1. EXECUTIVE SUMMARY

Salmon aquaculture factors significantly in the British Columbia economy, and is estimated to contribute to more than 3,500 direct and indirect jobs. Ninety percent of those jobs are in coastal communities, and 50 percent of those jobs are for women and First Nations. These are full-time, year-round jobs.

The success of the aquaculture industry depends on farms being environmentally sustainable and socially acceptable, as well as economically viable. Government's role is to ensure that the aquaculture industry meets these objectives. Government sets the terms and regulates the activities of farms licensed by the province.

The Ministry of Agriculture, Food and Fisheries (MAFF) is responsible for adjudicating aquaculture applications and for issuing aquaculture licences under the provincial *Fisheries Act*. Aquaculture operations are subject to the conditions of this act, and other provincial legislation, including: the *Aquaculture Regulation*, the *Waste Management Act*, the *Finfish Aquaculture Waste Control Regulation*, the *Water Act*, the *Land Act*, the *Wildlife Act*, the *Right to Farm Act*, and other relevant provincial, municipal and federal legislation.

The development of the 2002 joint agency Service Agreement (see Appendices 1, 12) between the Ministry of Water, Land and Air Protection (MWLAP), Land and Water BC (LWBC), and the Ministry of Sustainable Resource Management (MSRM), and MAFF, coordinates responsibilities amongst the provincial agencies to reduce duplication of effort, increase efficiencies, and demonstrate an accountable compliance and enforcement regime. Under this Service Agreement, MAFF Inspection staff are responsible for assessing compliance of the industry. "Compliance" activities include awareness, education, monitoring, and inspection activities. "Enforcement" activities are carried out by MWLAP, and include verifying and substantiating alleged offences and recommending and implementing necessary enforcement responses.

This year's report marks the fourth year of publication, and documents the status of compliance for marine finfish aquaculture sites for the inspections conducted during the 2003 cycle. The 2003 cycle marked the first year where the joint agency Service Agreement was considered fully implemented, and MAFF Inspection staff assessed compliance at all active farm sites on behalf of all agreement partners.

Inspection Activities and Results:

Regular inspections were carried out on farm sites by provincial inspections staff in order to ensure compliance with the relevant standards and regulatory requirements. During 2003, Inspections were conducted at

77 operational marine salmon farms, and in excess of 80 compliance points were assessed by Inspectors at each farm site.

Results for the 2003 inspection cycle found generally high compliance levels, and in most cases, an increase in compliance rates when compared to the 2002 inspection cycle. Areas of noted improvement over 2002 results included: marginal improvement in site configuration; biomass; tie-off points; boat docking signage; and out of water record requirements.

A higher percentage of non-compliance was evident for those issues assessed that fall under MWLAP's authority. It is believed that the reason for these higher non-compliance levels can be attributed to the fact that this was the first year where all active salmon farms in British Columbia were assessed for MWLAP-related issues (for 2002, approximately **28 percent** of active farm sites were assessed for MWLAP issues)

Areas of highest concern relative to MWLAP requirements included:

- For those sites that required water licences, failure to have water licences in place;
- Identified deficiencies with respect to the recent requirement for written Best Management Practices requirements;
- Maintenance records pertaining to domestic sewage treatment and disposal; and,
- To a lesser degree, fuel storage issues, primarily related to a company's failure to supply secondary containment for diesel tanks and fuel jerry cans.

Areas of highest concern relative to MAFF requirements included:

- Industry meeting the terms of their approved Management Plans with respect to site configuration issues (i.e., changing the cage size configuration);
- Biomass levels while results highlight an improvement over 2002 results (86 percent compliance for 2003), securing compliance to approved biomass levels is considered of high importance to MAFF inspection officials;
- Best Management Practices (BMP) plans deficiencies generally related to the company's failure to include a statement on plan that their BMP has been reviewed and endorsed by the operator and understood by farm site staff.

For both MWLAP and MAFF identified issues for 2003, agencies expect a much higher level of compliance for 2003, as a result of:

- With respect to BMPs for both MAFF and MWLAP, regulatory requirements are fairly new, and agencies recognize there may be a period of transition. Almost all sites have BMPs in place, but elements of those plans require more attention. It is anticipated companies will address any deficiencies in the coming year.
- With respect to site configuration, MAFF's current approval methods are lengthy, oftentimes for simple configuration changes that do not impact environmental objectives. MAFF recognizes the constraints within our approval methods and has now identified a means that allows industry to make the operational and necessary infrastructure changes on site that maintains our regulatory objectives, without the requirement of an involved and lengthy approval process. Details on these changes can be found in the main body of the report.

Other Activities and Results:

In 2003, a number of enforcement measures were implemented by both MAFF and MWLAP. A number of violation tickets and warnings were issued by MAFF, with some referrals made to MWLAP for further enforcement review and investigation. Specifics on enforcement activities are found in section 6-D of this report.

The 2003 report also highlights other activities undertaken by MWLAP and MAFF with respect to regulation of the salmon aquaculture industry, such as the dive audit program, and highlights some of the continuing enhancements to our compliance and enforcement regime.

Summary:

Overall inspection results for 2003 indicate, in general, high levels of compliance. Compliance and enforcement staff at both MAFF and MWLAP will continue to address identified issues, to ensure industry is meeting necessary requirements.