

The Erosion of Community Fisheries in British Columbia: An Analysis of Quota Concentration, Economic Leakage, and Pathways to Revitalization

Executive Summary

British Columbia's coastal communities have historically thrived on the commercial fishing industry, a sector integral to their economic, social, and cultural identity. However, this report reveals a systemic disempowerment of independent fishers and a significant economic leakage from these communities. The current management framework, particularly the implementation of Individual Transferable Quotas (ITQs), has inadvertently led to a severe concentration of fishing licenses and quota in the hands of large fishing companies and absentee owners. This concentration has created a market where the right to fish is divorced from the act of fishing, resulting in prohibitive lease fees that render active fishing unprofitable for many.

The consequences are far-reaching: independent fishers face financial precarity, loss of autonomy, and a diminishing sense of purpose. This directly contributes to an aging workforce, a severe lack of youth recruitment, and the erosion of invaluable intergenerational knowledge and skills. Furthermore, the centralization of fish processing and distribution in major urban centers, often for export, deprives coastal communities of the substantial economic multiplier effect that local value retention would provide. This outflow of wealth undermines local infrastructure, support businesses, and the overall social well-being of these communities.

The analysis highlights a critical need for policy reform. Drawing lessons from Atlantic Canada's owner-operator policies and successful community-led initiatives in BC, this report proposes a shift towards equitable quota allocation, community-held license banks, and strategic investments in local processing and workforce development. Enhancing regulatory transparency regarding beneficial ownership is also crucial. Rebuilding resilient coastal communities necessitates a holistic approach that prioritizes local participation, equitable distribution of benefits, and the revitalization

of the entire seafood value chain within the communities that depend on it.

1. Introduction: The Vital Role of Fishing in British Columbia's Coastal Communities

1.1. Historical Context and Socio-Cultural Significance

For generations, the commercial fishing industry has been more than just an economic activity for British Columbia's coastal communities; it has been a foundational pillar of their identity, culture, and social fabric.¹ These communities, encompassing both Indigenous and settler populations, have historically relied on the bounty of the sea for their livelihoods, sustenance, and a distinct way of life. The rhythmic cycles of fishing seasons, the collective efforts of harvesting, and the sharing of catches have fostered deep-seated community relationships and facilitated the intergenerational transfer of invaluable knowledge and skills.¹ This deep connection means that the health of the fisheries directly correlates with the health and well-being of the people and places along the coast.

The traditional fishery has provided not only a means of making a living but also a profound sense of purpose and belonging. It has shaped local economies by supporting a network of related businesses, from boatbuilding and gear supply to processing and distribution. The cultural significance is equally profound, with fishing traditions, ceremonies, and storytelling woven into the very essence of community life. The ability to access and manage local aquatic resources has long been seen as fundamental to community self-determination and resilience.¹

1.2. Overview of the Challenge: Systemic Dispossession and Economic Leakage

Despite this profound historical and ongoing significance, the commercial fishing sector in British Columbia is currently facing severe systemic challenges that threaten

its very foundation. A pervasive concern articulated by community members is the "lost opportunity for community members to contribute to their community" [User Query]. This stems from a perceived shift in control and benefit, where fishing licenses and quota, once accessible to local fishers, are increasingly acquired by high bidders, often backed by large fishing companies [User Query].

This concentration of access has led to a systematic elimination of individuals from pursuing fishing as a viable business or career [User Query]. The core issue lies in how the value generated by the fishery is distributed. The true economic potential, it is argued, resides not merely in the initial leasing of licenses or quota, but in the entire value chain: the harvest, subsequent processing into food products, and the direct sale of value-added items [User Query]. When fish is caught by transient fishers whose vessels are based in large cities, and the catch is then transported away for processing, value addition, storage, and distribution—often to international markets—the economic benefits bypass the coastal communities entirely [User Query]. This phenomenon, often referred to as economic leakage, represents a significant missed opportunity for local wealth creation and community development. The report will explore how policy decisions, particularly the reliance on Individual Transferable Quotas (ITQs), have contributed to this concentration of ownership, diminishing the economic viability of independent fishers and leading to a significant outflow of value from the very communities that depend on these resources.³

A critical observation is that the economic shifts, such as the concentration of quota and diminished profits for active fishers, are not isolated financial issues. They trigger a cascading decline in the social cohesion, cultural transmission, and overall health of coastal communities. The erosion of economic viability directly undermines the capacity for intergenerational knowledge sharing and community relationships that are so central to fishing communities.¹ When the economic foundation of fishing erodes, it leads to broader negative social impacts, including psychological distress within the community.⁵ This highlights that policy interventions must adopt a holistic approach, recognizing that economic viability is a prerequisite for sustaining social and cultural structures, and that the erosion of one dimension directly undermines the others. It is not merely about fishers' income, but the very identity and resilience of coastal communities that are at stake.

2. The Current Landscape of Commercial Fishing Licenses and Quota in BC

2.1. Fisheries and Oceans Canada (DFO) Management Framework: The Rise of Individual Transferable Quotas (ITQs)

Fisheries and Oceans Canada (DFO) is the federal body responsible for managing commercial fisheries across Canada, including the vital West Coast operations. The prevailing management approach adopted by DFO is a "limited-entry" system.⁶ Under this framework, the number of commercial fishing licenses issued is capped, and the total allowable catch (TAC) for various species is determined annually based on scientific assessments. This TAC is then divided into "quota" and allocated to the holders of these licenses.⁶ The federal government, through sections 7(1) and 43(1) of the Fisheries Act, possesses the authority to issue licenses and establish the terms and conditions for their issuance, as well as the setting of quota.⁶

A defining characteristic of this system in British Columbia is the widespread implementation of Individual Transferable Quotas (ITQs).³ ITQs grant individual fishermen or entities exclusive, secure shares of the total allowable catch, with the crucial provision that these shares can be transferred, meaning they can be bought, sold, or leased to other parties.³ The BC Pacific halibut fishery serves as a prominent example, where non-transferable individual quotas were introduced in 1991, followed by temporary transferability in 1993, and full ITQ implementation in 1999.⁴ Proponents of ITQs argue that they enhance conservation efforts and promote economic efficiency by allowing quota access privileges to be transferred to the most efficient operators, who then have a financial incentive to ensure long-term sustainability.⁴ However, a significant concern among critics is that this transferability often allows quota holders to capture substantial value from the fishery without actively participating in the arduous work of fishing.³

2.2. Concentration of Ownership: Analysis of License and Quota Holdings by Corporations and Absentee Owners

A central and contentious issue within BC's commercial fisheries is the increasing

concentration of quota license ownership. While the ITQ system was intended to foster efficiency, a critical observation reveals that the transferability aspect has inadvertently created a speculative market. In this market, the *right to fish* becomes a valuable asset separate from the act of fishing itself. This drives up lease prices, making it increasingly unprofitable for active fishers, thereby undermining the very economic viability and stability ITQs were ostensibly designed to foster for the fishing enterprise, shifting benefits from active harvesters to passive investors.³

Data from 2017 illustrates this trend starkly. Out of 6,563 Canadian Pacific commercial fishing licenses, there were only 2,377 unique license-holders.⁶ A small fraction of these holders controlled a disproportionately large share of licenses: 38 license-holders registered 20 or more commercial licenses, with six of these registering over 50 licenses. In sharp contrast, 1,357 license-holders possessed only one license, and 499 held just two.⁶ This disparity is even more pronounced when examining quota value. In the groundfish trawl, halibut, and sablefish fisheries, the top 26 quota holders, representing merely 7.4% of the total, controlled a staggering 50% of the quota value. The top four holders, a mere 1.2%, held 50% of all quota pounds.⁶ The majority of this groundfish quota is not fished by owner-operators but is held by processors, overseas companies, and fishing family companies that, for the most part, no longer actively engage in fishing.⁶

This pattern of ownership concentration is summarized in the table below:

Table 1: Commercial Fishing License and Quota Ownership Concentration in BC (Illustrative Data from 2017)

Metric	Value/Count	Source
Total Canadian Pacific Commercial Licenses	6,563	⁶
Total Unique License-Holders	2,377	⁶
License-Holders with 20+ Licenses	38	⁶
License-Holders with 50+ Licenses	6	⁶

License-Holders with Only One License	1,357	6
License-Holders with Two Licenses	499	6
Top 7.4% (26 of 345) of Quota Holders (Groundfish, Halibut, Sablefish)	50% of Quota Value	6
Top 1.2% (4 of 345) of Quota Holders (Groundfish, Halibut, Sablefish)	50% of Quota Pounds	6

Despite these compelling figures, DFO has publicly stated that quota license concentration is "not significant," noting, for example, that even the largest license-holder, the Canadian Fishing Company, holds only about 234 of the 4,000 licenses available in British Columbia.⁶ This divergence in perspective points to either a fundamental disagreement on what constitutes "significant concentration" or a deliberate lack of transparency that prevents a full public understanding of the issue.

2.3. The Opacity of Beneficial Ownership and its Implications

A significant challenge in fully understanding the extent of quota concentration and its impacts is the opacity surrounding beneficial ownership. While DFO tracks legal ownership, a complete picture of who truly benefits from commercial fishing access remains elusive.⁶ This difficulty arises from the use of "back-end trust agreements and other mechanisms that hide the true beneficial ownership," as well as the existence of "multiple subsidiaries of listed companies that are nearly impossible to link up".⁶ This suggests that the lack of transparency, combined with the high value of transferable quotas, creates an environment ripe for consolidation by larger, often non-fishing, entities. This is not a random market outcome but a systemic consequence of a regulatory framework that prioritizes transferability and economic efficiency (as defined by consolidation) without sufficient safeguards for equitable access or beneficial ownership. This effectively dispossesses smaller, independent fishers.

In an effort to gather more information, DFO initiated a mandatory Beneficial Ownership Survey from January to April 2022, requiring commercial fishing license

holders and vessel owners to provide details on who directly or indirectly owns or controls their corporations or entities.¹⁰ The stated purpose of this survey was to understand who is benefiting from commercial fishing across Canada, including the extent of access by small and medium-sized businesses, concentration levels, and foreign ownership.¹⁰ However, despite this data collection, DFO has not publicly released the survey results, citing privacy laws.¹¹ This decision has drawn strong criticism, with one academic expert labeling it a "disgrace" and a major transparency challenge.¹¹ The argument of "privacy laws" for not releasing beneficial ownership data, especially amidst concerns about corporate and foreign control, implies a regulatory blind spot or a prioritization of corporate privacy over community benefit and public accountability. This lack of public data significantly hinders effective policy reform and public discourse on equitable access to a common property resource.

Foreign ownership is a particular point of concern, as it raises questions about whether the benefits of BC's fishery resources are truly flowing to Canadian communities, whether it limits the supply of available licenses for new entrants, and whether it drives up the price of access.¹² Currently, DFO has no specific restrictions in place to prevent foreign entities from holding fishing licenses and associated quota in the Pacific Region, although Transport Canada does have controls regarding the citizenship of registered vessel owners.¹² This situation underscores the need for greater transparency and potentially more stringent regulations to ensure that the benefits of Canada's fisheries remain within its borders and support its coastal communities.

3. Economic and Social Impacts on Independent Fishers and Coastal Communities

3.1. The Financial Burden: High Lease Fees and Diminished Profitability for Active Fishers

The shift towards Individual Transferable Quotas (ITQs) and the subsequent market for quota leasing have imposed a crushing financial burden on active, independent fishers in British Columbia. What began as a mechanism for fishers to cover incidental

overages has transformed into a primary revenue stream for passive license-holders, often at the direct expense of those actively engaged in harvesting.⁶ The economic returns for actual fishing are so low, while the cost of entry (acquiring quota) is prohibitively high, that it effectively disincentivizes new entrants and owner-operators. This has created a perverse incentive structure where passive ownership and speculation are rewarded over active participation in the fishery, leading to the systematic elimination of fishing as a viable career.³

Consider the halibut fishery: in 2015, lease fees for halibut ITQs ranged from \$7 to \$9 per pound, while the landed price of the fish was only slightly higher, between \$8.25 and \$9.50 per pound.³ This meant that quota owners captured over 85% of the landed value, leaving active fishers with "razor-thin profit margins" to cover all their operational expenses, including crew wages, vessel maintenance, fuel, and monitoring costs.³ A 2018 report further highlighted this imbalance, indicating that lease costs accounted for approximately 75% of the overall expenses for hook and line gillnet boats.⁶

Such overwhelming financial pressure means that owner-operators cannot generate sufficient income to reinvest in their businesses, whether for critical vessel replacement or the outright purchase of quota.⁴ This renders the fishery economically unsustainable for them, forcing many out of the industry and undermining the long-term viability of the owner-operator fleet.

3.2. Loss of Autonomy and Control for Fishermen: From Owner-Operator to Lessee

The transition in the ownership profile of the fishery, from predominantly owner-operated vessels to a landscape dominated by absentee investor owners and lessee fishermen, signifies a dramatic loss of autonomy for those who actively fish.⁴ When fishers are compelled to lease quota, they often find themselves in a subservient position to the quota-holding company. This can manifest as being forced to sell their catch to specific companies at prices dictated by the buyer, delivering to particular ports, and even fishing in areas prescribed by the quota owner.⁶ The consequence of not complying with these terms can be severe, potentially leading to the loss of access to quota in subsequent fishing seasons.⁶

This situation stands in stark contrast to the policies implemented on Canada's

Atlantic Coast. There, the "owner-operator policy" is designed to protect the independence of the inshore fleet, explicitly mandating that only vessel owners who are actively aboard their vessels during fishing can hold inshore licenses.⁷ This policy actively prevents "controlling agreements" where harvesters might finance licenses through arrangements with processors or other private interests, thereby ensuring that the economic benefits of fishing remain with the active fisher and within coastal communities.⁷ The divergent policy frameworks (market-based ITQs in BC versus protective owner-operator policies in Atlantic Canada) are a direct cause of the differing socio-economic outcomes. The Atlantic model, by legally safeguarding independent ownership and preventing corporate control, fosters local wealth retention and community resilience, demonstrating that policy choices directly determine the distribution of benefits in a common property resource. This suggests that British Columbia's challenges are not inherent to the fishery but are a consequence of specific policy design.

3.3. Deterioration of Fishing as a Viable Career: Workforce Aging and Barriers to Entry for Youth

The low economic viability and the inequitable distribution of benefits have profound demographic consequences for British Columbia's fishing industry. The fishing workforce in BC is notably the oldest in the country, and the industry faces significant challenges in attracting and retaining new, younger entrants.⁶ This demographic trend poses a severe threat to the long-term sustainability of the sector, with projections indicating that 40% of the current labor force is expected to retire by 2025.⁶

The barriers to entry for youth are substantial and multifaceted. The high cost of acquiring licenses and quota represents a formidable financial hurdle, often making it impossible for aspiring fishers to enter the business.¹² Even for those motivated by the allure of seamanship, ties to their local community, the sense of adventure, or the desire to provide food, the lack of financial security due to fluctuating quotas and unpredictable market prices makes a career in fishing highly precarious.¹⁷ Furthermore, the shift from traditional family-owned fishing businesses to more corporate ownership models has disrupted the vital intergenerational transfer of skills and knowledge, further exacerbating the decline in new entrants.¹⁷

The systematic exclusion of youth due to financial barriers and lack of viable careers means that invaluable traditional ecological knowledge, practical fishing skills, and

community-specific adaptations, often passed down through generations, are being lost. This not only threatens the future workforce but also the long-term sustainability and resilience of the fishery itself, as local knowledge is crucial for effective resource management. The "armchair fisherman" phenomenon, where passive quota owners profit immensely while active fishers struggle, directly disincentivizes new entrants and owner-operators because the economic returns for actual fishing are so low, while the cost of entry (acquiring quota) is prohibitively high. This leads to the systematic elimination of fishing as a viable career, as articulated in the user query.

The key challenges contributing to this decline are summarized below:

Table 2: Key Challenges Contributing to the Decline of BC's Fishing Workforce

Challenge	Description	Source
High Cost of Access	Prohibitive costs to acquire commercial licenses and quota, making entry difficult for new fishers.	¹²
Low Profitability	Razor-thin profit margins for active fishers due to high quota lease fees (often >85% of landed value).	³
Financial Insecurity	Unpredictable earnings due to fluctuating harvesting quotas and market prices.	¹⁷
Reduced Skill Transfer	Shift to corporate ownership has diminished traditional inter-generational transfer of fishing knowledge and skills.	¹⁷
Tough Working Conditions	Manual, cold, and demanding nature of fishing work, sometimes coupled with low starting wages.	¹⁷
Limited Opportunities	Restricted fishing access and opportunities, further	¹⁴

	reducing viability for independent fishers.	
Lack of Trust	Widespread distrust among fishers in fisheries management's ability or willingness to support them.	5
Aging Workforce	BC's fishing workforce is the oldest in Canada, with declining youth recruitment.	6

3.4. Broader Socio-Economic Decline: Impacts on Community Infrastructure, Services, and Well-being

The economic struggles of independent fishers and the decline in active fishing participation ripple far beyond individual livelihoods, impacting the entire socio-economic fabric of British Columbia's coastal communities. The land-based economy, historically intertwined with the fishing industry, suffers significantly. This includes a marked decline in essential related businesses such as boatbuilding, marine repair services, gear suppliers, and local processing outlets.⁶ Many of these businesses, once vibrant hubs of activity, have either shrunk or disappeared entirely, particularly after major fishery events like the Mifflin Plan in 1996 and the Coho Crisis of 1998.¹⁹

The consequence of this decline is a profound loss of community capacity and self-sufficiency. As one young BC fisherman lamented, "We lost the ability to take care of our communities like we used to, and therefore our communities don't see the need to take care of us".⁶ This sentiment underscores a deeper issue: the erosion of social capital and trust. The current system fosters a deep sense of alienation and distrust between active fishers and communities on one hand, and regulatory bodies on the other. This erosion undermines collective action, adaptive capacity, and the willingness of fishers to cooperate with management, creating a vicious cycle of decline.² The lack of community benefit from local resources also severs the social contract between the industry and the communities that historically supported it.

Furthermore, current fisheries policy has inadvertently restricted access to locally sourced, nutrient-dense seafood for community members, while simultaneously

eroding the traditional skills, knowledge, and infrastructure that once supported fishing among both Indigenous and settler populations.⁶ The impacts extend to public health and well-being; declining fisheries are associated with a suite of negative social outcomes, including increased rates of drug and alcohol use, psychological distress, and even mortality.⁵

Indigenous communities, in particular, have borne a disproportionate burden. Decades of marginalization in fisheries, coupled with increasing pressure on aquatic resources and habitat degradation due to climate change and industrial development, have led to significant health, social, cultural, and economic impacts.¹ Their inherent rights to harvest, manage, and protect fisheries have been severely restricted, undermining their cultural practices and food security.¹ The sight of derelict boats, unable to be maintained by struggling fishers, serves as a poignant symbol of this struggle, with some Indigenous fishers describing their harbors as "graveyards".⁵ This comprehensive decline illustrates that the challenges faced by BC's coastal communities are not merely economic but represent a profound unraveling of their social and cultural fabric.

4. Economic Leakage: When Fish Leaves the Community

4.1. The Disconnect in the Value Chain: Raw Product Export vs. Local Value Retention

A central tenet of the user's concern is that the "true value of the licenses and quota is not in the leasing but the harvest of the fish and processing that catch into food products and value added items that are sold directly or as close to directly as possible" [User Query]. This highlights a significant disconnect in the current seafood value chain in British Columbia. The majority of the economic benefit is lost to coastal communities when fish "leaves the community or never even comes close to the community because it's being fished by transient fishers that keep their vessels in the large cities and return with their catch to the large city to be processed, value added, stored and distributed often to other countries" [User Query].

This phenomenon, where the raw product is extracted and then processed elsewhere, is a major source of economic leakage. Canada, as a nation, exports approximately 80% of its seafood catch while simultaneously importing a similar volume.²⁰ This pattern indicates a substantial missed opportunity for domestic value addition and local food security. The focus on exporting raw or minimally processed seafood means that the significant economic and social benefits that could be generated by a robust local food system are bypassed. This includes not only direct jobs in processing but also the creation of value-added products that could command higher prices and circulate more wealth within local economies.

4.2. Decline of Shoreside Infrastructure and Support Businesses

The economic leakage resulting from fish bypassing local communities for processing and distribution in larger urban centers has had a devastating effect on shoreside infrastructure and support businesses. Over the past several decades, the market for supplies and services catering to the commercial fishing fleet in British Columbia has shrunk considerably.¹⁹ This decline encompasses a range of critical services: fewer fuel stations, a scarcity of skilled tradespersons (often forcing fishers to bring in their own for repairs), a reduction in net lofts and gear storage facilities, and a decrease in the number of local buyer and processing outlets.¹⁹

This systemic decline in shoreside support is a direct consequence of historical fishery management changes, including fleet rationalization efforts and major events in the salmon fishery during the late 1990s.¹⁹ While some coastal areas have seen growth in other marine sectors like aquaculture and tourism, many traditional fishing support businesses were not equipped to pivot, leading them to operate at a reduced capacity or close entirely.¹⁹ The concentration of seafood processing facilities in specific regions, such as Vancouver Island and the South Coastal Region (particularly Greater Vancouver), further exacerbates this issue, leaving smaller, more remote communities without the necessary infrastructure to handle and process local catches.²¹ This creates a self-reinforcing negative feedback loop: as local fishing activity diminishes, the demand for shoreside support businesses decreases, leading to their closure. This, in turn, makes it even harder and more expensive for remaining local fishers to operate, accelerating the exodus from the industry and further eroding community capacity.

4.3. The Multiplier Effect: Quantifying the Economic Benefits of Local Retention and Value-Added Production

The economic impact of retaining fishing revenue and value-added processes within local communities is substantial, creating a powerful "multiplier effect".²³ When fish is landed, processed, and sold locally, the revenue generated circulates through the community, supporting a wide array of local businesses and creating additional jobs.

A compelling illustration of this is the Somass River Fisheries in Port Alberni. Economic analysis in this region revealed that approximately 80% of the revenue generated by local fishers is spent directly within Port Alberni itself, covering expenses such as employee wages, supplies, and inventory.²³ The impact of this local circulation is profound: a single \$1 million night of fishing can ultimately stimulate an estimated \$8 million in local economic activity.²³ This substantial multiplier effect allows local fishers to reinvest in their operations, acquiring better boats and enhancing their capacity, which in turn leads to a more efficient and profitable fishery for the community.²³

The development of local processing facilities, such as the Port Alberni Food Hub and Canadian Seafood Processing, further amplifies these benefits.²⁴ These facilities not only support local fishers by providing a market for their catch but also enable the creation of value-added seafood products. This allows for better pricing in local markets while also facilitating exports, demonstrating that local value retention can coexist with broader market engagement.²⁴ The broader food and beverage processing industry in British Columbia, including seafood, is a major manufacturing sector, producing over \$12.6 billion in 2021.²² This underscores the significant economic potential that is currently being lost when fish bypasses local processing.

The underestimation of the value of local food systems is a critical oversight in current fisheries management. Investing in local processing and direct sales initiatives not only creates more jobs and wealth within communities but also enhances food security and reconnects consumers with the source of their food, fostering greater appreciation and support for local fisheries. The "value-added" is not just financial; it is also social and cultural, reinforcing community bonds and identity.

Table 3: Economic Multiplier Effect of Local Fishing Revenue (Port Alberni Case Study)

Metric	Impact/Value	Source
Local Revenue Retention	~80% of revenue generated by local fishers spent directly in Port Alberni	23
Economic Multiplier	\$1 million night of fishing generates ~\$8 million in local economic activity	23
Local Expenditures	Employees, supplies, inventory, vessel improvements	23
Local Processing Impact	Supports local fishers, enables better local pricing, facilitates exports	24

5. Policy Comparisons and Alternative Models for Equitable Fisheries

5.1. Lessons from Atlantic Canada: The Owner-Operator and Fleet Separation Policies

In stark contrast to the challenges faced by British Columbia's independent fishers, Canada's Atlantic Coast provides a compelling example of policies designed to protect and empower local fishing communities. The Policy for Preserving the Independence of the Inshore Fleet in Canada's Atlantic Fisheries (PIIFCAF), adopted by DFO in 2007 and subsequently enshrined in regulations in 2020, stands as a cornerstone of this approach.⁶

The core objective of PIIFCAF is to ensure that the benefits of fishing licenses flow directly to the independent inshore fish harvesters and their coastal communities.⁶

This is achieved through stringent "owner-operator" and "fleet separation" policies. These policies explicitly prohibit certain types of corporations from holding licenses in the inshore sector and require that license holders be "Independent Core" – meaning they are actively engaged in the fishery and are not party to "controlling agreements" with third parties, such as processors or other private interests.⁷ By enshrining these principles into law, the aim is to keep fishing revenue within coastal and rural communities and ensure that active fishers maintain control over their enterprises.¹⁵

The impact of these divergent policy frameworks is evident in the economic outcomes. While BC fishers report that 80% of the landed value in ITQ fisheries is siphoned away from their pockets, testimony suggests that earnings for fishermen on the East Coast are increasing.⁶ This demonstrates that the challenges in BC are not inherent to the fishery itself, but rather a direct consequence of specific policy design. The Atlantic model, by legally safeguarding independent ownership and preventing corporate control, fosters local wealth retention and community resilience, proving that policy choices directly determine the distribution of benefits from a common property resource.

5.2. Empowering Communities: The Potential of Community-Held Quota and License Banks

A viable and increasingly advocated strategy for protecting and revitalizing fishing communities under an ITQ system is to empower the communities themselves to hold quota.²⁷ When communities possess their own quota, they gain the autonomy to decide how best to utilize it to ensure their economic viability. This could involve, for instance, retaining the quota within the community and leasing it to local fishermen at fair and affordable rates, rather than allowing it to be auctioned off to the highest bidder on the open market.⁷

The establishment of community license and quota banks is a concrete manifestation of this approach.⁷ These banks would serve as repositories for licenses and quota, holding them for the benefit of the community and leasing them out to local harvesters under terms that prioritize community well-being and affordability. While some concerns exist regarding communities potentially lacking the specialized knowledge to manage quota effectively, these can be addressed through targeted capacity-building initiatives and partnerships with fishery experts.²⁷ This approach represents a fundamental shift from a purely market-driven allocation to one that

integrates social and economic objectives at the local level.

5.3. Fostering Local Engagement: Co-Management Models and Community Supported Fisheries (CSFs)

Beyond direct quota ownership, fostering local engagement through collaborative management and direct-to-consumer models offers powerful pathways to revitalization.

Co-Management Models: The Somass River Fisheries in Port Alberni, British Columbia, stands out as a highly successful example of a collaborative, relationship-driven, and functional co-management model.²³ This initiative brings together diverse stakeholders, including representatives from Maa-nulth, Tseshah, and Hupačasath First Nations, alongside commercial and recreational fishing sectors, and DFO.²³ This shared decision-making framework has consistently yielded greater benefits for both the community and the ecosystem. Economic analysis demonstrates that approximately 80% of the revenue generated by local fishers in this model is circulated directly within Port Alberni, leading to a substantial economic multiplier effect.²³ This success illustrates that when communities are empowered with control and decision-making authority over their local resources, they can create more equitable and resilient economic models. This shifts the focus from maximizing individual profit (which often leads to consolidation) to maximizing community benefit and sustainability. These models are not just economic alternatives but also mechanisms for rebuilding trust, fostering intergenerational knowledge transfer, and strengthening social fabric.

Community Supported Fisheries (CSFs): The Community Supported Fishery (CSF) model, exemplified by Vancouver-based Skipper Otto, offers an innovative approach to reconnecting fishing families with consumers.²⁰ In this model, members pre-purchase credits for a share of the annual catch, providing fishers with more stable income and reducing market uncertainty.²⁰ Skipper Otto currently supports 40 fishing families in BC and Nunavut, delivering their catches to thousands of members across Canada.²⁰ This model not only ensures traceability for consumers but also helps fishers find markets for less familiar species, further stabilizing their operations.²⁰ CSFs represent a direct challenge to the traditional, often opaque, supply chains that lead to economic leakage, by creating direct linkages between

producers and consumers who value local, sustainably caught seafood.

5.4. Strategic Investments: Supporting Local Processing, Value-Added Production, and Workforce Development

To truly rebuild resilient coastal communities, a multi-pronged strategy involving strategic investments is essential. This includes significant investment in local processing facilities. The Port Alberni Food Hub and Canadian Seafood Processing are prime examples of how targeted grant funding can establish certified facilities with cold storage and live tanks, enabling local communities to retain more of the value from their catch.²⁴ Such investments are crucial for ensuring that the "true value" of fish is realized within the community, moving beyond the mere harvest of raw product.

Furthermore, comprehensive workforce development initiatives are vital to address the aging demographic and attract new entrants to the fishery. This requires addressing the financial barriers that currently deter youth, including providing access to low-interest loans and funding for vessel modifications.¹⁸ Programs that offer training and support from government bodies can also play a crucial role in nurturing the next generation of fishers.¹⁸ The British Columbia Salmon Restoration and Innovation Fund (BCSRIF), jointly funded by federal and provincial governments, already supports projects focused on innovation, infrastructure, and science partnerships for long-term environmental and economic sustainability, with a priority on Indigenous participation.²⁹ Expanding such funds to specifically target local processing capacity and workforce development would be highly beneficial. Community-specific pilot projects could also be initiated to test the viability of community-based licenses for emerging fisheries, providing tailored solutions for local contexts.³⁰

5.5. Enhancing Regulatory Transparency and Accountability

A fundamental step towards equitable fisheries management is a significant enhancement of regulatory transparency and accountability, particularly concerning license and quota ownership. Various reports and stakeholders have strongly recommended that DFO increase the transparency of quota license ownership and

transactions.¹⁴ This includes the crucial step of DFO establishing and publishing a public, easily accessible online database detailing the beneficial holders of all fishing quota and licenses in British Columbia.¹⁴ Such a database should also include clear penalties for failing to accurately disclose beneficial ownership, thereby addressing the issue of "back-end trust agreements and other mechanisms that hide the true beneficial ownership".⁶

The government must accelerate the implementation of recommendations made in the 2019 House of Commons report, prioritizing adequate resources to ensure this work moves forward.³⁰ The current lack of public beneficial ownership data, despite DFO conducting a survey on the matter, creates a significant barrier to understanding the full extent of concentration and foreign control.¹⁰ The "privacy laws" argument for not releasing this data, despite concerns about corporate and foreign control, implies a regulatory blind spot or a prioritization of corporate privacy over community benefit and public accountability. This hinders effective policy reform and public discourse. Therefore, a commitment to full transparency is not merely an administrative detail but a critical prerequisite for rebuilding trust and ensuring that the benefits of a common property resource are equitably distributed among Canadians and their communities.

No single solution is sufficient on its own. Implementing owner-operator policies requires transparency to prevent hidden ownership structures. Financial incentives for new entrants must be paired with mechanisms to control quota prices or provide community access to prevent further market inflation. Investment in local processing needs a stable local fleet to supply it. This highlights that a comprehensive, integrated policy package is necessary, where different interventions reinforce each other to create systemic change rather than isolated, potentially counterproductive, measures.

6. Conclusion: Rebuilding Resilient Coastal Communities

The analysis presented in this report underscores a profound and systemic challenge facing British Columbia's coastal communities and independent fishers. The current commercial fisheries management framework, particularly the reliance on Individual Transferable Quotas (ITQs) without sufficient safeguards, has inadvertently led to a severe concentration of licenses and quota in the hands of a few large entities and absentee owners. This has systematically undermined the economic viability of active fishers, creating a market where the right to fish is divorced from the act of fishing,

resulting in prohibitive lease fees and razor-thin profit margins.

The consequences are far-reaching and deeply detrimental: independent fishers face financial precarity, a significant loss of autonomy, and a diminishing sense of purpose. This directly contributes to an aging fishing workforce, a critical lack of youth recruitment, and the erosion of invaluable intergenerational knowledge and skills that are essential for the long-term health of the industry and the communities it supports. Furthermore, the centralization of fish processing and distribution in major urban centers, often for export, creates substantial economic leakage, depriving coastal communities of the crucial multiplier effect that local value retention would provide. This outflow of wealth weakens local infrastructure, diminishes support businesses, and erodes the overall social and cultural well-being of these historically vibrant communities.

The future of British Columbia's fisheries and coastal communities hinges on a fundamental shift in policy and approach. Drawing lessons from the successful owner-operator policies in Atlantic Canada and the promising outcomes of community-led initiatives like the Somass River Fisheries and Community Supported Fisheries, a pathway to revitalization emerges. This path requires a commitment to equitable quota allocation, potentially through community-held license and quota banks that prioritize local access and fair rates. It necessitates strategic investments in local processing and value-added production facilities to retain economic benefits within communities. Crucially, it demands a renewed focus on workforce development, including financial incentives and training to attract and support new, young fishers. Finally, enhancing regulatory transparency regarding beneficial ownership is paramount to ensure accountability and rebuild trust between communities and fisheries management.

Rebuilding resilient coastal communities requires a holistic and integrated approach that recognizes the intricate connections between economic, social, and cultural well-being. By prioritizing local participation, equitable distribution of benefits, and the revitalization of the entire seafood value chain within the communities that depend on it, British Columbia can move towards a more sustainable, prosperous, and just future for its fisheries and its people.

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