

May 4, 2020

Daniel Shewchuk Chairperson Nunavut Wildlife Management Board P.O. Box 1379 Iqaluit, NU XOA 0H0 Robert Moshenko A/Chairperson Nunavik Marine Region Wildlife Board P.O. Box 433 Inukjuak, QC JOM 1M0

Dear Messrs Shewchuk and Moshenko

Re: Nunavut Wildlife Management Board and Nunavik Marine Region Wildlife Board Written public hearing to consider 2020-2021 total allowable catches for northern and striped shrimp

Further to your letter dated March 27, 2020 we are pleased to provide you with Makivik's position regarding TAC levels in the WAZ and EAZ as well as relevant sharing arrangements.

The structure of our submission is as follows:

- 1. Introduction
- 2. Western Assessment Zone TACs and Sharing
- 3. Eastern Assessment Zone
 - A) TACs
 - B) Sub-allocation of TACs between 3 management areas (DSE, DSW and NU/NK East)
 - C) Sharing within NU/NK East
 - D) Sharing within DSW

1. Introduction

Makivik was established in 1978 by a special legislation pursuant to the James Bay and Northern Quebec Agreement. One year after, Makivik Corporation was awarded its original fishing license followed by a second license in 1987 (UNAAQ). Since 1996 our licenses have been subject to zone closures and allocation decreases which resulted in a total decrease of 41% of our traditional share in the Canadian shrimp fishing industry.

2. Western Assessment Zone (P. borealis and P. montagui):

A. Pandalus borealis

This stock is a bycatch for the larger *P. montagui* fishery, and a significant part of the TAC is usually not harvested. The 2019 survey indicated a 3.4% reduction in fishable biomass and maintaining the 2019 TAC in 2020 would result in an exploitation rate (ER) of 15.5%. We therefore believe that a rollover of the quota of 3163 mt is appropriate for 2020.

B. Pandalus montagui

Makivik is concerned that after a 95% increase in TAC in 2019, that the most recent scientific survey indicated a 19.5% decrease in the fishable biomass and a 37% reduction in the female spawning stock biomass. We are equally concerned with the increased pressure on this area especially when we see virtually the entire Canadian shrimp fleet fishing this small area for one period late fall 2019. A TAC rollover of 11,975 mt would push the exploitation rate to 18.6%, very close to the maximum allowable limit of 20% and continue a trend of escalating exploitation rates that as recently as 2015 and 2016 was maintained in the 10% range. We recommend an ER of 15% which would reduce the TAC from 11,975 mt to 9,640 mt.

Regarding the sharing arrangement between Nunavut and Nunavik, <u>we recommend a continuation of the 50/50 sharing</u>.

3. Eastern Assessment Zone

A) TACs

Although the EAZ comprises 3 management areas, it is surveyed as one area. We recommend the following:

P. montagui in EAZ

Catches remain low and exploitation rates have also been low in recent years. Despite biomass declines in the latest survey, maintaining the current TAC of 840 mt would result in an ER of 9.9%. Rollover is recommended.

P. borealis in EAZ

The most recent scientific survey of this region shows very large increases in both fishable biomass (103%) and spawning stock biomass (74%). The FB level is the highest in recorded history. Our fishing experience confirms that this broad stock is indeed very healthy, and a quota increase is justifiable. However, we are concerned that the fishery is concentrated in the 2 smaller areas (NUE/NKE and DSW) with poor results in the large DSE area. We believe that a go-slow approach would be in order and we look forward to seeing another survey result next year to confirm the magnitude of the stock increase. For 2020/21 we believe that it would be prudent to take a 2-year average approach and use a 15% exploitation rate which calculates to an increase of 2043 mt and a TAC of 10,653 mt.

B) Allocation of TACs in the EAZ to 3 Management Areas

Allocation of *P. montagui* quotas to NUE/NKE versus DSW versus DSE should remain as is.

Regarding borealis, we note that the entire increase in EAZ is confined to NKE/NUE and DSW so that we propose a rollover for DSE. Regarding the sub-allocation of the 2043 mt between NUE/NKE and DSW, the information provided by DFO Science only distinguishes between RISA-W and RISA-E which in our view makes it very difficult to recommend division of quota given that all of RISA-W and a significant part of RISA-E is within the NU/NK land claims area. We feel this needs additional review in order to ensure that land claims entities receive accurate and maximum quotas within NUE/NKE. We suggest this matter also be included as part of a working group mandate. In the meantime and recognizing that this dilemma cannot be scientifically solved in time for this year's decision making process, we recommend that the RISA-W proportion of the biomass be used as a temporary proxy for NUE/NKE and that, based on a relative biomass of 27.5%, the TAC in NKE/NUE would increase by 562 mt to 825 mt in total. We feel this is most conservative given that DFO Science estimates the fishable biomass in this area (RISA-W) to be more than 21,000 mt.

The remaining 1481 mt (2043 - 562) should be assigned to DSW.

C) Sharing within NUE/NKE

This was a subject of lengthy debate for many years but Makivik reluctantly agreed to an 80/20 split despite the fact that the agreed split in the WAZ is 50/50. It is not our intention to reopen this debate, but it is important to note that the split in DSW is 90/10 in Nunavut's favor. We will address this key issue in the next section.

D) Sharing within DSW

The dividing line between DSW and NU/NKE marks the boundary between the commercial fishing area and the Nunavut/Nunavik settlement areas. Only Nunavut and Nunavik industry allocation holders have access to allocations in NU/NKE and these companies also fish Nunavut and Nunavik's allocations in DSW

From a Science perspective, the stock assessment for *P. borealis* and *P. montagui* is done at the spatial scale of the EAZ, not the individual management unit. The management line dividing the NU/NKE and DSW units is located in the middle of an extremely large shrimp aggregation located around Resolution Island and the entrance to Ungava Bay. As such, it would be reasonable to believe that current harvests.from.NU/NKE and DSW are from the same stock of shrimp especially given that the entire EAZ is assessed together by DFO Science. Normally, management divisions are established based on species distribution but the line separating NUE/NKE from DSW exists specifically for land claims reasons and, again, inadvertently runs through a large biomass of shrimp. DFO Science has also indicated that the removal of the management line between NU/NKE and DSW for the three Nunavut/Nunavik industry entities active in this fishery would have limited overall impact on the resource in the EAZ at this time. We understand there is support within DFO for "land claims vessels" to be able to fish their quotas either side of this existing line and we hope that this scenario will be addressed further by a working group so that changes can be implemented next year.

Regarding the sharing of the net 1481 mt increase (2043 – 562) in DSW we support the reinstatement of the offshore's long term quota level of 5250 mt from the current level of 4737 mt. This allocation of 513 mt leaves a residual quota of 968 mt (2043 – 562 - 513). The sharing of this 968 mt should be exclusively between Nunavik and Nunavut and, as has been expressed before by Makivik, no new participants should be granted access to DSW in accordance with the spirit and intent of land claims agreements. We point out again that all southern areas (SFA 4, 5, 6, 7 and Flemish Cap) have either suffered huge quota reductions or been closed and NU/NK cannot be expected to forego development opportunities in areas adjacent to our lands to compensate for southern fishery losses.

In 2016 DFO increased the DSW quota by 1204 mt and assigned 100% of this increase to Nunavik and Nunavut.

Actually, following the assignment of 513 mt to the traditional offshore fleet from this year's increase, all current and future increases in DSW should go to NK/NU. However, in 2016 Nunavik received only 10% of the 1204 increase versus 90% for Nunavut. We cannot find support for this calculation other than a reference in the land claims agreement for a 90/10 split on turbot. In the case of turbot, Makivik has no other allocations and acknowledges the 10% turbot split as fair in the context of land claims. However, Nunavik is a participant in the offshore shrimp fishery and is actually penalized by such a small share of the NU/NK share. In other words, it receives less

benefit for its fishing operation from its land claims status than its participation in the offshore shrimp fishery.

It is also extremely adjacent to the actual DSW shrimp fishing grounds, relative to turbot grounds. Finally, it already receives 20% of NUE/NKE borealis quotas per agreement between Nunavut and Nunavik and , as described in detail above, the 2 areas are part of the same stock and stock assessment, "separated" only by a land claims line and there should be no justification for different shares for 2 components of a stock that straddle an imaginary line.

Makivik believes that there is a strong possibility of large future increases in the EAZ. It is critical that a fair and equitable sharing be attained today in order to benefit from a growing resource in and around eastern Ungava Bay. For all these reasons, we strongly and respectfully submit that a fair sharing of the 968 mt residual increase in DSW should be a minimum of 20% to Nunavik/Makivik and the balance to Nunavut.

Summary table of Makivik position on the P. borealis stocks in the EAZ

Eastern Assessment Zone				
P. borealis				
(DSW/NU-NKE) (72.5/27.5 split)	TAC	Offshore	Nunavut	Nunavik
			80%	20%
David Strait West (DSW) 72.5%	1 481.0	513.0	774.5	193.6
NU/NK E 27.5%	562.0	-	449.5	112.4
Total Increase	2 043.0	513.0	1 224.0	306.0

Thank you in advance for the Boards' consideration of Nunavik/Makivik's recommendations on this very important issue

Sincerely,

Maggie Emudluk

Vice President - Economic Development

Makivik Corporation

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