Accountability Report

2023-24

Fisheries and Aquaculture



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Accountability Report 2023–2024
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Contents

Accountability Statement	2
Measuring Our Performance	3
Increased Maximum Fine Amounts in the Fisheries and Coastal Resources Act	3
Sustainable, Low-Impact Aquaculture Regulatory Framework	3
Coastal Classification System	4
Supporting Government's Climate Change Plan and Climate Change Readiness in the Fisheries and Aquaculture Sectors	4
Developing Nova Scotia's Sportfishing Sector and Advancing Government's Accessibility Commitments	5
Supporting the Innovation and Sustainable Growth of our Sectors	5
Atlantic Fisheries Fund	6
Market Development and Promotion	6
Supporting Growth in our Fishing and Seafood Processing Sectors	6
Financial Results	8
Public Interest Disclosure of Wrongdoing Act	9

Accountability Statement

The Accountability Report of the Department for the year ended March 31, 2024, is prepared pursuant to the *Finance Act* and government policies and guidelines. The reporting of the Department outcomes necessarily includes estimates, judgments, and opinions by the Department's management.

We acknowledge that this Accountability Report is the responsibility of the Department's management. The report is, to the extent possible, a complete and accurate representation of outcomes relative to the goals and priorities set out in the Department of Fisheries and Aquaculture's 2023-24 Business Plan.

Original Signed by
Minister Kent Smith
Original Signed by
Deputy Minister Jason Hollett

Measuring Our Performance

The Department of Fisheries and Aquaculture aims to be a global leader in fisheries and aquaculture for the benefit of all Nova Scotians by stewarding the innovation and sustainable growth of our sectors. Nova Scotia remains as Canada's leading seafood exporter in 2023, totaling approximately \$2.5 billion. In 2023-24 we developed, promoted, and supported Nova Scotia's fishing, aquaculture, seafood processing, and sportfishing industries by undertaking the following priority initiatives:

Increased Maximum Fine Amounts in the Fisheries and Coastal Resources Act

In response to industry concerns about illegal activity within the fisheries sector, including reports of a concerning number of unreported cash transactions in the buying and selling of fish, **the Department raised the maximum fines for violations under the** *Fisheries and Coastal Resources Act*.

The maximum fine amounts increased from \$100,000 to up to \$1,000,000 for first offences, and up to \$2,000,000 for second or subsequent offences. These changes were approved during the Spring 2024 Legislative Session under the *Financial Measures Act*.

Sustainable, Low-Impact Aquaculture Regulatory Framework

In March 2023, the Minister's mandate commitment to review Nova Scotia's aquaculture regulations was completed with the publication of the What we Heard Summary Report from the public, stakeholder and partner consultations, and the Nova Scotia Aquaculture Regulatory Advisory Committee Final Report and Recommendations. The Minister accepted the Advisory Committee report, which had 17 recommendations centering around three themes: Regulatory Rightsizing, Transparency and Public Participation.

In 2023-24, the Department:

- Continued reviewing and analyzing required legislative and regulatory amendments to respond to the regulatory review recommendations.
- Worked with the Municipality of the District of Argyle to develop the <u>Argyle Aquaculture</u>
 <u>Development Area</u> (ADA) for shellfish and marine plant aquaculture, an innovative approach to
 sustainable aquaculture in Nova Scotia. The Province approved this ADA the first in Nova
 Scotia in April 2024. This ADA consists of 53 sites in Lobster Bay and Pubnico Harbour in
 Yarmouth County. It will be developed in phases, starting with a call for proposals for six
 identified sites
- Launched a pilot project to find new operators for existing sites already approved for shellfish and marine plants.
- Established a streamlined process for amending existing shellfish aquaculture licenses to add marine plant species.

Coastal Classification System

A Coastal Classification System is being developed for the Department to help proactively identify potentially suitable sites for finfish and shellfish aquaculture. The Department is working with the Centre for Marine Applied Research (CMAR) to collect high resolution coastal data and conduct modelling to support the identification of suitable sites. This is a multi-year initiative committed in Minister's mandate letter, which is planned for implementation in 2024-25.

In 2023-24, the Department:

- Created an engagement <u>website</u> to keep people informed throughout the development process and provide opportunities for public participation.
- Increased the scope of the project to include preliminary suitability maps for shellfish aquaculture development (oysters and mussels), in addition to finfish (trout and salmon).
- Completed a science-based process to identify what types of information could be used for the regional-level, suitability assessments (also known as the 'list of criteria').
- Established project committees to facilitate collaboration and consultation with subject matters experts from within and outside of government.
- Continued engagement and consultation with stakeholders, including network partners.
- Continued work to collect, compile, and analyze relevant data sets.

Supporting Government's Climate Change Plan and Climate Change Readiness in the Fisheries and Aquaculture Sectors

The Department is playing a leading role in delivering on Government's <u>Climate Change Plan for Clean Growth</u>, in partnership with the Department of Environment and Climate Change. New funding received for 2023-24 to 2026-27 will be used to deliver on the Department's commitments in the Plan to enhance our understanding of potential climate change impacts to our sectors and develop mechanisms to help industry adapt to and mitigate climate change.

In 2023-24, the Department:

- Established contracts and plans to deliver new climate change and adaptation funds for the
 fisheries and aquaculture sector, and a Climate Change Information Hub to share data and
 information on climate change with the sector and communities. The Department is readying
 to launch these commitments in 2024.
- Continued our partnership with EfficiencyOne to assist the seafood sector in reducing its energy consumption, greenhouse gas (GHG) emissions and improve operational efficiency through our dedicated onsite energy manger for the seafood sector. Results to-date:
 - o 100 projects completed.
 - 8,816,893 kWh's saved (5635 tonnes of GHG), with an additional 4,529,078 kWh's (2893 tonnes of GHG) in 41 projects currently underway.
 - Over \$3.5 Million in total incentives provided to the sector.
 - o 128 licence holders visited.
- Contracted CMAR to deliver the report <u>"A climate change vulnerability assessment of Nova Scotia's Lobster Fishing Industry"</u> to guide actions to improve the resilience of the sector.

- Delivered projects to improve the energy efficiency of the Department's fish hatcheries to reduce the GHG footprint of the Department's operations and position all three facilities for infrastructure upgrades as adaptations for climate change resiliency.
- Contracted CMAR to assess the climate resilience of select privately or community owned marine infrastructure (i.e., non-Small Craft Harbour wharves) located across the province.

Developing Nova Scotia's Sportfishing Sector and Advancing Government's Accessibility Commitments

The sportfishing industry is estimated to contribute approximately \$70 million to the Nova Scotia economy annually. It remains one of the most popular outdoor activities in Nova Scotia with strong participation rates. In 2023, 67,441 General Fishing Licences were sold, of which a total of 2,623 were for Atlantic salmon, the highest since 1997.

Twenty-five percent of anglers chose to obtain their General Fishing License through the <u>online</u> <u>licensing portal</u> which also increased access to licences for anglers with disabilities.

The Department is committed to improving access to sportfishing for people with disabilities in other ways as part of the <u>Nova Scotia's 2022-2025 Accessibility Plan</u>. Individuals who identify as having a disability can obtain their General Fishing License at no cost.

In 2023-24, the Department supported the supported the innovative delivery of the <u>Learn to Fish (L2F)</u> <u>Program</u>, which saw 800 participants in 2023, to reflect our accessibility goals in the following ways:

- Proactively updated the L2F application form with a question for educators to identify any accessibility requirements.
- Engaged in discussions with teachers, volunteers, and students on ways the Department plans to make fishing more accessible for all abilities. Information guides for teachers, parents and students are available on our <u>website</u>.
- Ensured all sites chosen for the L2F program are accessible for anglers with various mobility needs.

The Department continues to promote and market Nova Scotia as a sportfishing destination primarily through the <u>Fish Nova Scotia</u> brand and has seen increased participation by anglers from outside of the province. This included partnering with Tourism Nova Scotia to highlight sportfishing opportunities to various markets.

The three provincial hatcheries continue to make important contributions to the sportfishery of Nova Scotia for both trout and Atlantic salmon. In 2023, approximately 1 million trout were stocked throughout Nova Scotia which included supporting 33 fishing derbies, 31 Learn to Fish events and 73 Fish Friends projects. Additionally, 226,000 Atlantic salmon were released in the Margaree, Middle, Baddeck, West River (Antigonish) and Waugh rivers to support conservation of that species. The Department continued to identify infrastructure upgrades required at provincial hatcheries.

Supporting the Innovation and Sustainable Growth of our Sectors

Atlantic Fisheries Fund

The <u>Atlantic Fisheries Fund</u> (AFF) is a cost-shared partnership with Fisheries and Oceans Canada that supports Nova Scotia's seafood sector to meet growing market demand for high-quality, value-added, and sustainably sourced seafood through strategic innovative technologies. To date, 367 projects totaling \$211M were approved, of which Nova Scotia contributed \$34.2M. In 2023-24, 37 projects totaling \$32M were approved, of which Nova Scotia contributed \$4.5M.

Market Development and Promotion

The Department continued to support and promote Nova Scotia's premium high-quality seafood products in international seafood markets. Nova Scotia's fish and seafood exports remained strong in 2023, totaling approximately \$2.5 billion. Fish and seafood products were Nova Scotia's largest commodity in 2023, accounting for 37% of the province's export of goods. The top five species exported by value in 2023 were lobster, crab, scallops, shrimp, and halibut, respectively. Main export market destinations in 2023 were the United States, China, and the European Union.

In 2023-24, the Department:

- Promoted Nova Scotia seafood businesses and marketed the <u>Nova Scotia Seafood</u> brand at annual industry trade shows, including **Seafood Expo Global** (Barcelona and Conxemar, Vigo, Spain, May 2023), and the **North American Seafood Expo** (Boston, Massachusetts, March 2024).
- Executed trade missions and marketing promotional initiatives, working closely with federal
 and provincial governments and international business partners in strategic and emerging
 markets in the Indo-Pacific region, including Vietnam, South Korea, and the Philippines, in
 support of diversifying export markets, product species, and sales channels.
- Continued to support buy-local initiatives and build Nova Scotia seafood awareness
 domestically with industry, food-oriented local consumers, and coastal communities through
 engagement and coordination with the Department of Economic Development and the <u>Nova</u>
 <u>Scotia Loyal</u> brand.
- Partnered with Department of Agriculture and other departments to promote the production and consumption of local food.
- Continued to support the Canadian Fish and Seafood Opportunities Fund (CFSOF), a national
 marketing program that supports industry in their efforts to address key market-access issues
 plus branding and promotion opportunities for Canada's world-class fish and seafood sector.
 To date, 12 projects have been funded, totaling \$14.6M. In 2023-24, 2 projects totaling \$3.2M
 were funded, of which NS contributed \$111,400.

Supporting Growth in our Fishing and Seafood Processing Sectors

The Department continuously advocates for Nova Scotia's interests in federal fisheries management decisions, actively supports innovation and sector growth, and encourages further participation in our fishing and seafood processing sectors.

In 2023-24, the Department:

- Advocated for Nova Scotia's position to maintain Nova Scotia's current share of the redfish allocation with respect to the re-opening of the commercial Unit 1 redfish fishery in the Gulf of St. Lawrence through engagement with the Fisheries and Oceans Canada.
- Made progress towards the completion of the review of the fish buyer and processor licensing policy incorporating feedback from industry with the goal of a fair and modern approach to licensing fish buying and processing activity in Nova Scotia. Continuing consultation with industry through the Nova Scotia Seafood Processor Advisory Committee, the seafood processing associations and directly with licensed buyers and processors.
- Supported the **first Atlantic Seafood Industry Innovation Summit** (St. John's, November 2023) which highlighted innovation within industry, such as collaborative technology and knowledge transfer in the seafood sector through technology, innovation, and digitization.
- Supported the delivery of the **Fisheries and Aquaculture Clean Technology Adoption Program** (**FACTAP**), a federal initiative to encourage the adoption of green technologies in the fishing and aquaculture industry which saw\$3.5M distributed over 18 projects in 2023-24. 54% of this total amount was awarded to Nova Scotian companies. In 2023-24, the Department provided:
 - \$56,400 to Hamilton's Eel Fishery Ltd. to install solar panels that can be integrated into the aquaculture facility's day-to-day operations to reduce energy consumption and GHG emissions.
 - \$37,600 to Fisherman's Market International Inc. to install a rooftop solar array and battery energy storage system at the main lobster holding and processing facility to reduce energy consumption and GHG emissions.
- Supported the delivery of the Team Seafood NS Student Bursary Program, aimed at enhancing the existing workforce and attracting new entrants for aquaculture, fish harvesting, and fish processing careers by introducing high-school and university students to the seafood industry as a viable and attractive long-term career option. In 2023-24, \$157,700 was allocated through the program with an additional industry contribution of \$52,600 for a total of \$210,200 received by students. For the 2023-24 and fiscal year, 75 employers were approved to participate in the program (26 buyers /processors, 8 aquaculture, 41 harvesters), resulting in 153 students receiving a bursary.
- Launched the Marine and Coastal Education Strategy's classroom materials for P-6 students in Nova Scotia to help guide educational content being delivered on the province's seafood sector. Guidebooks were created and are available for educator use.

Financial Results

	2023-2024 Estimate	2023-2024 Actuals	2023-2024 Variance	
Program & Service Area		(\$ thousands)		
Departmental Expenses:				
Administration	832	979	147	
Policy and Strategic Advisory Services	1,392	1,359	(33)	
Aquaculture	5,498	5,955	457	
Inland Fisheries	2,846	3,322	476	
Marine	5,430	5,017	(413)	
Marketing	635	760	125	
Total Departmental Expenses	16,633	17,392	759	
Additional Information:				
Revenues	794	762	(32)	
Fees and Other Charges	1,001	920	(81)	
Ordinary Recoveries	500	787	287	
Total: Fees and Recoveries	2,295	2,469	174	
TCA Purchase Requirements	0	0	0	
Provincial Funded Staff (FTEs)	84.2	83.0	(1.2)	

Departmental Expenses Variance Explanations:

Sector support grants in emergency response for licensed fisheries and aquaculture businesses impacted by wildfires and increase in recoverable expenses relating to Hurricane Fiona relief and the fees collected under the Fish Harvester Organization Support Act.

Revenue, Fees and Recoveries Variance Explanation:

Miscellaneous increases across the department, mainly related to Hurricane Fiona relief and the Fish Harvester Organization Support Act.

TCA Purchase Requirements Variance Explanation:

N/A.

Provincial Funded Staff (FTEs) Variance Explanation:

Vacant positions across the Department.

Public Interest Disclosure of Wrongdoing Act

Annual Report under Section 18 of the Public Interest Disclosure of Wrongdoing Act

The Public Interest Disclosure of Wrongdoing Act was proclaimed into law on December 20, 2011.

The Act provides for government employees to be able to come forward if they reasonably believe that a wrongdoing has been committed or is about to be committed and they are acting in good faith.

The Act also protects employees who do disclose from reprisals, by enabling them to lay a complaint of reprisal with the Labor Board.

A wrongdoing for the purposes of the Act is:

- a) a contravention of provincial or federal laws or regulations;
- b) a misuse or gross mismanagement of public funds or assets;
- c) an act or omission that creates an imminent risk of a substantial and specific danger to the life, health or safety of persons or the environment; or,
- d) directing or counselling someone to commit a wrongdoing.

The following is a summary of disclosures received by the Department of Fisheries and Aquaculture:

Information Required under Section 18 of the Act	Fiscal Year 2023-24
The number of disclosures received	0
The number of findings of wrongdoing	0
Details of each wrongdoing	0
Recommendations and actions taken on each wrongdoing	0