
- Canada Evidence Act s.37

ANALYSIS / DFO COMMENT

- The FSC harvest by lower Fraser River First Nations in 2005 was estimated at 457K in the Fraser River and a further 279K in the marine area.
- Due to conservation concerns, no directed Fraser River commercial fishery or First Nations' economic opportunity fishery occurred in 2005.
- In response to the William's Review recommendations, an audit was designed, in part, to improve catch estimates. This accounting for harvested fish is the largest catch verification project ever undertaken by C&P.
- An update of the amount, location and ownership of the stored fish is underway.
- As of June 6, 2006 staff have re-inspected three of the largest facilities where 25% of the identified fish were originally stored. Based on these re-inspections it appears 60% to 70% of the fish in storage has now been removed. Interviews with facility owners indicate the fish were moved out in small amounts (couple hundred pieces at a time).
- Ministerial correspondence from Bill Ottway indicates that the public are now aware of the results of the audit.

RECOMMENDATIONS / NEXT STEPS

- No offence in relation to the sale of stored fish has occurred. An offence would only occur if 2005 Fraser River sockeye are sold. Officials believe that if this were to occur, it may involve small markets for processed or smoked product. Canada Evidence Act s.37
- SIU continues to work with the Province to ensure the product is properly marked while in storage. One company has been charged under Provincial legislation and another is expected to be charged shortly for improper marking.
- C&P is in the process of meeting with the elected Chiefs and Council for the respective First Nations that have members who have stored FSC salmon in the plants.

The Chief and Council will be informed of the results of our audit and informed that DFO is hoping to further track the fish by contacting individual Band members.

- Following those meetings, C&P will follow up with those individuals who currently have control over the stored salmon. The purpose will be to inform the individuals that an audit identified salmon stored in their name and DFO is interested in understanding their expected use of the FSC fish.

Canada Evidence Act s.37

- DFO will begin discussions both internally and externally with all stakeholders and First Nations, with respect to measures that would allow for improved traceability of commercial caught salmon. Such measures will be consistent with emerging international and inter-provincial environmental certification standards and food safety standards, and will enhance the competitive position of the commercial fishery. Such measures will also assist in tracing FSC fish.
- A Notice to Industry was sent out three weeks ago restating the regulation concerning the illegal sale, barter or trade of FSC.
- A communications strategy will be developed on this issue.