

To

Pat S. Chamut  
ADM, Fisheries Management  
Ottawa

From

Neil Bellefontaine  
Regional Director-General  
Maritimes Region

Subject

**Lobster Conservation Strategy Update – LFA’s 33 to 38**

Following a summer workshop and a full round of industry sponsored licence holder meetings, the LFA 34 Lobster Advisory Committee has submitted a three year (September 2001 to September 2004) Conservation Harvesting Plan (copy attached). DFO and Provincial officials met with LFA 34 to review the plan on September 19<sup>th</sup>, 2001, with positive results. LFA’s 33 and 35 have also endorsed the plan and consultations with LFA’s 36 and 38 are pending but are expected to be positive as well. The plan was also presented directly to the Minister by LFA 34 representatives during his recent visit to the region and was received positively.

The immediate measures and future commitments being recommended by this new plan are outside the existing announced four-year planning program, but the overall approach provides an immediate contribution to increasing egg production (but not doubling) as well as a substantial commitment to refocus efforts for future conservation requirements. It also establishes a strong basis for gathering better scientific data from fishers, and a commitment to establish an annual review of available data and state of the fishery to recommend additional changes as required.

To summarize the recommendations being put forward by industry, this means there will be an immediate prohibition on landing any female lobster with one or two claws missing (cull), increased v-notching both in season and during closed season projects and releasing 100 pounds of non-egg bearing females per fisher this season. Longer term commitments will develop expanded reporting and data gathering mechanisms, education programs on the value of existing and/or new conservation measures and developing legitimate partnerships for improved scientific research throughout the Bay of Fundy/Gulf of Maine LFA’s.

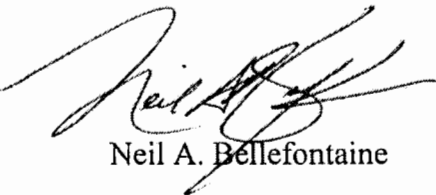
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This change in strategy from the current four-year plan will fully complement the process now underway in DFO, to report on the egg production benefits gained since 1998 and, more importantly, establish a strong commitment to jointly develop appropriate future measures in support of lobster conservation, rather than the usual negative fallout from imposed measures.

We recognize the measures applied to date throughout the Atlantic and in these LFA's will fall short of the doubling target with a few exceptions. Given that short term stock projections remain positive for the Gulf of Maine/Bay of Fundy, and landings remain relatively stable at historically high levels, we are recommending that the change in strategy being presented by LFA 34 and endorsed by the other LFA's, be accepted in lieu of default measures outlined in the current four-year plan (summary of current science data also attached for LFA 34). Unless directed otherwise, we will proceed with amending licence conditions to accommodate the new measures being implemented this fall as these seasons will begin with LFA 35 in October and the remaining LFA's in November.

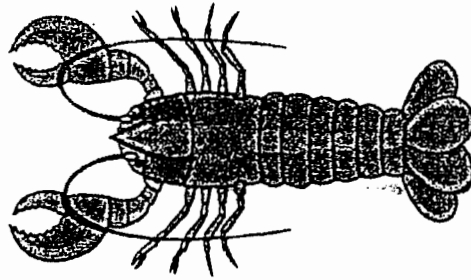


Neil A. Bellefontaine

Attachment(s)

cc: Tim Surette  
Area Director, SWNS

Carol Ann Rose  
Area Director, SWNB



**CONSERVATION HARVESTING PLAN**

**FOR**

**LOBSTER FISHING AREA 34**

**SEPT 2001 - SEPT 2004**

**Lobster Conservation Harvesting Plan**  
**2001 - 2004 (Three Year Plan)**  
for  
**Lobster Fishing Area 34**

**Prepared by:**  
**LFA 34 Committee**  
**September 6, 2001**

## **I. Introduction and Background Information**

LFA 34 includes 979 license holders and covers the largest geographic area of any LFA in the Maritimes ( 21,000 sq. km.). Much of the fishing activity takes place during the winter and early spring months when other employment sectors in the SW Nova Scotia region are dormant. It is estimated that the LFA 34 landings during the last three years have been between 11,000 and 12,000 tons each year. Approximately, 2500 people are directly employed as captains or crew. The wharf side value of lobster landings over the past three years has likely been in the range of \$120 - \$160 million.

The winter lobster fishery is so important to the SW Nova economy that it is probably fair to say that some coastal communities within this region would cease to be meaningful places to work if the lobster fishery was not available as an employment opportunity.

As license holders in this fishery, we have a vested interest in conservation and sustainable fishing practices. As fishermen, we have significant investments in licenses, boats and gear. Not only our own families, but the families of crew members, truckers, plant workers and suppliers throughout the region depend on the income from this lobster fishery.

The Department of Fisheries and Oceans during its current policy review process has expressed its intention and willingness to partner with fishermen's organizations in **co-managing** the different fisheries.

During the past year, LFA 34 license holders have established a representative organization and have concluded a first Joint Project Agreement with DFO that established some initial co-management objectives. It is important to the success of any Conservation Harvesting Plan that is adopted for LFA 34 that a new JPA be negotiated that contains measures that will facilitate the CHP.

## **II. CHP History and Process**

The FRCC report and recommendations in 1995 on the Maritime lobster fishery stressed the need for more egg production. DFO subsequently asked license

holders in the different LFA's to submit from a list of conservation measures aimed at a doubling of egg production over a four year period.

In February of 1998, and in again in July of 1998, LFA 34 fishermen took the initiative and organized conservation workshops so that fishermen could discuss the state of the lobster resource, listen to the views of scientists, and exchange information on lobster conservation alternatives with fishermen from other regions. Important contacts were made with scientists and fishermen from the United States at these workshops.

LFA 34 fishermen's representatives became increasingly involved in the DFO Science RAP process.

In 1999, LFA 34 license holders developed a CHP that emphasized the voluntary V-Notching of berried females during the fishing season. The CHP also called for scientific research projects to be initiated by DFO to address some of the unknowns and uncertainties regarding migration, juvenile populations and critical habitats for larval settlements, early juveniles and spawning activity.

After a period of high landings throughout the 1990's, fishermen were skeptical that there was any need for additional conservation measures. It seemed to fishermen throughout the region that the existing conservation and effort control measures were sufficient to bring the lobster resource in the region to such a healthy state.

Many LFA 34 fishermen went to great effort to encourage V-Notching throughout the area. As a new conservation measure, it was understood that some time would be needed to promote the benefits of V-Notching among fishermen. By the end of the first year, the participation of fishermen in the voluntary program was increasing significantly.

It is not our intention in this document to stress the reasons why the Conservation Harvesting Plan was not successful from either our point of view or DFO's. It is necessary to say, however, that the imposition of the minimum carapace length increase and the lack of initiatives and partnering in the area of scientific research created the perception among fishermen that co-management was a meaningless phrase.

In June of this year, LFA 34 fishermen organized another conservation workshop as a basis for developing another CHP. It was hoped that the recent DFO policy review that placed so much emphasis on the need for developing co-management with fishermen would create a good basis for agreeing on a conservation approach that could be developed in a cooperative atmosphere. The June workshop was attended by lobster fishermen from throughout the

region and from Maine. Lobster buyers attended and provided their views on the market implications of various conservation measures. Scientists from DFO and the USA also participated.

The June workshop produced a report with various alternative conservation measures for consideration by fishermen. A series of port meetings with LFA 34 fishermen and buyers throughout the region was organized in order to discuss the various options. This CHP is a result of all of these discussions.

Representatives of LFA 33 have expressed the view that lobster fishermen along the South Shore intend to endorse the consensus reached in LFA 34 on additional measures that are needed.

#### **IV. LFA 34 CHP Proposal (2001 - 2004)**

In order to assess the conservation contribution of these measures we will require the cooperation and assistance of DFO science. It is also our wish to hold talks with the various Mi'kmaq communities that have fishing access in LFA 34 to get their views on this proposal. It may be that fishermen from the various native communities may want to participate in research initiatives and verification activities.

**1. Return female "cull" lobsters to the water.** A "cull" lobster will be defined as a lobster with one claw, or no claws. Buyers estimate the total cull rate throughout region as between 10 - 15% of the landings. In LFA 34, it is estimated that female cull lobsters (according to the above definition) will amount to about 1.5% of the landings (possibly 200,000 lbs. or 130,000 lobsters at recent landings levels). There will need to be a tolerance level recognized by enforcement at holding facilities as some damage may occur to lobsters while being held. It will also be necessary for fishermen, buyers and DFO scientists to work cooperatively in order to estimate the contribution to egg production of this enhancement measure. It is the belief of fishermen and buyers that the egg production contribution will be significant. This measure also has the added benefit of improving the overall quality of live lobsters that are marketed from this region.

#### **2. V-Notching**

- ◆ In each of the three years of the CHP, each license holder will V-Notch and return 100 lbs. of female lobsters to the water during the season. These lobsters will be part of a verifiable program.
- ◆ In conjunction with research projects to be carried out during the closed summer season, we propose that 14 vessels set a total of 700 traps (50 traps each) over a predetermined period and that the following numbers of female lobsters be notched and returned to the water: **Year 1 - 40,000; Year 2 - 50,000; Year 3 - 60,000.**

These lobsters would need to be recorded for scientific purposes and it might be a possibility that some native fishermen would want to participate in the scientific and conservation work.

- ◆ The following targets for additional voluntary V-Notching of "berried" females are proposed: **Year 1 - 25% of berried females caught; Year 2 - 35% of berried females; Year 3 - 50% of berried females.**
- ◆ LFA 34 proposes that an educational/awareness program on the rationale for, and the conservation benefits of, V-Notching be developed so that captains and crews throughout the region understand the "do's and don'ts" and can be presented with the results of scientific research on this conservation method. The Nova Scotia Department of Fisheries and the NS Fisheries Sector Council might become delivery partners with LFA 34 and DFO in such a program over the three-year period. This proposal should be discussed as an element of the next JPA.

**3. Thistle Marine Electronic Data Gathering Devices.** In an attempt to assist in data collection and to provide better recording of "berried", V-Notched and sub-legal populations, LFA 34 will commit to buying 15 of these units in each of the three years for a total of 45 units at the end of year three. These units will be distributed to interested fishermen so that any geographic data gaps in the area can be filled. It is expected that additional fishermen will voluntarily purchase units and make their data available for scientific purposes as well.

**4. LFA 34 will commit to sponsoring a yearly conservation workshop** for fishermen, buyers, DFO science and management staff that will review scientific information, assess the past year's conservation efforts, and make recommendations if any revisions to the CHP are needed. This workshop will provide a venue for dialogue, education and accountability to the objectives of the CHP.

**5. Partnership in Scientific Research.** It is significant that the recent report from Dr. John Caddy identified some of the same "unknowns and knowledge gaps" concerning the lobster resource in the Miramichi that have been identified by the industry and scientists concerned with lobster stocks in this region. Migration routes, early juvenile population assessments, and the identity of critical habitats for lobsters in the various life cycle stages are among the research objectives that might be included in a new JPA between DFO and LFA 34. It is recognized that both partners should contribute funding and that the industry should be involved in the planning and the delivery of the research.

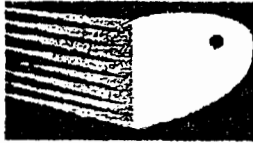
**6. There is strong opposition throughout the industry to the imposition by DFO of another minimum carapace increase.** Fishermen, exporters of

live lobster, processors and export customers have all expressed their concerns about the negative market implications of another CL increase during the discussions that have taken place since the June conservation workshop. (A position statement from the Nova Scotia Fish Packers Association regarding the negative market implications is attached.)

7. With the return the proposed return of culls and with the achievement of the V-Notch targets in this CHP, it is the belief of LFA 34 license holders that the institution of **a maximum carapace measure is not necessary to meet the goal of a significant increase in egg production.**

It is the belief of the LFA 34 license holders that the measures and targets discussed in this plan are practical and can be achieved. We also believe that the measures will enhance the sustainability of the lobster resource in the region. We invite DFO management and science staff to review our proposals and to begin a dialogue with LFA 34 and LFA 33 representatives as quickly as possible.





## Nova Scotia Fish Packers Association

38-B John Street, Suite 1  
Yarmouth, Nova Scotia B5A 3H2  
(902) 742-6168 Fax (902) 742-1620  
Email: [fishpackers@klis.com](mailto:fishpackers@klis.com)  
[www.fishpackers.com](http://www.fishpackers.com)

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### **NSFPA**

#### **Statement Concerning Possible Lobster Carapace Minimum Size Increase for LFA's 33 and 34 August 20, 2001**

The Nova Scotia Fish Packers Association represents sixty-five seafood processing companies with combined annual exports of between \$350 and \$400 million over the past five-year period. At least forty of those companies buy significant amounts of live lobster from fishermen in LFA's 33 and 34. Several of our member companies are important players in the holding and marketing of live lobster to European, Asian and American markets.

Over the past three months, since the conclusion of the Gulf of Maine Lobster RAP sessions, the lobster sector members in our Association have become increasingly concerned that DFO is considering the imposition of a minimum carapace length increase for the coming season in these two LFA's. Our members are concerned that the CL may be increased to 3 1/2", for the purposes of conservation, without adequate attention being paid to the market implications of such a change.

During the past months our members have initiated discussions with lobster export companies in Nova Scotia who are not NSFPA members, with representatives of the Maritime Lobster Processors Cooperative, and with our export customers around the world concerning the implications of such a CL increase.

We have found that there are serious concerns throughout the industry that an increase in the CL to 3 1/2" will result in lost markets due to seafood product substitutions at the retail grocery and at the food service customer level. It is

also our belief that an oversupply of 1.5 lb. and larger lobsters will result as the 1.3 lb. and smaller sizes are eliminated. Such an imbalance of supply over demand will inevitably lead to falling prices all along the marketing chain.

The NSFPA members, other significant buyers in the industry, and our customers around the world agree that conservation must be the first principle of any management regime. Our members have significant investments in tank houses, tidal pounds and marketing systems. Lobster fishermen in this region have hundreds of thousands of dollars tied up in boats, gears and licenses. Many communities in the SW Nova Scotia region would simply cease to exist as places to work if the lobster fishery failed. Conservation concerns must come first.

It is our belief, however, after many discussions with lobster fishermen in the region that a Conservation Harvesting Plan (CHP) with additional conservation measures can be negotiated between the fishermen, DFO science and management staff that will meet important targets for increasing egg production. It is our hope that the rumoured CL increase to 3 1/2" will not be included in the additional measures to be adopted.

The NSFPA believes that the lobster fishery is so important to the economy of this region that government and the industry have no choice but to invest in more scientific research on the status of the lobster resource. During presentations by Maine lobster fishermen and buyers at the recent LFA 34 sponsored conservation workshop, it was evident that a partnership between the industry in Maine and the government is developing so that as many as twelve indicators of the health of the lobster stock can be assessed through science projects.

Fishermen, buyers and lobster science staff at DFO have agreed at the RAP sessions, workshops and advisory committee meetings that we need to invest in more science so that we have a better understanding of juvenile populations, stage (4) settlements, critical habitats for juveniles and migratory routes that lobsters follow throughout the Gulf of Maine. It is time to stop talking about the need for better science. We need a plan of action and a timeline. NSFPA members are willing to offer assistance to fishermen and scientists in areas where our input might be of some value.

The following comments reflect the thinking of the lobster buyers who have been involved in our discussions concerning the market implications of the rumoured CL increase to 3 1/2":

- ❖ An increase in the CL measure to 3 1/2" will eliminate the 1 - 1.3 lb. pound lobster from our markets. This size accounts for at least 35% - 45% of our current winter season market and there is presently a demand for this size for which we have no supply. In many cases, our customers make their

willingness to purchase larger lobsters dependent on the inclusion of 1 - 1.5 lb. lobsters in the shipment.

- ❖ Customers for live lobster in Europe, Asia and the United States prefer the 1 - 1.5 lb. size due to consumer preferences regarding "serving size" and "serving price". Some buyers report that they lost customers in Europe as a result of the CL increase to 3 1/4". The market in France, in particular, is seen as resistant to another size increase.
- ❖ The Japanese market prefers a 1 - 1.25 lb. lobster. Exporters report that this size range represents about 75% of the Japanese demand. One company that exports to Japan reports that it can only supply about 30% of Japanese customer demands during the winter season for that size range.
- ❖ Food service customers (restaurants, cruise ships, casinos) in domestic and foreign markets prefer the smaller lobster because they must serve and sell lobster by the piece, even though lobster is sold throughout the marketing chain by the pound. A 1-lb. lobster at \$9/lb. costs \$9 plus markup on the plate at a restaurant. If the restaurant can only buy a 1.5-lb. lobster at \$9/lb., then the plate cost rises to \$13.50 plus markup. Aside from the fact that many customers do not want to eat a larger lobster, restaurants normally have a certain price point range on the menu. As the price of available lobster increases, restaurants that have lower price point ranges will look for substitutions.
- ❖ Grocery retail chains like to advertise live lobster as a feature item around certain holidays. Again, the chains must buy their lobster by the pound, but the consumer normally wants to buy a single lobster per serving. If larger lobsters are all that are available, the consumer has no choice but to pay a higher price per serving or to choose another meat or seafood protein item.
- ❖ It is the conclusion of lobster buyers that a CL increase will lead to downward pressure on the price per pound throughout the marketing chain as an oversupply of larger lobsters adjusts to the existing demand for larger sizes.
- ❖ One large lobster export company in SW Nova reports that four years ago its sales during the summer months were predominately in the "Select" size range (1.75 lb. and up). The company reports that current summer sales have changed to the point where 60% of sales are for lobsters that are less than 1.75 lb.)

Jerry Amirault, speaking for the Maritime Lobster Processors Co-operative, has expressed his organizations concerns about a CL increase to 3 1/2". The lobster processing sector is estimated to have purchased about 25% of the December lobster catch in LFA 34 last year. Processors have been buying significant amounts of the December landings from LFA 34 for the past several years. The preferred lobster size of the processors is less than 1.5 lbs. The MLPC suggests that a CL increase to 3 1/2" will have specific negative effects on the processing sector:

- ◆ All sizes below 550 grams will be eliminated for purchase by processors.

- ◆ Raw tail sizes of 3 oz., 3 -4 oz., 4 oz., will be eliminated and 50% of the 4 -5 oz. size will be eliminated.
- ◆ Fresh whole cooked product in the 450 - 550 gram range will be eliminated.
- ◆ 90% of the 450 - 550 gram frozen brine product will be eliminated.
- ◆ The lobster processing sector sells to customers (cruise ships, restaurant chains, casinos, etc.) where portion control and per portion cost are important considerations. Processors must pack the product portion sizes that the market demands. Eliminating the preferred size of many important export customers could have serious market implications.

It isn't often that so many competing companies that buy and market lobsters reach consensus on an issue. An increase in the CL to 3 1/2" in LFA 33 and 34 will, in our view, have a negative impact on the demand for live lobsters. If the predicted substitutions are made on restaurant menus and by consumers shopping at retail grocery outlets, the long-term consequences for the industry could be serious.

We sincerely hope that a CHP can be negotiated between lobster fishermen and DFO management that will contain measures to adequately protect the fishery for the future. We urge both groups to weigh the market implications of the various additional measures that are under consideration.

Denny Morrow  
Executive Director, NSFPA

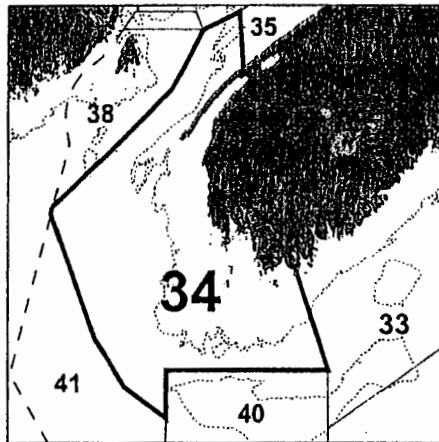
# BIO and SABS SCIENCE WEEKLY REPORT

WEEK OF 17 SEPTEMBER, 2001

## RAP

### Southwest Nova Scotia Lobster (Lobster Fishing Area 34)

Douglas S. Pezzack



### Summary

- Landings increased throughout the 1980s as part of a western Atlantic wide pattern. They have remained high in LFA 34 and the remainder of the Gulf of Maine but have declined in some other lobster areas.
- The 1998-1999 and 1999-2000 landings are the highest recorded in this fishery, being 3.6 times the average for the 1947-1980 period.
- According to the new logbook system introduced in 1998-99, the traditional nearshore areas (<30 fathoms) accounts for over 90% of the landings. The traditional nearshore has been heavily exploited for at least 50 years and possibly since the early 1900s.
- This is a recruitment based fishery dependent on immature lobsters or those mature but not yet reproduced, consistent with heavy exploitation.
- The 1998-99 and 1999-2000 exploitation rates were 68%.
- Estimates of the percent of captured berried females v-notched by fishermen, was 36 and 14% for 1998-99 and 1999-2000. With the current minimum size of 82.5 mm CL 25-35% of the required doubling of eggs per recruit would be obtained.
- In the short-term (1-2 yr.) if the current trends continue, landings may remain at high levels.
- In the longer term, the causes for the historical stability of the LFA 34 lobster fishery, recent increase in landings, and the recent wide spread recruitment pulse are not well understood.