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## **Sablefish hatchery raises concerns**

At Walker Hook on Salt Spring Island, Sablefin Hatcheries Ltd. is in the process of building a hatchery for sablefish, sometimes known as Alaska Black Cod. The hatchery would produce fingerlings for sale to salmon farms on the BC coast. Sablefin is promoting sablefish as a more profitable alternative for salmon farmers.

### **Salt Spring Residents Opposed**

The project has attracted a great deal of local opposition. Salt Spring Islanders have many objections to the hatchery's location at Walker Hook. The location is a unique landform called a tombolo, in this case a strip of beach joining a small offshore island to the east side of Salt Spring. To the south, are a traditional First Nations' site and, for the last hundred years, a favourite swimming spot. To the north are eelgrass, mud flats, and saltmarsh. All environmentally rare.

The land is zoned agricultural and is part of the Agricultural Land Reserve, although it is designated on the Community Plan as a future, and much desired, park site. Aquaculture is a 'permitted use' on agricultural land, and is encouraged under provincial 'right to farm' legislation.

So far, no environmental impact studies appear to have been carried out.

### **Sablefish Fishers Opposed**

There is no sablefish aquaculture at present. About 30,000 tonnes of wild sablefish are harvested annually from the eastern Pacific Ocean from California to Alaska. Most of the catch is sold to Japanese customers, at about \$2 to \$4 per pound at the dock. Initially, the hatchery has set a production target of two million smolts annually. The hatchery eventually expects to breed ten million juveniles annually, which if grown to a commercial 8lb size, would total 40,000 tonnes, exceeding the current wild catch, and probably driving prices down.

This has led to opposition from the Canadian Sablefish Association, which represents British Columbia fishers who harvest about six to seven thousand tonnes of wild sablefish annually, employing about 300 people and an equivalent number of shore workers. (Alaska is the main source of wild sablefish, harvesting over 20,000 tonnes; other US fishers account for another 7,000 tonnes.)

### **Hatchery Uses Salt Water Wells**

Sablefin Hatcheries is led by scientist Dr. Gidon Minkhoff. Minkhoff claims to be the only person 'known to have successfully raised commercial quantities of blackcod juveniles in captivity'.

The company plans a hatchery building fed by a salt water supply drawn from wells at the eastern end of the tombolo. The water would be discharged into wells dug at the western, or Salt Spring Island end, of the tombolo. The wells would be several hundred feet apart.

As far as is known, no in-water net pens are planned, although promotional material states that 'once hatchery operations are profitable, the firm may pursue diversification into the blackcod grow-out sector.'

The entire hatchery operation is on land, but the amount of effluent pumped down the discharge wells is estimated at 619 cubic metres daily (which exceeds the effluent production of the entire Ganges sewer system). The effluent is presumably expected to filter out into the sea. While digging the effluent wells, the company has already unearthed six bodies, probably ancestors of the Penelakut or the Cowichan.

The scheme first came to public attention through a subdivision application. Sablefin is leasing some 20 acres of the agriculturally zoned lot 65 (owned by Henry Caldwell); regulations state that if such a lease is over 3 years, the Ministry of Transportation must give subdivision approval.

### **Islands Trust Concerned**

The Islands Trust, initially asked to comment, expressed some concerns but did not oppose the application. Recently, following public protest, the Salt Spring Local Trust Committee revised their stand to oppose the development; but subdivision approval had already been given.

However, the entire episode has raised questions about the provincial government's encouragement of aquaculture. David Essig, Chair of the Islands Trust, has written to Agriculture, Food and Fisheries Minister John van Dongen to express concerns about Bill 48, the *Food and Fisheries Statutes Amendment Act 2003*.

Bill 48 would make amendments to the Farm Practices Protection ('Right to Farm') Act and the Local Government Act.

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The Farm Practices Protection Act was originally introduced to protect farmers from complaints and local government restrictions as people moved into rural farming areas. The proposed government amendments would extend these protections to existing and new aquaculture sites along BC's coast.

This Bill was introduced in the spring session of the BC Legislature, but was not passed and has been held over to the fall session. It would allow the province to designate 'farming areas' along island shorelines. In these farming areas, the province could then over-rule local zoning provisions that restrict aquaculture. This would appear to make it difficult for local governments to oppose or prevent the establishment of aquaculture installations within their jurisdiction.

'We are concerned about any provincial initiative that would diminish local control over land use planning, including planning along the foreshore,' said Essig. 'Our policy statement recognizes aquaculture as a valuable activity in the Islands Trust Area, provided it is compatible with the maintenance of the Trust Area's ecosystems and community character. Community members rely on their locally elected trustees to make land use decisions and they express significant concern whenever provincial legislation over rules them....this provincial initiative could lead to an erosion of our jurisdiction in this matter and that is certainly a concern to us.'

## Financing Sablefin

Sablefin is attempting to raise money through a BC Venture Capital Corporation. Its prospectus, issued earlier, is presently being revised. VCC's are given favourable tax treatment under BC law; investors receive a tax credit of 30% of their investment. Promotional material which was recently pulled from the internet said 'The Hottest Stock May Be Live Stock but don't look for it on Wall Street'.

To fund its first year of operation, Sablefin hopes to raise \$1.7 million from investors, with further funds needed for following years. By year five, Sablefin expects to have reached an annual production capacity of two million juvenile (5-10 grams) sablefish, generating an expected \$8 million in revenue from sales to fish farms (that's \$4 per fish).

The juveniles will be 'fully conditioned for raising in sea cages'. Fish farm grow-out costs are said to be roughly equivalent to salmon, and the species would produce equivalent amounts of pollution in sea pens and can, like salmon, harbour sea lice.

But black cod, or sablefish, are said to be considerably more profitable. Salmon farms, says the promotional literature, will be able to realize a wholesale price of \$7 per lb for sablefish, compared to \$2.50 per lb for salmon. (These figures differ significantly from prices reported by the wild fishery.) ✎

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