

**August 13, 2012**

**Request by Nattivak HTO to QWB, NWMB and DFO to modify the conditions for harvesting the 100 MT in-shore turbot quota in NAFO Division 0A during 2012**

**Background – 2011 Exploratory Fishery**

In 2011, Nattivak HTO received a 70 MT inshore exploratory quota in 0A from QWB. Nattivak was able to fulfill its commitment to conduct an exploratory harvest of this quota by hiring the 87 foot freezer vessel the Abigail Grace, rigged for gill-net fishing, to conduct the exploratory fishery at the mouth of three fiords which converge southeast of Broughton Island plus an area directly east of Broughton Island.

The captain of the vessel, Jody Wood, prepared a brief report (attached) of his fishing activities outlining the results. The exploratory fishery commenced September 24<sup>th</sup>, 2011 with the arrival of the vessel at Qikiqtarjuaq. The vessel then proceeded to place 9 strings of gillnets (410 nets in total) in various locations as displayed on the attached map near Broughton Island within the Nunavut Settlement Area. The exploratory fishery ended October 4<sup>th</sup> when all the gear was taken on board the vessel as there was insufficient catches of turbot to justify setting the gear back in the water, and the vessel returned to Qikiqtarjuaq.

Despite low catches of turbot within the exploratory area the Captain of the Abigail Grace was encouraged by the positive signs of turbot that were encountered and he felt that under certain conditions there could be a small turbot fishery for the community of Qikiqtarjuaq.

**Plans for 2012 Exploratory Fishery**

Building on the experience gained during the 2011 exploratory fishery, it is not planned to conduct any exploration in the mouths of the fiords during 2012 as very few turbot were caught and there was heavy incidence of sharks. The focus will be on the area immediately to the east of Broughton Island where very few sharks were encountered, there were good signs of turbot and the bottom was very good.

This area is part of a deep water channel (water depths of 200 to 600+ fathoms which is conducive to turbot) that extends from Broughton Island to the offshore areas of Division 0A

and we believe the channel may serve as a passage whereby the turbot migrate from the deeper offshore waters to areas closer to Qikiqtarjuaq. Two-thirds of the exploratory fishing took place in this area during 2012 but it could not be sustained as catch levels were too low within the NSA and the vessel had to leave the area without fully completing the exploratory fishery.

During 2012 we intend to commence the exploratory fishery in this same area immediately adjacent to Broughton Island but propose to continue the exploration outside the NSA in the deep water channel so that we can more fully identify the extent of the resource adjacent to our community and thereby develop an inshore fishery. In particular, we hope the 2012 exploratory fishery will provide some answers to the following questions that are essential to making decisions regarding investments in boats and infrastructure required for an inshore turbot fishery:

- How far offshore is it feasible to fish
- What size boat would be required
- How much tide is there
- What type of bottom - rocky or mud
- What type of gear would be best used- gillnets or hook and line
- What size mesh would best be used for the depth of water – for example, 6” in 300 fathoms might be suitable or it could be 7 ½” in 500 fathoms
- What would be the catch rates in different areas and water depths
- Are there any sharks in the area at this time of year

The proposed exploratory area is outlined in yellow on the attached map and could likely extend for about 20 to 30 miles beyond the NSA. We believe this is still a practical distance for inshore fishing boats based in Qikiqtarjuaq to profitably and safely prosecute this fishery in the future.

#### **Cost and Availability of Vessels to Conduct Exploratory Fishery**

While Nattivak HTO is a member of Arctic Fishery Alliance which owns the 100 foot fixed gear factory freezer vessel Suvak, it should be noted that removing this vessel from the OA commercial turbot fishery to conduct an exploratory fishery would cost AFA lost revenue of at least \$50,000 per fishing day, so that a 30-day exploratory fishery would result in lost revenue of about \$1.5 million.

Normally, the cost of hiring a suitable vessel to conduct an exploratory fishery such as proposed for the 100 MT allocated to Nattivak HTO would be in the area of \$150,000 to \$200,000.

Because there is no fish processing facility near Qikiqtarjuaq the exploratory fishery must be conducted by a vessel that has the capability to process and freeze its catch on board. A suitable factory freezer vessel would have to be chartered, most likely from Newfoundland, so that the vessel would leave St. John's, steam to Broughton Island and conduct the exploratory and then steam back to St. John's. The estimated "out of pocket costs" for the vessel and crew would be as follows:

Crew cost:		
Captain - \$300 per day x 30 days		9,000
Mate - \$225 per day x 30 days	6,750	
Engineer \$225 per day x 30 days	6,750	
Second engineer \$175 per day x 30 days	5,250	
Cook \$175 per day x 30 days	5,250	
Deckhands 3 @ \$150 per day each x 30 days	13,500	
Fuel 30 days at \$1,500 per day	<u>45,000</u>	
Total cost without any charter for the vessel	<u>\$91,500</u>	

Please note that the above is a minimum cost as experienced fishing captains and crew normally earn much higher wages than this in the commercial turbot fishery. Also, after provision is made for vessel operating and charter expenses the total cost would be in the range of \$150,000 to \$200,000.

As Nattivak HTO does not have the financial resources to pay such charter rates, AFA had assisted in 2011 by offering its OA turbot quota to the vessel undertaking the exploratory fishery as a guaranteed catch. In 2011 AFA agreed that in the event that the Abigail Grace was unable to economically harvest any of the Nattivak inshore quota then the vessel would be entitled to suspend its exploratory fishery inside the NSA and AFA would allocate to the vessel up to 70 MT of its offshore turbot quota in Division OA that would be harvested outside the NSA.

AFA is prepared to offer similar guarantees to the owner of the exploratory vessel in 2012, except (as explained in the following section) that AFA can offer only OB offshore quota as it does not have any surplus OA offshore quota; however, this would be an acceptable guarantee to the vessel owner.

Nattivak HTO has secured an agreement to hire the vessel Royal Venture, an 89 foot factory freezer equipped for gillnetting. As it is known that the 2011 exploratory fishery inside the NSA near Broughton Island did not produce any positive results, the vessel owner is not prepared to

undertake an exploratory fishery in this same area as it would not be productive unless (as discussed previously) the vessel could continue the exploratory fishery in the deep water channel outside the NSA until it encountered commercial quantities of turbot.

#### **Availability of OA Offshore Turbot Quota from AFA**

AFA has entered into a quota swap agreement with Labrador Shrimp whereby 400 MT of AFA's 950 MT OA turbot quota has been traded in return for Labrador Shrimp's halibut and cod quotas south of Newfoundland to be harvested by Suvak during the winter months when the northern turbot fishery is closed due to ice conditions. As a result, AFA requires additional OA turbot quota to balance its fishing plan for Suvak and to provide the additional OA offshore quota required to permit the exploratory fishery to take place outside the NSA.

During 2011 AFA had access to additional OA offshore turbot quota from the Cumberland Sound/Pangnirtung Partnership on a royalty basis. It also swapped some of its uncaught OB quota with QFC in return for OA quota. QFC is prepared to repeat that same arrangement for 2012. However, the new Chairman of the CSFL/PFL Partnership has repeatedly ignored AFA's request for OA quota in 2012. AFA has also attempted to swap some of its uncaught 2012 OB quota for an equivalent amount of OA quota with BFC, but to date BFC has refused to cooperate.

As a result, AFA is unable to assist Nattivak HTO by giving the exploratory vessel access to its offshore OA quota, and AFA forecasts that by late September its vessel Suvak will run out of OA quota and will have to suspend fishing in OA.

Therefore, it is very unlikely that Nattivak HTO will have access to any OA quota to permit the exploratory fishery to be conducted in part outside the NSA, unless QWB/NWMB/DFO can permit a temporary exemption as described below.

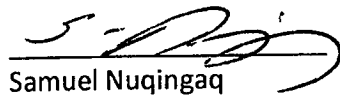
#### **Request for Temporary Exemption from NWMB/DFO**

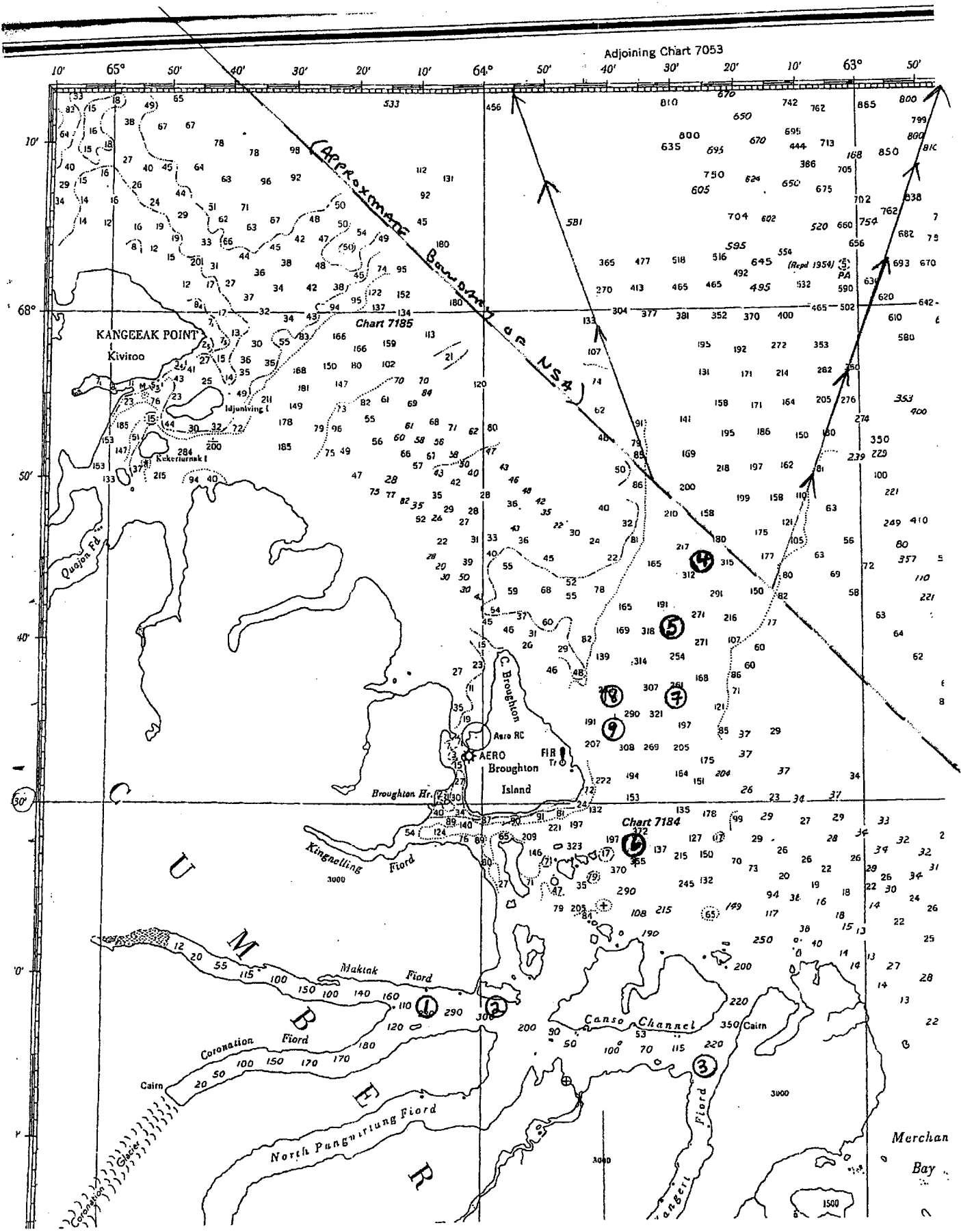
Nattivak HTO requests that QWB obtain consent from NWMB and DFO to permit Nattivak HTO to conduct the 100 MT exploratory turbot fishery for 2012 both inside and outside the NSA in the waters adjacent to Broughton Island as we have proposed. We point out the obvious fact that as the turbot both inside and outside the NSA off Broughton Island are from the same stock there will be no impact on the stock whether they are caught inside or outside the NSA.

We wish to make it clear that we are not asking that the 100 MT be "transferred to the offshore" to be harvested by any vessel as an offshore quota. The vessel that will be

conducting the exploratory fishery for us will utilize an Exploratory License issued by DFO, whereas most of the offshore fixed gear vessels operate under commercial fishing licenses up to 100 miles further offshore from Qikiqtarjuaq. The exemption we are requesting is temporary for 2012 and will be restricted to the vessel Royal Venture that is hired by Nattivak HTO to conduct the exploratory fishery.

We understand that NWMB will be holding a decision making meeting September 10<sup>th</sup> and we would urge that this matter be put on the agenda for that meeting so that our 2012 exploratory inshore fishery can commence as soon as possible thereafter.

  
Samuel Nuqingaq  
Chairman  
Nattivak HTO



**Report by the Captain of the Fishing Vessel Abigail Grace on an Exploratory  
Turbot Fishery inside the Nunavut Settlement Area conducted for the Nattivak  
Hunters & Trappers Association in 2011**

On Sept 25<sup>th</sup>, 2011, I set 9 strings of gillnets for Nattivak Hunters & Trappers Association. A total of 410 Gillnets were set in 9 strings consisting of 5 strings of 50 nets and 4 strings of 40 nets.

3 strings were set inside the Fiord at the mouth of Maktak and Coronation Fiord in depths from 194 FM to 339 FM. We encountered skate and Flounder and a few Ground Sharks on 2 strings further in the Fiord. A lot of Ground Sharks at mouth of Fiord in deeper water string. As well, if not for the abundance of Ground Sharks there could be Turbot in these depths. 3 strings of 40 nets were set inside the Fiord at positions:

- | <u>Start</u>   | <u>End</u> |
|--|------------|
| 1. N 67°18.46  | N 67°17.61 |
| W 64°12.74   | W 64°08.49 |
| 194 FM   | 219 FM     |
| Note: (40 Nets) Few Ground Sharks and we also caught Skate, Flounder and 5 lbs of Turbot.                            |            |
| 2. N 67°17.40  | N 67°17.18 |
| W 64°01.16   | W 63°56.81 |
| 329 FM   | 335 FM     |
| Note: (40 Nets) Same as #1 but had 20 lbs of Turbot. A few very small Turbot as well.                                |            |
| 3. N 67°14.21  | N 67°16.48 |
| W 63°25.60   | W 63°21.93 |
| 339 FM   | 329 FM     |
| Note: (40 Nets) We had approximately 5 to 6 Ground Sharks per net on SW end. A few Skate, Flounder and 5 lbs Turbot. |            |

6 strings were set from 14 NM NE of Broughton Island to 0.5 NM SE of Broughton Island. I covered depths from 224 FM to 374 FM in this area. We encountered a great deal of ice moving through this area at 1 to 1.6 knots. It was definitely a sign in that turbot could be in these locations at a different time of the year.

- |               |            |
|---------------|------------|
| 4. N 67°44.21 | N 67°42.10 |
| W 63°25.73    | W 63°22.65 |
| 344 FM        | 330 FM     |

Note: (50 Nets) A few Skate, Flounder and 75 lbs of Turbot.

5. N 67°40.05	N 67°41.91
W 63°26.49	W 63°31.52
328 FM	213FM
Note: (50 Nets) Same as #4	

6. N 67°26.92	N 67°29.42
W 63°35.45	W 63°34.47
352 FM	369 FM
Note: (50 Nets) Same as #5	

7. N 67°35.75	N 67°37.39
W 63°29.36	W 63°27.85
231 FM	272 FM
Note: (50 Nets) A few Ground Sharks, noticed a few more Flounder on this string. A few Skate and 50 lbs of Turbot. No Ground Sharks.	

8. N 67°37.75	N 67°35.38
W 63°39.69	W 63°41.09
271 FM	340 FM
Note: (50 Nets) This was our best string out of 9. We seen promising signs for Turbot. We caught 110 lbs of Turbot and most Turbot were average size fish. Typical to OB. Also about 80 lbs of Skate and 20-30 lbs of Flounder. Very good bottom. No Ground Sharks.	

9. N 67°34.83	N 67°33.03
W 63°39.19	W 63°39.55
311 FM	370 FM
Note: (50 Nets) 40 lbs of Turbot. A lot of kelp and orange flower pads. Quite a few Skate as well. Very good bottom.	

I feel given the right time of year there could be a small turbot fishery for the community of Broughton Island. All the signs are here that Turbot should be in the area at certain times of year. I hope this information helps to determine the future of the Turbot fishery around Broughton Island.

***Captain Jody Lee Wood,  
F/V Abigail Grace.***