



May 14th 2013

The Honourable Keith Ashfield Minister of Fisheries and Oceans 15th Floor, Centennial Towers 200 Kent Street Ottawa, Ontario K1A 0E6

Dear Minister Ashfield:

Re: Nunavut Wildlife Management Board and Nunavik Marine Region Wildlife Board final decisions and recommendations concerning *Pandalus borealis* and *Pandalus montagui* shrimp harvest levels in the Nunavut West-Nunavik West and Nunavut East-Nunavik East Management Units

1. THE NWMB AND NMRWB FINAL DECISIONS AND RECOMMENDATIONS

The Nunavut Wildlife Management Board (NWMB) and the Nunavik Marine Region Wildlife Board (NMRWB) each recently held a decision meeting for the purpose of reaching final decisions and recommendations with respect to sustainable harvest levels for *Pandalus montagui* (montagui) and *Pandalus borealis* (borealis) shrimp in the Nunavut West and Nunavut East Management Units within the Nunavut Settlement Area (NSA), and in the Nunavik West and Nunavik East Management Units within the Nunavik Marine Region (NMR). A significant component of the preparations for both decision meetings was the close collaboration between the NMRWB and the NWMB (the Boards) to develop and successfully implement a joint reconsideration and final decision-making plan. A primary objective of the plan was for the Boards to reach complementary harvest level decisions that, together, would fall within the already established sustainable Total Allowable Catch levels and borealis shrimp by-catch quota for both the NSA and the NMR.

During their decision meetings, the Boards once again reviewed all of the relevant written and oral arguments and evidence of the various parties at the original NWMB public hearing (held on June 12th 2012). The Boards also carefully considered your December 14th 2012 reasons for rejection of their initial quota/total allowable take (TAT) decisions, as well as the additional

March 13th and April 12th 2013 written submissions received from Makivik Corporation (Makivik), and the April 12th 2013 written submissions from Nunavut Tunngavik Inc. (NTI). ¹

After completing their respective deliberations, the Boards decided to revise their initial decisions and recommendations. The Boards' resolutions/final decisions and recommendations are set out immediately below.

1.1 Quota and TAT decisions

RESOLVED that, pursuant to Section 5.6.4 of the *Nunavut Land Claims Agreement*, the NWMB approve the following shrimp quota levels in the Nunavut West and Nunavut East Management Units:

- 1. For *Pandalus montagui* shrimp:
 - (a) A quota of 2,500 tonnes (t) in the Nunavut West Management Unit within the Nunavut Settlement Area (NSA); and
 - (b) A quota of 805t in the Nunavut East Management Unit within the NSA; and
- 2. For *Pandalus borealis* shrimp:
 - (a) A quota of 750t in the Nunavut West Management Unit within the NSA; and
 - (b) A by-catch quota of 200t in the Nunavut East Management Unit within the NSA.

RESOLVED that, pursuant to Section 5.2.10 of the *Nunavik Inuit Land Claims Agreement*, the NMRWB approve the following shrimp levels of total allowable take (TAT) in the Nunavik West and Nunavik East Management Units:

- 1. For *Pandalus montagui* shrimp:
 - (a) A TAT of 2,500 tonnes (t) in the Nunavik West Management Unit within the Nunavik Marine Region (NMR); and
 - (b) A TAT of 345t in the Nunavik East Management Unit within the NMR; and
- 2. For *Pandalus borealis* shrimp:
 - (a) A TAT of 750t in the Nunavik West Management Unit within the NMR; and
 - (b) A by-catch TAT of 50t in the Nunavik East Management Unit within the NMR.

¹ A brief summary of the above-referenced evidence and arguments is attached to this letter as Appendix I. In addition, the NWMB's and NMRWB's initial October 2012 decision correspondence to you – including a brief summary of key points made during the public hearing process - are attached as Appendix II. Your disallowance letters are attached as Appendix III, and the three written submissions delivered following the Boards' receipt of your disallowance letters are attached as Appendices IV (Makivik), V (Makivik supplementary) and VI (NTI). All of the written submissions received and considered at the June 2012 hearing are publicly available for download from the NWMB's website (www.nwmb.com). In addition, the NWMB has produced a full transcript of the oral submissions and questions and answers delivered during the one day hearing. That transcript is available upon request to the NWMB.

1.2 Recommendations regarding land claim boundaries, monitoring and reporting

RESOLVED that the NWMB and the NMRWB recommend to the Minister of Fisheries and Oceans that, strictly for the purposes of commercial fishing for *Pandalus montagui* and *Pandalus borealis* shrimp within the Nunavut-Nunavik West and the Nunavut-Nunavik East Management Units, the Minister:

- 1. Permit Nunavut allocations in the Nunavut West Management Unit and Nunavik allocations in the Nunavik West Management Unit to be fished anywhere within those Management Units, regardless of land claim boundaries;
- 2. Permit the same arrangement for Nunavut and Nunavik allocations in the Nunavut East Management Unit and the Nunavik East Management Unit; and
- 3. Require monitoring of and reporting by allocation-holders, sufficient to assemble the information necessary to evaluate the viability of continuing the current shrimp management arrangements beyond the 2015 harvesting season.

1.3 Non-quota limitation decision concerning the area of harvest for Resolution Island

RESOLVED that, pursuant to Section 5.6.48 of the *Nunavut Land Claims Agreement* - and subject to the approval and implementation by the Minister of Fisheries and Oceans of the NWMB's and the Nunavik Marine Region Wildlife Board's recommendations to permit commercial shrimp fishing of Nunavut Settlement Area and Nunavik Marine Region allocations regardless of land claim boundaries - the NWMB approve the automatic closure of all shrimp fishing in the Resolution Island area² once harvests in the area reach the threshold percentage³ of the combined Nunavut East and Nunavik East quotas and levels of total allowable take for *Pandalus montagui* shrimp.⁴

1.4 Decision to conduct a review of shrimp management arrangements in the Nunavut and Nunavik Management Units

RESOLVED that the NWMB and the NMRWB, in cooperation with the Department of Fisheries and Oceans - and prior to the commencement of the 2016/2017 shrimp harvesting season - conduct a review of the shrimp management arrangements in the Nunavut-Nunavik West, and the Nunavut-Nunavik East Management Units, including with respect

² Area coordinates to be determined in cooperation with the Department of Fisheries and Oceans, and in consultation with the Nunavik Marine Region Wildlife Board.

³ Threshold percentage to be determined in cooperation with the Department of Fisheries and Oceans, and in consultation with the Nunavik Marine Region Wildlife Board.

⁴ If DFO science advises – and provides sufficient supporting evidence - that this non-quota limitation is unnecessary to ensure the conservation of the shrimp resource in the Resolution Island area, the NWMB is prepared to rescind this particular decision.

to quotas and levels of total allowable take, and the viability of fishing Nunavut and Nunavik shrimp allocations regardless of land claim boundaries.

2. THE MINISTER'S REASONS FOR REJECTION OF THE INITIAL NWMB AND NMRWB DECISIONS

You rejected the Boards' initial quota/TAT decisions for conservation reasons: "... When considering the Nunavut Wildlife Management Board and the Nunavik Marine Region Wildlife Board decisions together, the sustainable Total Allowable Catch levels in each assessment zone and the <u>P. borealis</u> by-catch quota as set out above are exceeded. Harvesting above these sustainable catch levels would raise conservation concerns for both shrimp species and be inconsistent with the precautionary fisheries management approach for these fisheries..."

You then proceeded to recommend that the Boards "...determine, together, any adjustments that should be made to arrive at harvest levels that fall within the sustainable Total Allowable Catch levels and by-catch amount when combined..."

3. THE MARCH AND APRIL 2013 HEARING SUBMISSIONS

In compliance with your recommendation, the two Boards worked closely together, first in the development of a joint reconsideration and final decision-making plan, and thereafter in the issuance of – and follow-up to - February 15th and March 15th 2013 correspondence to NWMB hearing parties and the *Regional Nunavimmi Umajulirijiit Katujjiqatiginninga*. As a result, two of the hearing parties, Makivik and NTI - representing Nunavik and Nunavut Inuit – attempted, without success, to reach agreement on the equitable sharing (by percentage) of shrimp resources between the Nunavut West-Nunavik West (NU/NK-W) and the Nunavut East-Nunavik East (NU/NK-E) Management Units. Those parties each subsequently filed written submissions with both the NWMB and the NMRWB.

3.1 Makivik's submissions

Makivik proposed the following harvest level recommendations (53% NU - 47% NK split):

Montagui in NU/NK-W: Montagui in NU/NK-E

NU: 2500t NU: 750t NK: 2500t NK: 400t

Borealis in NU/NK-W: Borealis in NU/NK-E

 NU:
 750t
 NU:
 200t

 NK:
 750t
 NK:
 50t

Makivik offered three additional recommendations:

- 1. Both jurisdictions be permitted to fish their harvest levels across the Nunavut and Nunavik land claim boundaries;
- 2. A limited number of vessels be allowed in the fisheries; and
- 3. Any future increase in NU/NK-E be two to one in favor of Nunavik until such time as there is equal sharing, and 50/50 sharing thereafter.

3.2 NTI's submissions

NTI proposed the following harvest level recommendations (56.7% NU - 43.3% NK split):

Montagui in NU/NK-W: Montagui in NU/NK-E

 NU: 2870t
 NU: 1000t

 NK: 2870t
 NK: 150t

Borealis in NU/NK-W: Borealis in NU/NK-E

 NU:
 825t
 NU:
 200t

 NK:
 675t
 NK:
 50t

NTI agreed with Makivik's first two additional recommendations (permit fishing across the land claim boundaries, and maintain a limited entry system for the fisheries), but did not agree with Makivik's proposal pertaining to the distribution of future increases.

4. THE NWMB'S AND NMRWB'S RECONSIDERATION IN LIGHT OF THE MINISTER'S REASONS TO REJECT AND THE MARCH/APRIL HEARING SUBMISSIONS

The Boards agree that, for conservation reasons, the combined NWMB and NMRWB decisions must not exceed the sustainable Total Allowable Catch levels in each assessment zone (5000t montagui shrimp in NU/NK-W; 1150t montagui shrimp in NU/NK-E; 1500t borealis shrimp in NU/NK-W) and the *P. borealis* shrimp by-catch quota (250t borealis shrimp in NU/NK-E). In a concerted effort to ensure that their combined final decisions respect the principles of conservation, the NWMB and the NMRWB have worked closely together in a procedurally fair process to determine adjustments to their respective initial decisions.

In adjusting their initial decisions, the Boards carefully considered the most recent submissions from both Makivik and NTI, and concluded that the latest Makivik proposal comes closer to achieving the most equitable sharing arrangement. In fact, the Boards' only concern is with respect to Makivik's proposed split of montagui shrimp in NU/NK-E. As NTI has correctly pointed out, the new management regime must take account of Nunavut's heretofore 3,000t montagui shrimp quota in SFA3 and SFA2 inside the NSA. It is important to also note that the Department of Fisheries and Ocean's (DFO's) new management regime has already reduced that original 3,000t Nunavut quota by approximately 62% to 1,150t.

In an effort to arrive at a reasonable balance based on all relevant considerations, the Boards have turned to - and accepted - the NMRWB's October 17th 2012 total allowable take decision for montagui shrimp in NU/NK-E: 805t for Nunavut and 345t for Nunavik - representing a 70/30 split, as opposed to Makivik's recommended 65/35 split, and NTI's proposed 87/13 split. In accepting the NMRWB's initial decision, the NWMB has reduced its own initial (October 2nd 2012) quota decision for Nunavut by 145t, from 950t to 805t – resulting in a 72.5% increase to its initial recommendation for Nunavik, from 200t to 345t. All other Nunavut and Nunavik harvest levels in the Boards' final decisions and recommendations are taken directly from Makivik's most recent proposal:

Montagui in NU/NK-W: Montagui in NU/NK-E

NU: 2500t NU: 805t NK: 2500t NK: 345t

Borealis in NU/NK-W: Borealis in NU/NK-E

 NU:
 750t
 NU:
 200t

 NK:
 750t
 NK:
 50t

The Boards' final harvest level decisions and recommendations amount to a 54/46 split between Nunavut and Nunavik – very close to the halfway point between Makivik's original recommendation of a 50/50 split and the NWMB's initial decision to establish a 59/41 split.

In addition, the Boards adopted – by way of recommendation - the consensus proposal from NTI and Makivik that both jurisdictions be permitted to fish their harvest levels across the Nunavut and Nunavik land claim boundaries. Such a flexible and cooperative arrangement recognizes that shrimp resources in the area are very mobile, and are likely highly influenced by water temperatures. However, the Boards understand that providing this level of flexibility to commercial fishers from both jurisdictions could potentially result in an exploitation rate for *P. montagui* in the Resolution Island area that raises conservation concerns. Accordingly, in conjunction with their recommendation to permit fishing across the two land claim boundaries, the NWMB has established a non-quota limitation that closes all shrimp fishing in the Resolution Island area, once montagui shrimp harvest levels reach an agreed-upon threshold percentage.

Taking into careful account the NWMB's and the NMRWB's initial decisions and the Minister's rejections and reasons, the Boards did not feel it was necessary to include within their final decision-making any decisions concerning a limited entry system for the fisheries and/or the distribution of potential future increases.

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⁵ See, for instance: the Canadian Science Advisory Secretariat *Science Advisory Report 2011/010*, pages 2, 6, 11, 13 and 16; the Hearing Transcript, page 52 lines 11 to 25, and page 53 lines 1 to 4; and Makivik's April 12th 2013 *Supplementary Submission*, page 2.

5. JUSTIFICATION FOR THE BOARDS' FINAL DECISIONS AND RECOMMENDATIONS

The Boards' final decisions and recommendations:

- 1. Are justified pursuant to NLCA S.5.3.3(a) and NILCA S.5.2.10 the restrictions limit Inuit harvesting of shrimp in the NSA and the NMR only to the extent necessary to effect the valid conservation purposes of:
 - (a) Maintaining vital healthy montagui and borealis shrimp populations capable of sustaining harvesting needs as defined in NLCA Article 5 and NILCA Article 5 (NLCA S.5.1.5(c), NILCA S.5.1.5(b)); and
 - (b) Maintaining the natural balance of ecological systems within the NSA and the NMR (NLCA and NILCA S.5.1.5(a));⁶
- 2. Satisfy the requirements of NLCA S.5.3.4 and NILCA S.5.5.4.1 for (i) the NWMB and the Minister to take account of northern shrimp harvested outside the NSA, and (ii) the NMRWB and the Minister to take account of northern shrimp harvested outside the NMR, by persons resident elsewhere;
- 3. Fully address the Minister's reasons for rejecting the Boards' initial decisions, by ensuring that shrimp harvesting inside both the NSA and the NMR remains within sustainable catch levels, does not raise conservation concerns, and is consistent with the precautionary fisheries management approach for these fisheries;
- 4. Comply with the Minister's recommendation that the NWMB and the NMRWB work cooperatively together so as to produce decisions on shrimp harvesting levels within the NSA and the NMR that, when combined, fall within the sustainable Total Allowable Catch levels in each assessment zone and the *P. borealis* shrimp by-catch quota in NU/NK-E;
- 5. Take into careful account the submissions of both Makivik and NTI, and set out harvest levels that are in full compliance with Makivik's most recent proposal except with respect to montagui shrimp in NU/NK-E, which harvest levels are in full compliance with the NMRWB's initial (October 24th 2012) decision to the Minister:
- 6. Recognizing that the various facets of the new management system need to be assessed in a timely manner, require monitoring of and reporting by allocation holders, sufficient to assemble the information necessary to evaluate the viability of continuing the current shrimp management arrangements beyond the 2015 harvesting season; and

⁶ It effects those conservation purposes by helping to ensure that the harvesting of northern shrimp inside both the NSA and the NMR remains within sustainable limits, and by requiring the automatic closure of all shrimp fishing in the Resolution Island area once *P. montagui* shrimp harvest levels reach a threshold percentage that ensures conservation of the resource.

Commit the NWMB and the NMRWB – in cooperation with DFO – to conduct a
comprehensive review of the new management system prior to the commencement of the
2016/2017 shrimp harvesting season, and to make any required modifications.

6. CONCLUSION

Mr. Minister, the Boards hereby forward their final decisions and recommendations to you, for your consideration pursuant to the relevant terms of the NLCA and NILCA. Mindful of DFO's intention to complete the NLCA and NILCA decision-making processes in time to implement the resulting changes for the prosecution of the 2013 northern commercial shrimp fishing season, the Boards look forward to soon receiving your replies.

In the meantime, please be assured that the NWMB and the NMRWB will continue to collaboratively work with the Department and other co-management partners in ensuring that the management of shrimp and all other NSA and NMR fisheries fully aligns with the terms of NLCA Article 5 and NILCA Article 5.

If you or your officials have any questions with respect to the contents of this letter, please do not hesitate to contact the NWMB and the NMRWB at your convenience.

Yours sincerely,

Manasie Audlakiak,

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A/Chairperson of the

Nunavut Wildlife Management Board

Robbie Tookalak
A/Chairperson of the

Nunavik Marine Region Wildlife Board

Attachments (6)