





## Report: Moving BC salmon farms to land may not be economically viable

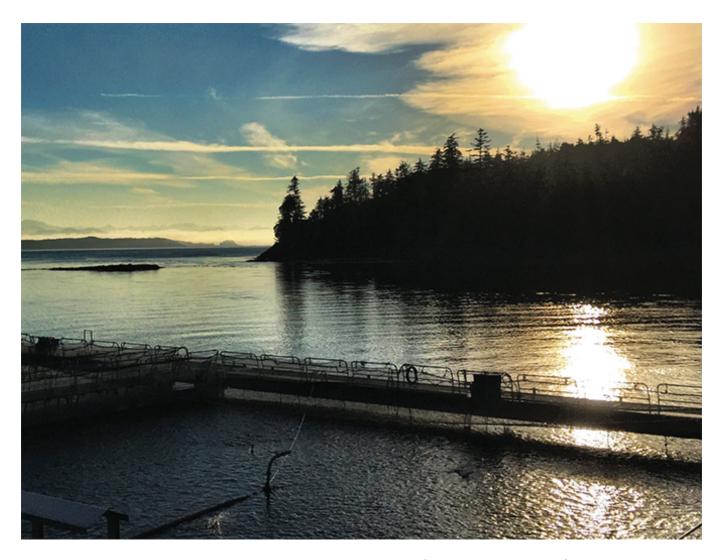
16 February 2023 By Responsible Seafood Advocate

## Regulatory uncertainty, high capital cost, low ROI and few incentives hurdles to moving BC salmon farms onto land

A new report (https://www2.gov.bc.ca/assets/gov/farming-natural-resources-andindustry/agriculture-and-seafood/fisheries-and-aquaculture/aquaculturereports/ras\_salmon\_farming\_in\_bc\_-\_economic\_analysis\_\_strategic\_considerations.pdf) commissioned by the British Columbia Ministry of Agriculture and Food has concluded that it may not be economically viable to transition BC salmon farms to land-based salmon farming in British Columbia (BC).

The BC provincial government commissioned the report in response to the **federal government's** commitment to transform the BC salmon farming sector by 2025 (https://www.globalseafood.org/advocate/canada-renews-licenses-for-bc-salmon-farms-outsidediscovery-islands-until-spring-2023/). In 2021, Counterpoint Consulting Inc provided an economic analysis of farming salmon using recirculating aquaculture systems (RAS) technology. The findings indicate that regulatory uncertainty, high capital cost, low returns on investment and lack of incentive to locate facilities in BC were all identified as hurdles to the development of RAS salmon farming in BC.

"The salmon farming sector are leaders in RAS technology since our fish spend half their life on land in



Regulatory uncertainty, high capital cost, low ROI and a lack of incentives were identified as hurdles to moving British Columbia salmon farms onto land. Photo courtesy of BCSFA.

hatcheries," says Brock Thomson, innovation director for Cermag Canada. "We are currently trialing new technologies, such as semi-closed containment and hybrid systems, to systematically reduce interactions with wild salmon and improve fish health. We understand land-based technology, but given the constraints faced, we do not see fully moving to land-based production as a viable solution in the remote, coastal communities where we farm."

RAS production in BC currently represents less than one percent of farmed salmon production. Moving current levels of ocean farm production to land, which is approximately 90,000 tons, would require a direct investment of between (CAD) \$1.8 billion to \$2.2 billion (U.S. \$1.3 billion to \$1.6 billion).



(https://events.globalseafood.org/responsible-seafood-summit)

"It is likely that this sort of development could not be accommodated in existing coastal areas, which would result in serious economic impacts to families and all coastal communities up and down Vancouver Island and the Central coast," said Thomson.

The economic analysis also states that the profitable production of market-sized salmon on a commercial scale remains "elusive." Currently, salmon raised in ocean-based pens are grown to between five and six kilograms, while those raised in RAS facilities are harvested at less than four kilograms in most cases, further making the technology economically unviable.

"This report released by the province supports what salmon farmers have been saying for many years," says Brian Kingzett, executive director for the BC Salmon Farmers Association. "Our sector strongly supports RAS technology – in fact, we are experts at using RAS to grow salmon – but to move the entire sector on land isn't a realistic option, nor is it required to protect wild salmon. The federal government's numerous science assessments have confirmed Atlantic salmon farms pose no more than a minimal risk to wild salmon abundance and diversity under the current fish health management practices. The challenges identified in the report need to be addressed before we could even consider this."

Read the full report here (https://www2.gov.bc.ca/assets/gov/farming-natural-resources-andindustry/agriculture-and-seafood/fisheries-and-aquaculture/aquaculturereports/ras\_salmon\_farming\_in\_bc - economic\_analysis\_strategic\_considerations.pdf).

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