

Aquaculture



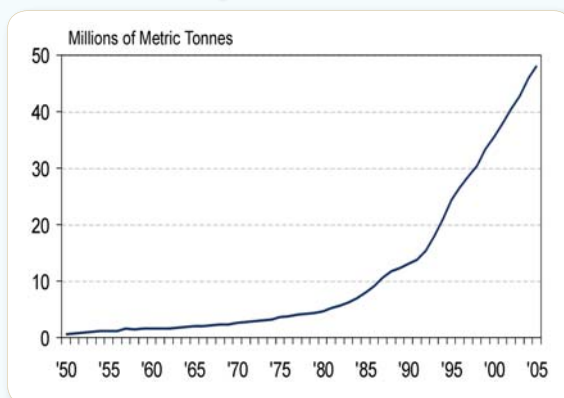
Cooke Aquaculture - feeding fish

Global Situation

Aquaculture involves the cultivation of finfish, shellfish, algae and other aquatic organisms. The term is distinguished from fishing by the fact that human effort is required to maintain and increase the species, as opposed to simply taking them from the wild. Aquaculture has been around for centuries in many countries. The earliest recorded aquaculture production occurred in China around 2500 B.C. Aquaculture was also prevalent throughout Europe during the Middle Ages. However, during the

19th Century, transportation improvements reduced the price of wild fish and caused a decline in aquaculture production. The current boom in aquaculture started in the 1960s in conjunction with increasing fish prices, peak wild fish harvesting and rising human population. Today, commercial aquaculture production is at record high levels. In 2004, aquaculture contributed 48.2 million tonnes or 34.1% of total world fish production. Global aquaculture production has grown by an annual average of 7.0% since 1995 while wild fisheries harvesting has essentially been flat.

World Aquaculture Production



Note: Excludes data for marine mammals and aquatic plants
Food and Agriculture Organization of the United Nations (FAO)

Provincial Aquaculture

Aquaculture is a growing industry with extensive operations throughout the province. There were 129 commercial aquaculture site licences in 2006. The main species currently produced are mussels (66 sites), Atlantic salmon (28 sites) and steelhead (9 sites). In addition, cod aquaculture is currently being explored and growth in this sector is expected over the next several years. The aquaculture sector directly employed 370 persons in 2006.

Provincial aquaculture production reached a record level of 10,500 tonnes in 2006 with an export value of \$52.3 million. This represented an increase of 28.6% in volume and 56.1% in value. The increase in value was greater than that of volume due to strengthening market prices as a result of strong demand for aquaculture products.

The aquaculture industry has tremendous growth potential in Newfoundland and Labrador. The province has numerous advantages including: an abundant marine area for development; excellent water quality; existing infrastructure; community acceptance of the industry; research and development capability; and, the support of both the provincial and federal governments.

Cooke Aquaculture

Cooke Aquaculture Inc., an independent salmon farming company based in New Brunswick, is investing \$135 million in private funds together with \$10 million in provincial government and \$10.5 million in federal government funding to develop several salmon farms on the Connaigre Peninsula. It is estimated that more than 200 full-time, year-round jobs will be created as a result of this investment. Over the next three years, the company will introduce three million smolts (young salmon) annually into the new farms. The project is expected to generate annual production of approximately 17,800 whole fish equivalent metric tonnes with an estimated value of \$86.5 million. The company also intends to build a recirculation hatchery, open a state-of-the-art processing facility and develop a supporting fleet of service vessels and feed barges.

