



Business Plan

2019–20

*Department of Fisheries
and Aquaculture*



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Budget 2019-20: Business Plan
March 2019
ISBN: 978-1-55457-936-5

Contents

Minister’s Message..... 3

Mandate 4

Department Priorities 4

Core Functions 6

Departmental Expenses Summary..... 9

Minister's Message

Now is an exciting time to be a part of the fishing, seafood and aquaculture industries in Nova Scotia. Demand for our quality seafood is at an all-time high. At \$2 billion, exports have more than doubled from \$923 million in 2012, making Nova Scotia Canada's number one exporter of seafood. As world population continues to rise so does the global demand for seafood. International trade is thriving, and Nova Scotian seafood products can be found on tables around the world.

The fishing and aquaculture industries are the backbone of this province as our number one export. They provide good paying jobs, directly employing about 18,000 people, with thousands more in supporting industries.

The hard work of our harvesters and processors is helping to set us apart globally. Our effective brand – 45 North 63 West – is sending a clear message about our seafood's exceptional taste and premium quality.

The \$400 M Atlantic Fisheries Fund has enabled unprecedented opportunities for industry to explore new innovation, research and market development for their products. The Canadian Fish and Seafood Program, secondary federal – provincial funding concentrated on marketing initiatives, will allow Nova Scotia to pursue regional and national collaborations.

Aquaculture in Nova Scotia is also seeing significant growth. Production values in 2017 rose to \$116 million, up from \$55 million the year before. This figure is expected to continue to increase as the first new site applications begin review under our new regulatory framework.

Expanding opportunities for both local and tourism-based recreational sportfishing continues to be a focus for the Department. Key activities include promotional events, industry capacity building and scientific approaches to environmental issues such as acid rain. We are committed to work with industry to see sustainable growth in these key sectors for Nova Scotia.

Sincerely,

Original signed by
The Honourable Keith Colwell, E.C.N.S.
Minister of Fisheries and Aquaculture

Mandate

The Department of Fisheries and Aquaculture has a legislated mandate to promote, support and develop the fishing, aquaculture, seafood processing and sportfishing industries that contribute to the economic, environmental and social prosperity of Nova Scotia's coastal and rural communities.

The Minister is committed to develop and launch the Building Tomorrow Fund for the farming and fishing sectors, to support the Atlantic Fish Fund, to expand the seafood export marketing program and to continue to build on the success of the Aquaculture Growth Strategy.

The priorities and core functions of the Department of Fisheries and Aquaculture are driven by five strategic themes:

- Enabling responsible economic growth
- Supporting research and innovation
- Building public trust and market acceptance
- Increasing trade and market access
- Encouraging value added opportunities

Department Priorities

The Department will undertake the following priority initiatives in 2019 - 20:

- The *Atlantic Fisheries Fund (AFF)* is a cost shared partnership with Fisheries and Oceans Canada and the Atlantic provinces to develop a culture of innovation in the fish and seafood industries. The federal government has committed to 70% of the total \$421 M fund and 30% will come from participating provinces. The fund was announced in 2017 and will operate until March 2024. The AFF aligns with the Nova Scotia government strategic direction of inclusive economic growth. The priority of the department, operating within the AFF, is to ensure a transformative innovation program to increase productivity, competitiveness, quality and sustainability of fishing and seafood sectors.
- A secondary federal/provincial partnership of the AFF is the *Canadian Fish and Seafood Program* for marketing initiatives, valued at \$38.6 M nationally over seven years. Provinces participating in the Program are required to contribute 30% of project funding. As Canada's seafood export leader, Nova Scotia will submit project proposals and seek collaborations for regional and national projects to increase recognition of both Nova

Scotia's and Canada's fish and seafood sector.

- In the final year of its \$11.2M four-year commitment, \$2.8 M will be allocated in 2019 - 20 to the *Aquaculture Growth Strategy*. The Department will continue operationalization of the new regulatory framework and allocate funding to invest in the responsible development of the aquaculture industry through targeted research and development to address industry challenges and spur innovation. Aquaculture development is viewed as a strategic inclusive economic growth opportunity for coastal and rural communities. Aquaculture production more than doubled from 2016 to 2017, valued at \$116 M in 2017.
- The *Building Tomorrow Fund*, a three-year \$9 M provincial investment into agriculture and fisheries, will be developed and delivered by the Department. The *Building Tomorrow Fund* will support farmers and fishers to create new products and enter new markets to further drive export growth. In 2019 - 20, \$1.5 M the \$3 M annual budget will be allocated to fisheries and aquaculture, with a focus on establishing Nova Scotia as a centre of excellence for quality lobster, capacity building in the sportfish industry, and value-added product development and diversification of seafood exports.
- The Department of Fisheries and Aquaculture has a mandate to expand the *Seafood Export Marketing Program*. In 2019-20, \$500 K will be used to maintain and build on the existing export success of the Nova Scotia industry, delivering premium quality seafood products around the world. Nova Scotia seafood exports were valued at \$2 B in 2017 and are expected to exceed this figure in 2018. The Department will continue to employ strategies such as the utilization of the Nova Scotia seafood brand, international marketing promotional activities focused on retail, foodservice, individual consumer, and on-line opportunities. Priority markets include Asia, the US and investigating competitive advantages from tariff reductions in the European market under the Canada-European Union Comprehensive Economic and Trade Agreement and the Comprehensive and Progressive Agreement for Trans-Pacific Partnership which entered into force in 2017 and 2018, respectively.
- Enhancement of handling and quality standards are key factors to increasing the market value of Nova Scotia seafood. Lobster quality training initiatives will be expanded to include additional courses that focus on best handling practices to ensure all participants in the value chain have a core understanding of lobster biology and how proper handling techniques can maintain the quality of their products.
- Sportfishing in Nova Scotia generates more than \$58 M each year and there were 64,000 licensed anglers in 2018, primarily from within the province. The Department is working to implement a *Sportfishing Development Strategy*. The Strategy includes initiatives focused on increasing sportfishing participation in underrepresented demographics,

including younger anglers and females, and furthering expansion opportunities in marine recreational fishing. In 2019-20, \$50 K will be allocated to increase the number of nonresident anglers in the province. The Department will also explore opportunities with licensed fishing guides and regional and municipal tourism agencies to highlight Nova Scotia as a sportfishing destination.

- The Inland Fisheries Division is partnering with the Nova Scotia Salmon Association and Perennia to fund a research scientist position to design a strategy for acid precipitation mitigation on trout rivers in mainland Nova Scotia and on the production of Atlantic salmon. The strategy builds upon the 10-year liming project on the West River Sheet Harbour where the addition of lime through helicopter liming and the construction of two lime dosers has improved water quality and resulted in increased salmon production.
- The Nova Scotia Fisheries and Aquaculture Loan Board will implement a Crown Lending Module to meet critical client and government requirements to protect its \$300 M portfolio.
- The Department will continue to work with industry to undertake a review of the fish buyer and processor licensing framework to ensure the licensing regime is transparent, efficient and reflects a modern fishery beneficial to our rural and coastal communities.

Core Functions

Highlights of the Department's core functions and programs supporting its mandate, strategic themes and government priorities include:

- Working with Perennia to develop greater capacity in the fisheries, aquaculture and seafood sectors, with a focus on research, market access and product development to meet industry needs.
- The Department will champion industry interests in domestic and international trade issues while supporting efforts to ensure Nova Scotia businesses are prepared to take advantage of increasing market access opportunities due to reduced tariffs through free trade agreements.
- Focus on growing a competitive, quality-focused seafood sector by encouraging strategic use of automation in processing and harvesting and by working with other government stakeholders in the development of a workforce strategy to address training and labour challenges.
- Through Perennia, *the Centre for Marine Applied Research* will focus on strategic project development and leveraging partnerships to support the sustainable growth of the

aquaculture industry in Nova Scotia while fostering collaboration with the COVE ocean technology cluster industries.

- The Department administers provincial licenses and leases for fish buyers and processors, aquaculture and rockweed. This numbers approximately 800 annually and generates a revenue of close to \$600,000.
- The Aquaculture Division will encourage new applications, seek better utilization of existing sites, continue advanced planning for new sites, and operationalize the first hearings by the Aquaculture Review Board. The Division will continue to manage and coordinate its environmental monitoring program, finalize the farm management plan system, initiate a comprehensive containment management program and manage aquatic animal health through disease surveillance, disease management and certificate of health for the transfer of fish.
- The Marine Services Division provides infield, regional assistance and extension services to seafood clients including strategic guidance and advice to industry stakeholders on management issues related to commercially significant fisheries. The Division also plans, coordinates and executes industry and Department initiatives that foster the sustainable development and growth of the fish and seafood sector to maximize its economic potential.
- Through collaboration across multiple levels of government and industry, the Coastal Unit provides the Department with strategic analysis on coastal and marine issues that impact or overlap the Department's seafood development mandate. The Unit provides outreach and education services and works with several national and regional coastal planning initiatives.
- The Department administers both the *Fish Harvesters Organizational Support Act* and the *Fish Harvester Registration and Certification Board Act* that support and promote fishing industry organizational development and industry professionalization.
- The Inland Fisheries Division operates three provincial fish hatcheries that stock brook, brown and rainbow trout to approximately 200 lakes each Spring and an additional 200 in the Fall, as part of the *Urban Stocking and Wild Replenishment Program*. The Division also operates a *Wild Atlantic Salmon Enhancement Program* in several rivers to supplement wild salmon populations.
- The Inland Fisheries Division manages Nova Scotia's sportfishery through conservation, resource assessment, enhancement and promotion while providing sustainable and diverse angling opportunities. Examples of this work include engaging research partners to deliver projects, delivery of *Learn to Fish*, *Becoming an Outdoors Woman*, free fishing

weekends, trout derbies and other promotional programs to build awareness of sport fishing opportunities, and managing the Sportfish Habitat Fund.

- With Service Nova Scotia and the Department of Lands and Forestry, the Department will work to implement an electronic licensing system that supports client service for the sport fishing industry.
- The Fisheries and Aquaculture Loan Board supports the development of fisheries and aquaculture businesses in Nova Scotia through responsible lending, investing up to \$60 M throughout the Province. Updated regulations will enhance the Board's ability to meet industry requirements; improve service quality; address risk issues and allow for continued financing solutions into the future.
- The Department also works to eliminate barriers to growth for the fisheries and aquaculture sectors and collaborates with the Office of Regulatory Affairs and Service Effectiveness to reduce regulatory burden where possible.

Departmental Expenses Summary

(\$ thousands)			
<u>Programs and Services</u>	<u>2018-2019 Estimate</u>	<u>2018-2019 Forecast</u>	<u>2019-2020 Estimate</u>
Administration	649	649	653
Aquaculture	5,472	5,571	5,530
Inland Fisheries	2,470	2,699	2,509
Marine and Coastal	12,298	11,970	12,844
Total - Departmental Expenses	20,889	20,889	21,536
Ordinary Recoveries	500	500	500
<u>Funded Staff (# of FTEs)</u>			
Department Funded Staff	70.7	67.7	70.7
Note:	For Ordinary Revenues, see Estimates and Supplementary Detail Book, Chapter 2		
	For TCA Purchase Requirements, see Estimates and Supplementary Detail Book, Chapter 1		

