

**PRINCE EDWARD ISLAND
DEPARTMENT OF AGRICULTURE,
FISHERIES AND AQUACULTURE**

**Annual Report
2005-2006**

“...the growth of sustainable, prosperous farming, fishing and aquaculture enterprises.”

Table of Contents

Minister's Message

Deputy Minister's Overview

The Year in Review

Review de l'année

Organizational Chart

Expenditures and Revenue

Corporate and Financial Services Division

Agriculture Policy and Regulatory Division

Agriculture Resource Division

Fisheries and Aquaculture Division

Appendix I

Appendix II

Appendix III

*Prince Edward Island Department of Agriculture, Fisheries and Aquaculture
Charlottetown, Prince Edward Island, 2006*

*To the Honourable Barbara Hagerman
Lieutenant Governor of Prince Edward Island*

Madam:

*I have the honour to submit herewith the 2005/06 Annual Report of the Department of
Agriculture, Fisheries and Aquaculture.*

*I have the Honour to be, Madam,
Your obedient servant,*

*Jim Bagnall, Minister
Agriculture, Fisheries and Aquaculture*

*Ministère de l'Agriculture, des Pêches et de l'Aquaculture de l'Île-du-Prince-Édouard
Charlottetown, Île-du-Prince-Édouard, 2006*

*À l'honorable Barbara Hagerman
Lieutenant-gouverneure de l'Île-du-Prince-Édouard*

Madame,

*J'ai l'honneur de soumettre par la présente le rapport annuel 2005-2006 du ministère de
l'Agriculture, des Pêches et de l'Aquaculture.*

*J'ai l'honneur d'être, Madame,
Votre serviteur obéissant,*

*Jim Bagnall
Ministre de l'Agriculture, des Forêts et de l'Aquaculture*

To the Honourable Jim Bagnall
Minister of Agriculture, Fisheries and Aquaculture

Sir:

I am pleased to submit this report of activities of the Department of Agriculture, Fisheries and Aquaculture for the fiscal year ending March 31, 2006, along with the year-end budget summary.

Following upon the process of program renewal which was initiated across the provincial government, the department completed its review of priorities and activities. There is now an increased focus on areas such as innovation, information management, industry development and on-farm agricultural development. A number of staff have left the department under the workforce renewal program, and others have been reassigned in accordance with the department's new direction. A new three-year business plan is nearing completion.

In cooperation with industry and producer groups, the department will actively pursue new opportunities for value-adding projects, increased diversification and innovative approaches to production and marketing. A new organic development strategy has been developed.

Financial pressures facing some sectors of the industry remain a concern. Over the past two years, an increasing proportion of the department's budget has been allocated to safety net programs. As well, in response to concerns about declining lobster landings in the Northumberland Strait, the department engaged the services of a national accounting firm to examine the financial circumstances of affected fishers.

The department continues to work closely with its federal and provincial counterparts on joint efforts to support the sustainable development of the agriculture, fisheries and aquaculture industries. It is involved in a number of initiatives under the Agriculture Policy Framework. A new agreement was signed with the federal government to provide financial and technical support for a new on-farm conservation program to protect the quality of soil, air and water resources and to promote biodiversity. There is also a new federal-provincial agreement to provide training opportunities for skills development. A joint federal-provincial Task Force on Invasive Species was established to deal with this growing concern in the aquaculture industry.

The department continues to support FoodTrust of Prince Edward Island as it moves to greater self-sufficiency. Over the past year, FoodTrust has made significant progress in the development and expansion of markets for premium branded potato products.

The primary resource industries in this province continue to face the challenges of a competitive global marketplace, increased concentration in processing and retailing, and the need to move beyond a commodity-based model of production and marketing. The department remains committed to work with all sectors of the primary resource industries to develop new products, processes and opportunities for sustainable growth and development. These industries remain the economic foundation of our economy, and the goal is to increase their contribution for the benefit of all Islanders.

Respectfully submitted,

Wayne Hooper
Deputy Minister

À l'honorable Jim Bagnall
Ministre de l'Agriculture, des Forêts et de l'Aquaculture

Monsieur,

Je suis heureux de soumettre le présent rapport d'activités du ministère de l'Agriculture, des Forêts et de l'Aquaculture pour l'année financière se terminant le 31 mars 2006, ainsi que le sommaire budgétaire de fin d'exercice.

À la suite du processus de renouvellement de programme qui a été initié au gouvernement provincial, le ministère a complété sa revue des priorités et des activités. On accorde maintenant plus d'importance à des domaines tels que l'innovation, la gestion de l'information, le développement de l'industrie et l'amélioration des terres. Un certain nombre des membres du personnel ont quitté le ministère dans le cadre du programme de renouvellement de la main d'œuvre, et d'autres ont été réaffectés selon la nouvelle orientation du ministère.

En collaboration avec l'industrie et des groupes de producteurs, le ministère s'occupera activement de nouvelles possibilités de projets à valeur ajoutée, d'amélioration de la diversification et de stratégies novatrices en matière de production et de marketing. De plus, on a élaboré une stratégie de développement organique.

Des pressions financières auxquelles se heurtent certains secteurs de l'industrie sont toujours préoccupantes. Au cours des deux dernières années, une proportion grandissante du budget du ministère a été affectée comme filet protecteur aux programmes. Également, en réponse aux problèmes des débarquements de homard décroissants dans le détroit de Northumberland, le ministère a contracté les services d'un cabinet comptable national afin d'examiner la situation financière des pêcheurs affectés.

Le ministère travaille toujours en étroite collaboration avec les ministères provinciaux et fédéral correspondants afin de soutenir le développement durable des industries de l'agriculture, des pêches et de l'aquaculture. Il s'occupe de plusieurs projets établis en conformité avec le cadre stratégique de l'agriculture. Une nouvelle entente a été signée avec le gouvernement fédéral afin de protéger la qualité des ressources terrestres, aériennes et aquatiques et de faire la promotion de la biodiversité. Il y a également une nouvelle entente fédérale-provinciale afin de protéger les possibilités de développement des compétences. Un groupe de travail mixte fédéral-provincial sur les espèces envahissantes a été créé pour étudier ce problème grandissant dans l'industrie de l'aquaculture.

Le ministère continue de supporter le *PEI Food Trust* qui gagne en autosuffisance. Au cours de la dernière année, le *Food Trust* a fait des progrès significatifs dans le développement et l'expansion des marchés de produits de marque de la pomme de terre.

Les industries de ressources primaires dans cette province continuent de relever les défis d'un marché mondial compétitif, de la concentration accrue du traitement et du détail, et du besoin de dépasser le modèle de production et de marketing de d'économie fondée essentiellement sur les produits primaires. Le ministère s'efforce toujours de travailler avec tous les secteurs des industries de ressources primaires afin de développer de nouveaux produits, processus et possibilités de croissance et de développement durables. Ces industries demeurent le fondement économique de notre économie, et l'objectif est d'augmenter leur contribution pour le bénéfice de tous les Insulaires.

Respectueusement soumis,

Wayne Hooper
Sous-ministre

The Year In Review

Some sectors of the primary resource industries in Prince Edward Island exhibited signs of recovery and experienced greater stability in 2005. The agriculture industry experienced difficult conditions over the past several years, with the BSE crisis in beef, depressed hog prices and over-supply of potatoes in the North American market. The lobster fishery, which accounts for approximately two-thirds of the total value of the fisheries and aquaculture industry, experienced a slight decline in landings, from 19.9 million pounds in 2004 to 18.5 million pounds in 2005.

Total farm cash receipts in 2005 rose to \$364 million from \$348 million the previous year. Most of this increase was due to higher support payments from various federal and provincial programs. The total value of fish landings declined from \$167 million in 2004 to \$164 million in 2005.

In response to supply issues in the potato sector, producers voluntarily reduced their acreage in 2005, and the Potato Board instituted an acreage buy-down program. As a result, about 10,500 acres were taken out of production. These measures, along with similar measures in other North American potato producing areas, led to a rebound in prices for the 2005 crop.

After more than two years of market disruptions as a result of the BSE crisis, beef markets began to recover in 2005. A new beef processing plant, Atlantic Beef Products, established through the co-operation of Maritime beef producers and a regional retailer, commenced operations in 2005. A state-of-the-art traceability system was installed at the plant. The plant supplies value-added branded beef products.

A new federal-provincial agreement was signed during the year to provide financial and technical assistance for on-farm conservation projects. Under the Canada-Prince Edward Island Agriculture Stewardship Program, upwards of \$5.0 million is available over the next two years for the implementation of 28 beneficial management practices on farms. These are aimed at reducing environmental risk and enhancing the quality of soil, air and water resources and promoting biodiversity.

The Future Farmers Program was established in 2003 to provide training, skills development, business planning and interest rate reductions to new entrants. Since its establishment, there have been more than 200 applications.

In the fishing industry, there are continued concerns about the state of the resource in the Northumberland Strait. The past several years have seen a marked drop in lobster landings, and many fishers are reporting serious financial problems due to rising costs and lower incomes. The department contracted the services of a national accounting firm to determine the financial circumstances being faced by many fishers. As well, a major study on environmental and other issues affecting the Northumberland Strait was undertaken involving the federal and provincial governments, industry groups and environmental interests.

There were new detections of invasive species in 2005. These invasive species have a negative impact on the production and processing of mussels. In response to this growing issue, a federal-provincial Task Force on Invasive Species was established to research and develop mitigation measures.

A major outstanding issue in the fishery was resolved in May when the 25 fathom line (the herring exclusion line) was reinstated.

Overall, favourable growing conditions resulted in good crop yields in 2005. The early breakup of ice in waters surrounding the Island resulted in a good start to the spring lobster fishery.

La revue de l'année

Certains secteurs des industries de ressources primaires à l'Île-du-Prince-Édouard ont manifesté des signes de reprise et fait preuve d'une plus grande stabilité en 2005. L'industrie de l'agriculture a connu des conditions difficiles au cours des dernières années, avec la crise de l'ESB dans le bœuf, les prix du porc en baisse et le surplus de pommes de terre sur le marché de l'Amérique du Nord. La pêche du homard, qui compte pour environ les deux tiers de la valeur totale de l'industrie des pêches et de l'aquaculture, a connu un léger déclin des débarquements, passant de 19,9 millions de livres en 2004 à 18,5 millions de livres en 2005.

En 2005, les recettes monétaires agricoles totales ont augmenté jusqu'à 364 millions de dollars par rapport à 348 millions de dollars l'année précédente. Cette augmentation est due en grande partie à la majoration des paiements de soutien de divers programmes fédéraux et provinciaux. Quant à elle, la valeur totale des débarquements de poissons a diminué de 3 millions de dollars, passant de 167 millions de dollars en 2004 à 164 millions de dollars en 2005.

En réponse aux questions d'approvisionnement dans le secteur de la pomme de terre, les producteurs ont volontairement réduit leur superficie en acres en 2005, et l'Office de la pomme de terre a mis en place un programme d'achat d'une réduction de superficie en acres. Ainsi, environ 10 500 acres ont été retirés de la production. De telles mesures, et d'autres semblables qui ont été prises dans d'autres régions productrices de pomme de terre en Amérique du Nord, ont fait rebondir les prix de la récolte de 2005.

Après plus de deux ans d'absence sur le marché en raison de la crise de l'ESB, les marchés du bœuf ont commencé à se remettre en 2005. Une nouvelle usine de traitement du bœuf, Atlantic Beef Products, créée grâce à la collaboration des producteurs de bœuf des Maritimes et un détaillant régional, a débuté ses activités en 2005. Un système de traçabilité à la fine pointe de la technologie a été installé à l'usine. L'usine fournit des produits du bœuf de marque.

Une nouvelle entente fédérale-provinciale a été signée durant l'année afin de fournir une aide financière et technique pour les projets de conservation à la ferme. En vertu du programme de gestion de l'agriculture (Canada-Î.-P.-É.), plus de 5 millions de dollars sont disponibles au cours

des deux prochaines années pour la mise en place de 28 pratiques de gestion profitables sur les fermes. Celles-ci sont orientées vers la réduction du risque environnemental et l'amélioration de la qualité des ressources du sol, de l'air et de l'eau et vers la promotion de la biodiversité.

Le programme Futurs agriculteurs a été créé en 2003 pour s'occuper de la formation, du développement des compétences, de la planification d'entreprise et de la réduction du taux d'intérêt aux nouveaux inscrits. Depuis son apparition, plus de 200 demandes ont été soumises.

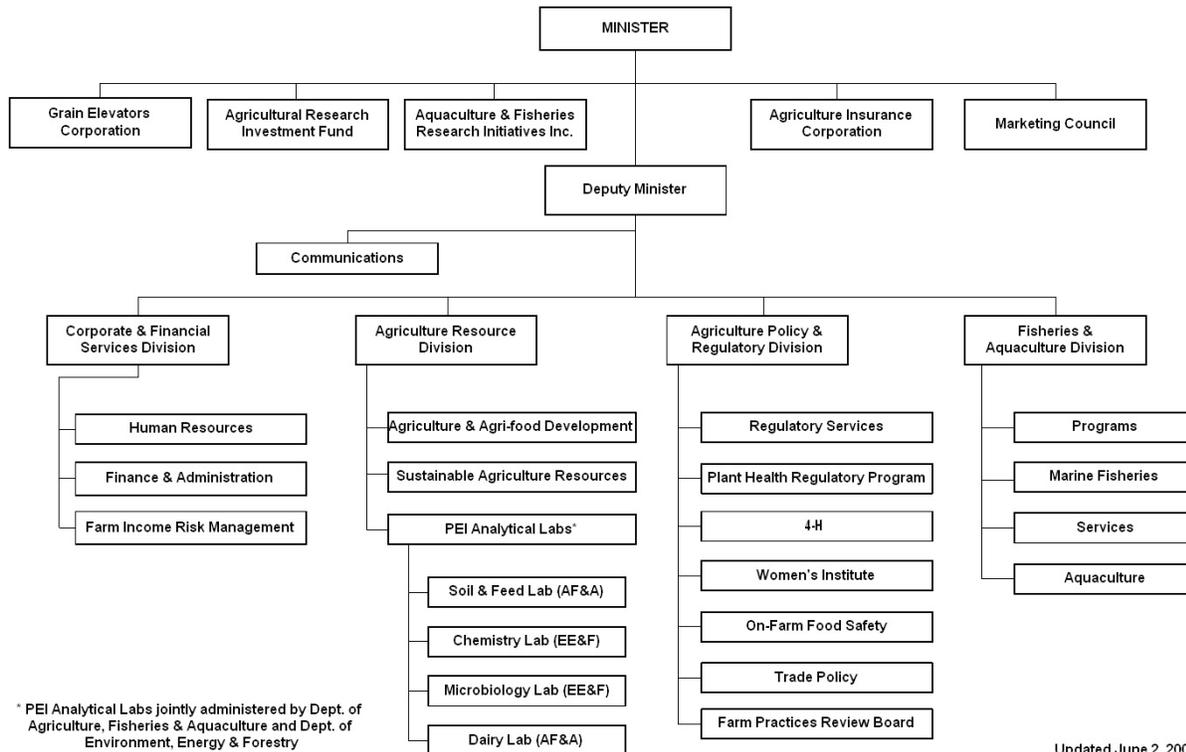
Dans l'industrie de la pêche, on se préoccupe toujours de l'état de la ressource dans le détroit de Northumberland. Ces dernières années ont connu une baisse marquée des débarquements de homard, et plusieurs pêcheurs font état de problèmes financiers sérieux à cause de l'augmentation des coûts et de la diminution des revenus. Le ministère a recouru aux services d'un cabinet comptable afin de préciser la situation financière à laquelle font face plusieurs pêcheurs. Également, on a entrepris une étude importante sur l'environnement et d'autres questions affectant le détroit de Northumberland. Cela met en jeu les gouvernements fédéral et provincial, les groupes de l'industrie et les intérêts environnementaux.

On a dépisté de nouvelles espèces envahissantes en 2005. Ces espèces ont des effets négatifs sur la production et le traitement des moules. En réponse à ce problème grandissant, un groupe de travail fédéral-provincial sur les espèces envahissantes a été créé afin de faire la recherche et le développement de mesures d'intervention en cas d'urgence.

En mai, on a résolu un point en litige dans les pêches, lorsque la ligne des 25 brasses (la ligne d'exclusion du hareng) a été rétablie.

Dans l'ensemble, des conditions de croissance favorables ont donné lieu à de bons rendements de récolte en 2005. Le fait que la glace s'est brisée tôt dans les eaux entourant l'Île a permis à la pêche printanière du homard de connaître un bon début.

Agriculture, Fisheries & Aquaculture



Updated June 2, 2005

Department of Agriculture, Fisheries and Aquaculture

2005-2006 Expenditures and Revenue

Division	Original Budget	Revised Budget	Actual Expenditure/ Revenue
EXPENDITURE BUDGET			
Corporate & Financial Services	\$13,028,400	\$13,645,600	\$14,729,597
Agriculture Resource Division	\$8,219,800	\$8,219,800	\$6,826,631
Agriculture Policy & Regulatory Division	\$4,797,300	\$5,547,300	\$5,753,088
Fisheries & Aquaculture	\$2,338,500	\$2,389,800	\$2,491,848
Total	\$28,384,000	\$29,802,500	\$29,801,164
REVENUE BUDGET			
Corporate & Financial Services	\$2,989,800	\$2,989,800	\$3,100,840
Agriculture Resource Division	\$478,500	\$478,500	\$492,955
Agriculture Policy & Regulatory Division	\$167,400	\$167,400	\$159,409
Fisheries & Aquaculture	\$35,000	\$35,000	\$135,916
Total	\$3,670,700	\$3,670,700	\$3,889,120
TOTAL NET	\$24,713,300	\$26,131,800	\$25,912,044

Based on Financial Reports of Sept 11, 2006 and projected budget adjustments.

During the 2005/06 fiscal year the department's expenditure budget was increased by \$1,418,500 which included an increase of \$505,000 to fully fund the provincial share of safety net programs. As well, the department received an increase of \$750,000 to support a short term hog loan

program. The balance of \$163,500 was related to additional funding of \$51,300 for a fisheries study which was fully offset by revenue and the remainder of \$112,200 was the net result of salary adjustments for positions being transferred back to the department and a negotiated salary increase for excluded employees.

CORPORATE AND FINANCIAL SERVICES DIVISION

The Corporate and Financial Services Division provides financial, human resource, information technology (IT), and administrative services to the departmental personnel in the areas of:

- financial management
- corporate IT management
- personnel administration
- administrative support services

Agriculture business risk management programs are also administered by the Farm Income Risk Management section of the division.

Human Resources, Finance and Administration

During 2005/06, under the guidance of Program Renewal, the department went through a major streamlining of its services in order to be more cost effective in administrative, operational and planning areas. This initiative along with early retirement and voluntary severance packages provided the department with the opportunity to reduce its March 31, 2006 staffing establishment by 37 positions. The number of divisions within the Department was reduced from five (5) to four (4) by disbanding the Strategic Planning and Measurement Division and assigning its functions to the remaining divisions.

The department remains committed to continuous learning through the Human Resource Development Policy and the Central Training and Development Fund. Employees were supported in a number of areas including course subsidization, occupational health and safety training, leadership development and wellness initiatives.

The departmental Occupational Health and Safety Committee has developed a comprehensive OHS program which includes over 100 safe work procedures to ensure the safety of departmental employees.

Position Establishment (as of March 31, 2006)

	Full Time	Part Time	Total
Minister's Office	4	0	4
Corporate & Financial Services	22	6	28
Agriculture Resource	42	4	46
Agriculture Policy & Regulatory	13	5	18
Fisheries & Aquaculture	15	4	19
Total	97	19	115

In addition to the above established permanent positions, the department employed 23 students (co-op included) and 64 casual employees.

The Finance and Administration unit continued to serve the department's needs by providing advice, assistance and departmental co-ordination in the areas of budgeting; financial forecasting; accounts payable; accounts receivable; claiming activities under federal-provincial agreements; risk management; vehicle fleet management; telecommunications system administration; contract management and reporting requirements; accommodation requirements; records management activities; as well as the provision of reception. On-going support was also provided to departmental users of the ORACLE Financial Information System.

Information Technology Section

The Information Technology Section provides staff of the Department of Agriculture, Fisheries and Aquaculture and the Forests, Fish and Wildlife division of the Department of Environment, Energy and Forestry with technology-related tools and services to assist in the cost efficient delivery of programs to their clients.

The IT section played a key role in enhancing the computer-based applications for the safety net programs offered through the Farm Income Risk Management section.. A number of enhancements were made to Production Insurance programs and modifications were made to applications under the Canadian Agricultural Income Stabilization program. Others applications within the department continue to be developed, maintained and/or upgraded.

The section continued to provide web programming and content services to departmental staff through its internal website as well as to clients of the department through the external government website. The site allows customization by each staff person and new tools were added in order to address the information requirements of staff. Over the year, the section focussed on the maintenance of the system and updating the content and web applications.

Emphasis continued on the maintenance of the department's database infrastructure so that the large volume of valuable, historical data was properly stored, accessed, backed up and secured. While a new server was purchased to replace an aging one, final transition of the data has been delayed until the process of IT optimization was completed and support resources firmly in place.

The primary Novell server provided services to employees at the fifth floor Jones building, the Research Station and Upton Road Forestry through a local area network (LAN) while a separate server managed the Soil and Feed Lab. It was recognized that the two servers could be amalgamated with a single, more robust server which is now in place and working well. Replacement and upgrading of departmental computer systems through the corporate lease program continued. Network services and connectivity were provided to approximately 200 workstations with the assistance of the government wide area network (WAN). Mini LANs in each office and high speed internet allowed staff in the Dairy Lab; Potato Services; Farm Centre; Plant Health Lab and the Beach Grove, Wellington and Southampton Forestry offices convenient access to network services within the department and the rest of government.

Farm Income Risk Management Section

The Farm Income Risk Management Section (FIRM) supports Prince Edward Island agriculture through the delivery of agricultural safety net programs.

The package of programs, which was offered in 2005, with federal assistance, to assist in reducing the impact of income reductions for individual farmers, consisted of:

- Net Income Stabilization Account (NISA) - terminated in 2003 with criteria set up to phase it out by 2009.
- Production Insurance (formerly Crop Insurance).
- Canadian Agricultural Income Stabilization (CAIS) program which provided financial support for 2003 to 2008.

The province also provided funding for an:

- Environmental Farm Plan initiative in crop insurance;
- Elite Seed Potato Quality Improvement Program; and
- Bacterial Ring Rot Program

Results achieved in 2005/06

Overall the 2005 year was a good growing season. Potato yields were average to slightly above. Losses resulted mainly from scab and rhizoctonia infections. Cool weather in August caused fusarium infections to develop in many of the wheat and barley crops. These infections resulted in quality and production losses on many farms. Harvest conditions were good and the potato crop stored with few problems. A reduction in total potato acres resulted in a good demand with higher

than normal prices.

With respect to income stabilization, the CAIS program provided support to help farmers during the difficult market conditions of 2004. In 2004, livestock commodity prices continued to fluctuate dramatically since the discovery of BSE in May of 2003. Grain margins remained low while potato inventories were high thus forcing prices down with market demand remaining poor. These market conditions resulted in CAIS payments of approximately \$20 million being made to Island farmers, mostly a result of low potato and beef prices in the 2004 program year.

The trend in 2005 for increasing participation in crop insurance continued with insured acres up 16 percent to 234,773 acres. There were two main programs delivered, one which insured crops with a production guarantee, and a weather-based program for forage crops. In total, 19 different crops were insured in 2005, with an insured value of \$95,496,556.

Some key results of the production insurance program are listed below:

- The Weather-Based Forage Program increased to 93,768 acres.
- The Whole Farm option was again offered for cereal grains but overall participation was low.
- Coverage for the potato crop increased to an all time high of \$95.5 million up from \$62.68 million in 2003.
- Grain insurance rose again in 2005 with insured acres of 79,823 acres, up 6,450 acres or eight percent over 2004.
- The barley and wheat crop again suffered from fusarium infection.
- The potato insurance plan paid out \$1,837,983 million in indemnities with a loss ratio of 0.27.
- Insured value of crops increased to \$95 million and premiums rose to \$9.18 million.
- The Corporation ended the year with a loss ratio of 0.37, resulting in an accumulation of additional reserves.
- Overall premium rates for potatoes dropped 12 percent while forage rates rose to nine percent.

PRODUCTION INSURANCE PROGRAM						
Yield Based Insurance Program						
CROP YEAR	Farms (#)	Contracts (#)	Acres (#)	Coverage (\$)	Premiums (\$)	Indemnities (\$)
2005/06	5e+35	1.29e+38	1.3e+62	8.2437e+95	8.032e+83	2,619,409
2004/05						4,424,492
2003/04						1,788,735
2002/03						925,680
2001/02						10,640,171
2000/01						2,669,051
1999/00						2,519,035
1998/99						1,706,544
1997/98						822,607
1996/97						1,946,898
1995/96						1,482,610
1994/95						1,990,495

*Note: CI premium cost share in 2006 was: 37% federal, 27% provincial, 36% producer
High cost coverage: 20% federal, 40% provincial, 40% producer*

BACTERIAL RING ROT PROTECTION					
Year	Farms (#)	Potato Acres Insured	Insured Value (\$)	Premiums (\$)	Indemnities (\$)
2005/06	1.51e+20	5,908	764,593	3.82294e+54	5.20000e+21
2004/05		5,682	806,725		
2003/04		6,369	986,266		
2002/03		4,481	682,242		
2001/02		3,433	461,358		
2000/01		2,759	389,973		
1999/00		3,578	505,286		
1998/99		5,249	677,508		
1997/98		3,659	614,950		
1996/97		8,121	1,014,563		
1995/96		11,214	1,424,432		

Note: Prince Edward Island Department of Agriculture, Fisheries and Aquaculture contributed 33 per cent of the Bacterial Ring Rot Protection Premiums

**PRODUCTION INSURANCE PROGRAM
Weather Based Forage Program**

CROP YEAR	Farms (#)	Contracts (#)	Acres (#)	Coverage (\$)	Premiums (\$)	Indemnities (\$)
2005/06 2004/05		926649	70,991	11,750,000 8,714,008	1,056,518, 522,841	7.43059e+12

AIDA/CFIP/CAIS Income Disaster Assistance

CLAIM YEAR	Qualifying Applicants #	Average Payment per Applicant (\$)	Total Payments (\$)
CAIS - 2005 claim year - 2004 claim year - 2003 claim year CFIP - 2002 claim year CFIP - 2001 claim year CFIP - 2000 claim year AIDA - 1999 claim year AIDA - 1998 claim year	2.6948902052e+21	6.2981489684e+39	125,962 19,881,189 20,417,159 9,493,439 8,950,187 7,338,146 6,762,715 6,285,064

* Total Payments are cost shared 60 per cent by Canada and 40 per cent by Prince Edward Island.

* Payments stated as of March 31st, 2006

NET INCOME STABILIZATION ACCOUNT

Year	(#)	Provincial Contribution (\$)	Withdrawals by producers (\$)	Account Balances (\$)
2004/05	2.4e+29	5,799	24,000,000	14,793,694
2003/04		1,673,699	20,878,784	37,822,568
2002/03		1,589,901	9,989,970	50,128,568
2001/02		1,605,152	12,589,008	44,999,235
2000/01		2,686,024	10,885,480	47,634,097
1999/00		2,671,162	7,618,444	41,257,786
1998/99		2,331,105	8,795,028	33,846,019
1997/98		2,042,700	4,149,699	28,029,100
1996/97		1,873,700	1,476,727	19,523,000
1995/96		790,000	510,765	9,658,000

Notes:

Provincial contribution is 2 per cent of Eligible Net Sales plus provincial share of the interest bonus.

Canada contributes two times the amount the province contributes to NISA annually.

Program terminated in 2003. Producers to close accounts by March 2009.

ELITE SEED POTATO QUALITY IMPROVEMENT PROGRAM (ESPQIP)				
Program	Applicants (#)	Acres (#)	Average Payment (\$)	Total Amount (\$)
2005 ESPQIP - PI assistance ¹	22	1933	3726	81975
2004 ESPQIP - PI assistance ²	14	1239	3112	43563
2003 ESPQIP - CIP assistance ³	26	1857	1314	34160
2002 ESPQIP - CIP assistance ⁴	25	3024	2681	67034
2001 ESPQIP - CIP assistance ⁵ ESPQIP - /acre pmt	6840	66521438	501721750	341,155 862,977
2000 Virus Reduction - CIP assistance Seed Incentive/acre	10839	62691433	365922056	395,164 860,181

Notes:

¹ PI assistance was 11% of total premiums which reduced the producer cost for the Elite Seed Plan from 36% to 25%.

² PI assistance was 9% of total premiums which reduced the producer cost for the Elite Seed Plan from 34% to 25%.

³ CIP assistance was 8% of total premiums which reduced the producer cost for the Elite Seed Plan from 33% to 25%.

⁴ CIP assistance was 8.33% of total premiums which reduced the producer costs for the Elite Seed Plan from 33.33% to 25%.

⁵ CIP assistance is additional subsidy up to \$75/acre for crop insurance premiums.

The per acre incentive was \$600/acre for specified varieties and seed classes that were dead by August 12.

Environmental Farm Plan / Nutrient Management Plan Discount			
Year	Applicants (#)	Average Payment (\$)	Total Amount (\$)
2005 EFP	330	417594528425	137,614
NMP	40		23,797
2004	385		203,432
2003	315		134,039

Note: The province introduced an Environmental Farm Plan (EFP) discount in 2003 for those producers in crop insurance who completed an EFP training course. The discount was 3% of total premiums or a 10% discount to producers premiums. This initiative supported the province's emphasis on environmental farm planning and helped to promote the EFP program within the farming community. Support continued in 2004. In 2005 the discount was extended to the Nutrient Management Program and the discount was divided between the two plans.

AGRICULTURE POLICY AND REGULATORY DIVISION

The Agriculture Policy and Regulatory Division's wide-ranging mandate includes federal/provincial agricultural policy and trade issues, administration of industry development programs, on-farm food safety and traceability, plant health, Marketing Council, supply and non-supply managed commodity liaison, domestic and foreign trade, research and legislation.

Fulfilling the mandate of the Division requires working in partnership with general agriculture and agri-food organizations, provincial commodity organizations and educational institutions in the development and implementation of industry-led strategies that address short and long-term critical issues and create wealth for the agri-food sector in a sustainable fashion. As part of working with and for industry, Marketing Council is responsible for the general supervision of all commodity boards, marketing commissions and commodity associations established under the Natural Products Marketing Act. It reports annually to the Legislature.

Regulatory enforcement and legislative development are also a responsibility of the division. The Regulatory Services and Plant Health section enforces various pieces of legislation to help ensure quality and protect Prince Edward Island agriculture from a variety of quarantinable pests that could negatively impact potato production. This is supported by the development of legislation for issues that are within the scope of the Department of Agriculture, Fisheries and Aquaculture.

As part of the division's policy function, staff address federal and provincial policy issues that affect Prince Edward Island's agricultural industry. This division represents the department on numerous federal/provincial/territorial committees that determine the direction of emerging issues such as traceability, disease emergency preparedness and food control systems.

The following examples help illustrate the scope of the division's mandate.

Agricultural Policy Framework

The division worked closely with its provincial counterparts and the federal government in developing and delivering programs under Canada's Agricultural Policy Framework. The APF goals are helping secure the long term prosperity and success of Canada's agricultural and agri-food sector by being the world leader in food safety, innovation, and environmentally responsible production.

On-Farm Food Safety, Traceability and Emergency Preparedness

The division continues to assist in the development of national on-farm food safety programs. Staff have been active in the creation of the national protocol for the Canadian Food Inspection Agency recognition of on-farm food safety programs, program technical reviews and coordination at the provincial level. The division is participating in the national Traceability Task Team which is developing a government-industry approach to the tracking and tracing of

agricultural products. The division, on behalf of the department, continues to work in co-operation with CFIA and industry to prepare for the potential outbreak of a foreign animal disease.

Harness Racing

Growth continues in the Prince Edward Island harness racing sector, as the number of horses produced, new owners, and wagering increased in the year. The Charlottetown Driving Park Entertainment Centre opened for Old Home Week 2005, and several new track and regional records were established on the new racing surface. Modifications to Summerside Raceway are planned in the coming year. In addition, significant private sector investment continues in new training facilities, upgrades to infrastructure, and new genetics.

The Prince Edward Island Harness Racing Industry Association has completed a second phase of the industry planning process, and has provided strong leadership to this industry growth. An additional emphasis will be focussed on the matinee track sector, as several improvements to the facilities in various communities are planned.

Regulatory Services Program

The Regulatory Services section administers and enforces legislation and regulations relating to agriculture and animals. Section activities include inspections under the *Dairy Industry Act*, *Companion Animal Protection Act*, and the bee health regulations and responding to complaints under the *Animal Health and Protection Act*. Staff are also responsible for the legislative initiatives of the department. Some examples are amendments to the *Fisheries Organizations Support Act* and the *Dog Act*, and repeal of the *Poultry and Poultry Products Act*.

Plant Health

The *Plant Health Act* with its potato regulations involves such issues as planting audits, transport vehicle disinfection and post-harvest virus testing. Division staff are involved with disinfection service calls, inspection and audit activities in support of cull potato disposal and planting standards, sample collections of post harvest virus testing, and permits for the planting of potatoes originating outside the province.

AGRICULTURE RESOURCE DIVISION

The Agriculture Resource Division provides programs and services to the agriculture industry in the areas of agricultural development, laboratory services and sustainable resources management.

Agriculture and Agri-Food Development Section

The provincial government renewal initiative resulted in significant change to the extension services section. The traditional agricultural extension offered from the district offices was eliminated. With reduced staff, the Agriculture Information Centre, located at the Charlottetown Research Centre, was enhanced to provide information to farm clients by phone, e-mail, and the internet. The focus of the new Agriculture and Agri-Food Development Section is innovation, agricultural information management, industry development and on-farm agricultural development. The section consists of two distinctive units – the Agriculture Information Officers and the Agriculture Innovation staff.

Agriculture Information Officers

A major initiative of the six agriculture information officers is the Future Farmer Program. The officers serve as program advisors to deliver the program and, along with providing extension advice, they assist producers with completing learning plans and identifying appropriate training and learning opportunities. Future Farmer Clubs have been established in the western and central regions of the province to provide beginning farmers with the opportunity to hear from guest speakers and to share ideas. This year more than thirty activities/workshops were held for Future Farmer participants. Through the program, producers are also eligible for assistance to complete a business plan, receive interest rebate on loans, and funding for a risk management deposit. The officers initiated a “Future Farmer Newsletter” that is prepared quarterly.

The officers provide clients with a first point-of-contact at the Agriculture Information Centre for information on commercial and general agriculture inquires. Staff are responsible for responding to e-mail requests received through the government website. As farmers and the public continue to increase their use of the web as an information source, staff continues to improve and build upon the content of the department website, www.peifarm.ca. The unit is responsible for an e-letter service sent to more than 500 farmers and agribusiness every two weeks. The e-letter provides links to articles of information, news and/or reports, and highlights upcoming departmental events. Staff are also responsible for numerous special projects including the Farm Fresh Directory website and Seed Potato Directory.

The officers continue to provide on-farm information to producers upon request. They ensure that producers have the information they need to make informed decisions. They are also involved in the development and promotion of departmental policies, programs and services.

The staff works closely with staff from other units, sections, and divisions providing assistance

with the coordination of workshops and information sessions.

Ag Innovation and Entrepreneurship

This unit consists of seven agriculture development officers, one agriculture technician and a supervisor. Staff maintain commodity expertise in the areas of field crops, potatoes, fruit crops, vegetables, organic and reduced input, beef, dairy, and swine. They work closely with their corresponding commodity association or board to initiate innovative industry development projects.

The Ag Innovation and Entrepreneurship staff assist producers and agri-processors by focusing on innovative and value-added opportunities, supporting industry organizations, and by providing agricultural advice. Priorities include working with industry to develop new and innovative agricultural business ideas, identifying value-added opportunities and fostering an entrepreneurial mindset, as well as coordinating industry networks and partnership development.

To encourage further growth of the Prince Edward Island organic sector, the department has designed an Organic Industry Development Program. This program will provide funding for activities that contribute to the development of organic market driven value chains.

Innovation officers are conducting field trials on several oilseed crops including canola, flax, sunola and crambe. This work includes the feasibility of production and potential markets for these platform crops. Platform crops are crops intended to be used for several purposes including human consumption, renewable fuels and livestock feed. The goal is to create a market for locally grown and processed oilseeds and expand cropping options. Staff are working with interested farmers and producer organizations to explore the potential of an oilseed extrusion facility.

As a means for creating a market for low value cereals, staff are working with producers to access and develop information on the feasibility of utilizing agricultural biomass for renewable energy. It is anticipated that interest from the agricultural community regarding the use of agricultural biomass for energy production will continue to grow.

Staff continue to have involvement with programs and issues related to the BSE crisis including such things as an enhanced feed ban, solutions for disposal of Specified Risk Material, and follow-up to BSE programs.

The work unit has also hosted or partnered on many commodity-based training events throughout the year. Events such as the “Innovations in Marketing” session at the Potato Technology Expo, a chef/producer workshop, an “Oilseed Potential on PEI” workshop, a value chain information session, beef information sessions, a training event for apple growers and a swine selection workshop. All events were well attended.

Prince Edward Island Analytical Laboratories

Prince Edward Island Analytical Laboratories is an amalgamation of the dairy, plant diagnostics, soil and feed, and the water chemistry and microbiology laboratories. The amalgamated laboratory reports to both the Department of Agriculture, Fisheries and Aquaculture and the Department of Environment, Energy and Forestry. The amalgamated laboratory performs a range of chemical and microbiological analyses on environmental and agricultural sample types including animal feed, milk, seed, soil, and water.

Prince Edward Island Analytical Laboratories (PEIAL) is accredited by the Standards Council of Canada (SCC) in compliance with ISO/IEC 17025. The laboratory received its first accreditation approval in 1997 and has been increasing its scope of accredited programs ever since. The next external audit occurs in 2008. The laboratory is also accredited for seed germination with the Canadian Food Inspection Agency and the Canadian Seed Institute.

This year the lab has processed over 320,000 agricultural samples with a revenue of approximately \$357,000.

Sustainable Agriculture Resources

The Sustainable Agriculture Resources section offers technical advice to farmers and landowners in the areas of soil conservation; integrated pest management; nutrient management; manure management; fuel and pesticide storage; deadstock composting; efficient use of water for irrigation purposes; and site specific weather forecasting. This section is responsible for the Sustainable Resource Conservation Program (SRCP) which provides financial and technical assistance to Island agriculture producers and land owners to solve specific environmental issues identified in their environmental farm plans.

A complete summary of the projects funded in 2005/06 appear in the following table:

	<i>COMPLETED PROJECTS</i>	<i>GOVERNMENT DOLLARS SPENT</i>
Manure storage	7	\$177,609
Soil Conservation	28	\$132,710
Hedgerows	12	\$12,406
Fencing & Watering	14	\$54,478
Pesticide Storage	2	\$14,146
Fuel Storage	32	\$67,062

Milkhouse Waste	5	\$21,000
Deadstock Composting	2	\$28,708
IPM Protocol	8	\$20,000
Nutrient Management Plans	11	\$10,575
Constructed Wetlands	3	\$8,615
TOTALS	124	\$547,309

The section is also responsible for the delivery, technical assistance, and administration of the Tier 1 component of the Canada/PEI National Water Program. This component deals with on-farm infrastructure for water conservation and sustainable water source development. The National Water Program (NWP) typically funded one-third of the cost of projects to a maximum of \$5,000 assistance per project. SRCP provided an additional one-third funding of the cost for water flow meters. Fifteen Tier 1 projects were completed in 2005/06. The total value of projects was \$275,000 of which the National Water Program contributed \$44,132 and the SRCP contributed \$3,043. A National Water Program technical session and field tour was held in August 2005 in the Kensington area with a high participation rate from the farming community. Staff provided technical assistance and were involved in the operation and management of a Tier 3 National Water Program demonstration project involving the use of drip irrigation in potatoes. The section had two Tier 3 research projects approved under the NWP in 2005/06. The “Nutrient Management and Water Quality” and the “Comparing Runoff and Moisture Retention Using Various Potato Hilling and Irrigation Technologies” projects will be conducted over the next two years.

With respect to integrated pest management, a potato scouting clinic was held in early June and was attended by approximately 75 farm workers, growers, commercial crop scouts and industry representatives. This clinic was followed up with bi-weekly field worker meetings throughout the growing season to discuss any pest management issues that may be occurring in the potato crop. Under the SRCP, the IPM Protocol Incentive Program was offered to the following commodity groups: apples, blueberries, carrots, cole crops, potatoes and rutabagas. The pesticide reduction pilot program was continued in 2005 and financial incentives were offered to 14 farms to demonstrate options for reducing the use of pesticides in commercial agriculture. The IPM specialist continued on-farm research work with researchers from McCain Foods to determine the effect of European cornborer on yield of the Russet Burbank potato variety. Results from two years of research trials indicates that current thresholds for European cornborer are too conservative in the Russet Burbank variety as they can withstand higher damage levels than other varieties without a corresponding yield loss. A fact sheet and information on these findings were presented to growers at the Potato Expo in February as well as at other grower meetings throughout the year and in an article in the “Potato News” magazine. The IPM specialist continues to take part in the minor use pesticides program and represents the needs of Prince

Edward Island growers at the National Minor Use Priority Setting Committee meeting.

The nutrient management balance sheet program finished in 2005/06 with a total of 25,000 acres of agricultural land under nutrient balance sheet management. Nutrient Management Plans are the next step in the process. Farm scale nutrient management research plots continued in 2005/06 with Island producers and agri-business in an effort to continually develop Island-based nutrient recommendation and removal rates. Discussions were held with private sector, agri-business and government staff who have been involved in potato production and research in an attempt to standardize nitrogen recommendations for potatoes throughout the region. Nitrogen recommendations discussed will be tested in the 2006 crop year before final decisions are made. Stream water quality monitoring continued in 2005/06 with automated sampling equipment to determine the impact and fluctuations of on-farm fertility programs. A lysimeter project involving 15 farm scale plots and research plots at Harrington Research Station to look at nitrate leaching losses was started in the fall of 2005.

The Sustainable Agriculture Resources staff provided technical assistance to Island landowners for the construction of erosion control structures and/or the establishment of strip cropping on 2,245 acres in 2005.

Staff were involved with the Prince Edward Island Soil and Crop Improvement Association with a number of on-farm Greenhouse Gas Mitigation Program projects in 2005 including a conservation tillage/scab project on potatoes, split field trials demonstrating nutrient management, and agroforestry projects.

The farm weather forecast was offered to 76 clients in 2005. Four weather stations were used to provide a specific forecast in three-hour increments. Subscribers to the service also received updates on the blight severity index. The weather monitoring network was also used in IPM projects.

Sustainable Agriculture staff continued to provide technical and organizational advice to support industry initiatives such as environmental farm planning and the Greenhouse Gas Mitigation Program. They continue to collect data for the soil quality monitoring project. They worked with industry and the federal government in the development of the Canada - PEI Agriculture Stewardship program (CPEIASP) which is an expanded technical and financial incentive program. The CPEIASP will replace the Sustainable Resource Conservation Program and will be available to producers April 01, 2006 to March 31, 2008.

Fisheries and Aquaculture Division

Mandate

The Fisheries and Aquaculture Division provides programs and services to the marine fisheries, aquaculture and seafood processing sectors in order to fulfil its mandate and to achieve its goals of providing quality advice, assistance and information to clients.

The Marine Fisheries Section acts as an advocate for the Prince Edward Island fishing industry and takes part in many species advisory committees with the industry and the federal government, which manages marine fisheries resources. The section carries out applied biological research in support of major fish species such as lobster, as well as developmental or emerging species.

The Fisheries Services Section promotes fish quality through the administration of the Prince Edward Island *Fish Inspection Act* and the Prince Edward Island *Fisheries Act*, which includes responsibility for licensing and inspection of all fish-buying stations and fish-processing facilities.

The aquaculture sector continues to make a strong contribution to the fishery and remains a sector with potential for further growth and increased economic returns. The Aquaculture section provides programming to support the growth and sustainability of aquaculture businesses. As well, assistance is provided to encourage new technology in aquaculture, and research is carried out on species that offer potential for culture. Division staff have expertise in all facets of aquaculture production and provides essential technical services to the industry.

Fisheries and Aquaculture Overview

The fishing industry employs approximately 9,000 people in the harvesting and processing sectors. The overall economic impact from the fishery, including the service sector, is more than \$350 million. Lobster continues to be the leader with a landed value to fishermen of more than \$100 million. The Island's aquaculture industry, consisting primarily of oysters, mussels and finfish, contributed approximately \$29 million in 2005. This sector of the industry continues to grow and create new employment in the province.

For statistics on the fisheries and aquaculture industries, and historical data on fish landings and values, see Appendices I, II and III. As well, the 2005 Prince Edward Island Fishery Statistics brochure is available on-line at www.gov.pe.ca/af/agweb/.

Marine Fisheries Section

The main role of the Marine Fisheries section is to represent the interests of Prince Edward Island as a whole within the federal advisory committee process and to assist the Island fishing industry by representing its views fairly and fully.

The Marine Fisheries section also carries out a Lobster Resource Monitoring Program and assists Island fishermen in various scientific projects.

The landed value of the commercial fishery in Prince Edward Island in 2005 was more than \$135 million. Commercially-fished species range from American eels to Waved Whelk. There are more than 1,300 core fishers in Prince Edward Island and during the peak season there are more than 3,000 processing jobs.

Canadian Council of Fisheries and Aquaculture Ministers

On September 23, 1999, Ministers from all Canadian provinces and territories signed the *Agreement on Inter-jurisdictional Co-operation with Respect to Fisheries and Aquaculture*. The Agreement committed governments to work in the spirit of co-operation and established a formal structure for their collaboration, the Canadian Council of Fisheries and Aquaculture Ministers (CCFAM). It also formally established a committee of Deputy Ministers and a committee of senior officials, the Inter-jurisdictional Working Group (IWG), to support the activities of the Ministers' Council.

Inter-jurisdictional task groups, each with their own Deputy Minister Champion and co-chaired by the federal government and a province/territory, have been created to address issues of strategic importance to Canada's fisheries and aquaculture sectors. Task group work plans are approved by the CCFAM annually.

The Ministers meet once a year, generally in the fall. The 2005 Ministers meeting was held in October in Saskatoon, Saskatchewan. Further information can be found at www.ccfam-ccmpa.ca.

Atlantic Council of Fisheries and Aquaculture Ministers

The Atlantic Council of Fisheries and Aquaculture Ministers (ACFAM) includes representatives from the four Atlantic provinces, Quebec and Nunavut.

The Atlantic Fisheries and Aquaculture Committee (AFAC) supports the activities of the Ministers. This committee deals with issues of a regional nature.

In 2005 the Ministers authorized the creation of both a snow crab and shrimp task group. These task groups were to examine the issues and challenges facing these fisheries.

New England Governors/Eastern Canadian Premiers

A resolution on oceans was announced during the August 2005 meeting of the New England Governors/Eastern Canadian Premiers in St. John's, Newfoundland. The resolution called for the fostering of cooperation and collaboration on all aspects of marine and oceans related research and development.

Further, an Oceans Working Committee was established to make recommendations on all practical means to expand and enhance regional efforts on all oceans related issues.

More information can be found www.cap-cpma.ca

The Provincial Legal Action

The provincial legal action against the Department of Fisheries and Oceans is ongoing. In May of 2005, the federal government applied to the Supreme Court of Prince Edward Island to have the case dismissed. The federal government argued the case was in the wrong court, was frivolous, lacked merit and the wrong defendants were named in the suit.

On November 2, 2005 Justice Gordon Campbell ruled the case could proceed. The federal government indicated it would appeal Justice Campbell's decision. That appeal was to be heard in Prince Edward Island Supreme Court in June, 2006.

Herring Line Restoration

The 25 fathom line (herring exclusion zone) located off the north eastern shore of Prince Edward Island was restored in May, 2005. The collaborative efforts of the department, the Prince Edward Island Fishermen's Association, a number of organizations and individuals brought about the reinstatement of the 25 fathom line (herring exclusion zone).

Certified Fisheries Organizations Support Act

On May 20, 2004, an Act to amend the *Fisheries Organization Support Act* became law in Prince Edward Island. The *Certified Fisheries Organizations Support Act* as it is now known, requires all core and bona fide fishers on Prince Edward Island, who are not voluntary members of a certified fisheries organization to pay a support fee to the Minister of Agriculture, Fisheries and Aquaculture. The Minister then forwards the fees collected to a certified fisheries organization. In 2005, participation was more than 70 percent.

Financial Study of Fishers in the Northumberland Strait

The department commissioned the accounting firm, Grant Thornton, to examine the financial circumstances facing lobster fishers in the Northumberland Strait. Fishers were invited by letter to participate in the study. Fishers were being requested to provide fisheries-related financial information.

Lobster Resource Monitoring Program

The Lobster Resource Monitoring Program continued in 2005 with the collection of data through at-sea sampling and port sampling. In addition, 91 volunteer fishers from Lobster Fishing Areas

(LFAs) 24, 25 and 26A gathered daily data from special, designated traps. This experimental trap program had representatives from 37 Island ports. The information gathered through this program represented more than 25,000 trap hauls and helps to maintain a detailed profile of the harvestable lobster resource caught in Island waters. The department's lobster biologist and contracted technicians sampled onboard commercial lobster boats for a total of 74 fishing days during the spring and fall seasons. Sampling of commercial catches, at ports in LFA 25, collected information on more than 4,000 lobsters.

Lobster Research

In 2005, staff tagged over 90 lobsters, both males and females, that were returned to the water during the commercial fishery as required by the prohibited (window) size range set out in the 2005 management plans. The recapture of these individuals during subsequent fishing activity anticipates a better understanding of the movement of these lobsters.

A collaborative project involving the department, the Prince Edward Island Fishermen's Association, Fisheries and Oceans Canada and the Maritime Fishermen's Union initiated in 2004 was concluded. The project involved the placement of acoustic tags on lobsters in LFAs 24 and 25. This project will gather data and allow for a better understanding of lobster movement in the region.

The department continued its financial support by contributing core funding to the Atlantic Veterinary College's Lobster Science Centre.

Lobster Management

As scheduled in the multi-year lobster management plan for the southern Gulf of St. Lawrence announced on April 3, 2003, LFAs 24 and 26A had a 0.5 mm minimum carapace size increase to 70 mm in 2005. The implementation of a prohibited size range (window) of 115 mm to 129 mm whereby all female lobsters in that range were to be returned to the water was also maintained for the 2005 season in LFAs 24 and 26A.

The 2005 lobster fishery management plan for LFA 25 was announced July 21, 2005 and included several changes from 2004. The minimum carapace size remained at 70 mm and the previously existing prohibited size range (window) for females was replaced with a maximum size of 114 mm for females. The maximum size prohibition of 129 mm used in 2004 for males was revoked in 2005. The height of the escape mechanism required on traps was increased from 38 to 40 mm and a maximum size for entrance hoops in traps was established at a diameter of 152 mm. The possession of lobster and fishing gear was prohibited between 9:00 p.m. and one hour before sunrise. The opening date for the season was August 9, 2005.

Lobster Landings

Catches for the 2005 season were approximately 12.7 million pounds in LFA 24; 3.4 million pounds in LFA 26A; and 2.3 million pounds for LFA 25, for a total of 18.5 million pounds. The landings in 2005 were down from 2004 landings of 19.9 million pounds. Historical data on lobster landings and values can be found in Appendix II.

Toad Crab

In 2005, 11 commercial license holders fished in the sub zone from Covehead Harbour Light east to East Point and six exploratory permits continued to gather data on the toad crab stocks in the zone west of Covehead to North Cape. The management measures for 2005 included a season of July 15 to September 30, 2005, and a minimum carapace size of 60 mm.

Section staff continued their collaboration with the toad crab fishers and Fisheries and Oceans Canada biologists to collect data on the crab population. Data was collected on board vessels during fishing from regular crab traps and traps designed to retain small and juvenile crabs.

Toad crab landings for 2005 were approximately 1.5 million pounds with a landed value of \$386,000.

Rock Crab

Landings of rock crab in 2005 were approximately 5 million pounds with a landed value of \$1.3 million. These landings include crab landed in the directed fishery and crab retained as a by-catch during the lobster fishery.

Fishers are concerned over the amount and sizes of rock crab landed as by-catch and would like to see a return of the conditions for daily limits and minimum sizes. The department continued to support fishers in their effort to resolve this issue.

Bluefin Tuna

The bluefin tuna fishery was revised from a management system of a competitive fishery to a fleet quota fishery. Each of the seven fleets was allocated a quota based on their catch history. Prince Edward Island had 30.52 percent of Canada's inshore tuna quota. The percentage was set for a three year period from 2004 to 2006, with a review after the 2006 season.

The 2005 Canadian inshore quota was set at 678 metric tonnes. The Island received 186.63 metric tonnes. The fishery opened on August 1 and ended on August 26. Prince Edward Island tuna fishers landed 200.9 metric tonnes. With one fleet releasing quota to Fisheries and Oceans Canada, Prince Edward Island received an additional 8.08 metric tonnes. The fleet will have 6.19 metric tonnes deducted from its allocation in 2006, due to its overrun.

Landings in the ex-sector fishery accounted for 31.37 metric tonnes with no landings in Canso area. In 2005, the Island fleet landed 732 tuna (94 more tuna than in 2004) with prices ranging from \$2.00 to \$16.00 per pound. There are 355 licensed tuna fishers in Prince Edward Island, with more than 290 active license holders. The entire Canadian inshore quota was not caught and as a result, 132.24 metric tonnes will be carried over to the 2006 season.

The Prince Edward Island Tuna Working Group, made up of two fishermen's organizations, tuna fishers and provincial and federal government representatives, continued to work for a fair and equitable system at the annual Atlantic Large Pelagic Advisory Committee (ALPAC) meeting.

Snow Crab

The total allowable catch in Area 12 was set at 32,336 metric tonnes. The Prince Edward Island traditional fleet receives 5.0743 percent of the allocation which amounted to 1,140 metric tonnes. The Prince Edward Island Fishermen's Association received an allocation of 603 metric tonnes, including 73 metric tonnes to the groundfish fleet. Prince Edward Island landed over 3,145 metric tonnes of snow crab from the various fleets, including some New Brunswick fishers' landings. A distinct quota was allotted to Prince Edward Island to rationalize the lobster industry in LFA 25. 180 metric tonnes was designated this year to assist in this process.

The department continues to seek an equitable share of the snow crab resource for Prince Edward Island at the annual advisory committee meeting. The Zone E snow crab total allowable catch (TAC) was 450 metric tonnes. Prince Edward Island maintains one permanent license in this zone, along with a temporary allocation.

Gulf Shrimp

The total allowable catch in 2005 was 36,183 metric tonnes, which represented an increase of three percent from 2004. Prince Edward Island maintained its temporary status in the fishery and received an allocation of 263 metric tonnes. This allocation is managed by the Prince Edward Island Fishermen's Association. The Prince Edward Island government continues to seek permanent status, with an allocation of at least 1,000 metric tonnes in this fishery.

Northern Shrimp

The PEI Atlantic Shrimp Corporation signed a multi-year agreement with Ocean Choice in August 2005 to fish the Island shrimp allocation of 1500 tonnes. For further information on the mandate of the PEI Atlantic Shrimp Corporation, visit the website at www.peishrimp.com.

At the Northern Shrimp Advisory Committee meeting in December 2005, Prince Edward Island requested its 30 percent share of the 3L quota (5,478 metric tonnes) and that the federal Minister restore Prince Edward Island's original 30 percent share which would raise its allocation by 3,978 metric tonnes to 5,478 metric tonnes. In addition, Prince Edward Island requested its allocation be made permanent. Prince Edward Island is the only eastern province without a

permanent attachment to the northern shrimp fishery.

Herring

In mid-May, along with the re-establishment of the 1983 herring exclusion zone off eastern Prince Edward Island, Fisheries and Oceans Canada also announced the herring management plan for the Southern Gulf of St. Lawrence. The herring stocks in the Gulf of St. Lawrence are comprised of two distinct spawning components, spring and fall. The 2005 spring herring quota was reduced by 2,500 metric tonnes to 11,000 metric tonnes. The fall quota was reduced by 3,000 metric tonnes to 70,000 metric tonnes from the 2004 TAC.

The spring fishery for Prince Edward Island fishers takes place primarily in Western Prince Edward Island, from North Cape to Egmont Bay. The main Prince Edward Island fishing area (shared with Southeast New Brunswick) is called Herring Fishing Area 16E. This year, the quota for the HFA16E area was 3,755 metric tonnes. The main quota, for the period April 23- May 15, was set at 3,019 metric tonnes. Prince Edward Island had caught 621 metric tonnes and New Brunswick fishers caught 601 metric tonnes for a total of 1,221 metric tonnes (40 percent of the quota). The next quota (May 16-June 15) was set at 734 metric tonnes. Prince Edward Island caught 336 metric tonnes and New Brunswick fishers landed 122 metric tonnes, for a total of 458 metric tonnes (62 percent). The final two weeks of June, the quota was 173 metric tonnes, which Prince Edward Island fishers landed 177 metric tonnes and New Brunswick fishers landed 111 metric tonnes, an overrun of 159 metric tonnes. Bait requirements for lobster and snow crab fishermen kept prices high for both herring and mackerel species.

The spring herring fishery began in late April off Egmont Bay despite weather conditions. Some fishers had good catches of 10-12,000 pounds per trip, but most had much less. The scarcity of this lobster bait combined with daily demands drove the price to 60-80 cents/lb. As supply increased and fishers found other sources of bait (mackerel, silversides, flounder), prices subsided to the norm of 10-15 cents/lb.

Fall Herring Fishery

The fall fishery takes place primarily in Fishermen's Bank off eastern Prince Edward Island and off North Cape in western Prince Edward Island. The fall quota for each area was set at 9,162 tons and 9,360 tons respectively. The western fishery (16C/E) closed on September 15 with 9,330 metric tonnes landed. The 2005 season began a week earlier than in recent years, but only Prince Edward Island fishers were active. New Brunswick fishers were encouraged to boycott this first week. Industry and government representatives continued discussions between Prince Edward Island and New Brunswick fishers of splitting this quota to ensure a fair amount for Prince Edward Island, as weather conditions off North Cape limit their participation and catch as the season progresses into the fall.

The 2005 fall herring season opened on August 21 and ended on September 20 for HFA 16G,

Fishermen's Bank. There were 8,853 metric tonnes landed this fall in the roe fishery from HFA 16G area. Daily limits were set at 15,000 pounds. A Souris herring fisherman was also involved in collecting scientific data for Fisheries and Oceans Canada on the herring schools.

The landed price was set at 10 cents/lb. There were approximately 60 fishers active in 2005 at the roe fishery in eastern Prince Edward Island, including some Island fishers who fished the Pictou Bank quota with Nova Scotia fishers. The Fishermen's Bank fishery was closed on September 20, and the Pictou Bank fishery ended on October 1.

Long-term Vision

In 2005, Fisheries and Oceans announced an initiative to develop a long-term strategy for the herring and mackerel fisheries. Three consultants were appointed to lead the discussions with industry, provincial governments and other stakeholders. The long-term vision report will provide guidance to strengthen these fisheries and maximize the benefits to the industry. The department held discussions with industry to develop the Prince Edward Island position and the future growth of the pelagic fisheries.

Seaplants

The Furcellaria season began on June 10 in District 1, starting on the same date as the Irish moss season. The fishery occurs primarily in Western Prince Edward Island with three local buyers and up to 60 harvesters.

The price for Irish moss was \$0.11/lb wet and \$0.38/lb for dry product. The quality of the resource was reduced as a lot of unwanted plant species, such as Phyllophora (referred to as 'dirt') mixed in with the Irish moss, lowered its market value.

The Furcellaria season was shorter than usual due to poor markets. Final landings for Furcellaria were down 67 percent to only 727,000 pounds at a value of \$51,000. Irish moss landings were up 1.4 million pounds to 12.9 million pounds at a landed value of \$1.4 million.

Groundfish

In 2005, there was a limited directed cod fishery of 4,000 metric tonnes for the Southern Gulf of St. Lawrence, referred to as Area 4T. There was a 3,000 metric tonne quota for this area for the 2004 season and in 2003, there was a moratorium on directed cod fishing.

The cod quota is divided based on historical fishing activity by gear type and vessel size. All vessels less than 65 feet using fixed gear are considered as one group. For the fixed gear fishery, the fleets throughout the Maritimes and Quebec split their quota by area in a manner that no province had a quota by itself. Southeast Prince Edward Island (LFA26A), Cape Breton and Magdalen Islands share group "C", whereas LFA24 Prince Edward Island fishers and Southeast New Brunswick-based fishers share Group "B".

The limited cod fishery for fixed gear took place in late September for two days. Group “B” fishers landed 172 metric tonnes. Prince Edward Island landed only 8 metric tonnes from the group C quota, due to few active groundfishers.

There was also a directed winter flounder (blackback) fishery with a 1,000 metric tonne total quota for all fleets in 4T. Only 134 metric tonnes were landed due to effort and market conditions. The American plaice (flounder) quota was set at 750 metric tonnes. Only 352 metric tonne was landed from all fleet sectors for similar reasons.

Charter boat fishers were able to catch and release cod in 2005 under special Fisheries and Oceans Canada privileges. The 33 charter boats had to individually register to get the special license needed for catch and release.

Aquaculture Section

The Aquaculture section is responsible for providing high quality advice, assistance and information to the Island’s shellfish and finfish aquaculture sectors. As well, the section administers programs and services to support the Island’s estuarine shellfish fishery. In 2005, the landed value of shellfish and finfish products such as mussels, oysters, clams and salmonids was approximately \$30 million. Employment in the sector represented more than 2,500 jobs.

Activities and programs delivered by staff in 2005/06 were diverse. Staff was involved in providing technical and biological advice to the shellfish and finfish sectors. In addition, staff delivered a number of incentive programs that complemented technical services and assisted in the overall development of the aquaculture sector.

Invasive Species

Since 1997, six marine aquatic invasive species had moved into waters surrounding Prince Edward Island and have negatively impacted the shellfish industry. In 2005/06, work continued to monitor the distribution of these invaders and to attempt to lessen their impact on the shellfish sector. Invasive species related issues consumed a large percentage of staff time.

Section staff participated in a research project in conjunction with the Prince Edward Island Aquaculture Alliance to study the biology and the impact on mussels of two colonial tunicate species, *Botrylloides violaceus* (the violet tunicate) and *Botryllus schlosseri* (the golden star tunicate). The project took place in Savage Harbour where mitigation strategies were tested. The findings from this project were presented at several industry meetings. A technical report was also prepared.

Section staff worked with Fisheries and Oceans Canada and the Prince Edward Island Aquaculture Alliance on a second project regarding the violet tunicate in Launching Bay. The purpose of this study was to determine the effectiveness of rapid response in controlling the

spread and proliferation of this tunicate species.

Section staff spent time surveying mussel seed collection areas for the presence of invasive species in response to “Introductions and Transfers” requests. A series of collectors was placed in Cardigan River and Rustico Bay and checked on a weekly basis. Seed crops in several estuaries were inspected for the presence of invasive species.

Monitoring of processing plants that were processing tunicate infested mussels was continued in 2005 to gain a better understanding of the risk that mussel processing represents in contributing to the spread of invasive tunicate species. Collectors were placed in the estuaries adjacent to the plant effluent. Collectors were analyzed on a regular basis.

The population of *Ciona intestinalis* (the vase tunicate) dramatically increased on mussel gear in the Montague River, Brudenell River and St. Mary’s Bay from the initial surveys done during the late fall of 2004. Section staff carried out mitigation trials utilizing the technology that was purchased from the New Zealand Mussel Industry Council, as well as agents that have proven successful against the clubbed tunicate. In preparation for the 2006 field season, section staff worked cooperatively with Fisheries and Oceans Canada, the Prince Edward Island Aquaculture Alliance and the Atlantic Veterinary College in developing a research project to study the biology, impact on mussel culture and mitigation strategies for the vase tunicate.

The Styela Clava Action Research Group (SCARG) changed its name to the Invasive Tunicate Action Research Team (ITART) to reflect the work that will be done on all invasive tunicate species. Aquaculture section staff remained involved with this group which consists of the Prince Edward Island Aquaculture Alliance, Fisheries and Oceans Canada, Atlantic Veterinary College and the Fisheries and Aquaculture Division. The Nova Scotia Fisheries Division and the Aquaculture Association of Nova Scotia also attend the meetings. The ITART coordinates the research carried out on the four tunicate species in Prince Edward Island. During the latter stages of 2005, the ITART meetings expanded to address the invasive species issues of Canada and division staff continued to play a lead role.

The distribution of the green crab (*Carcinus maenas*) was monitored and biological data collected. The distribution of the green crab has not changed for the past three years. The size of the population continues to increase, especially in the Eastern portion of the province. The green crab is an aggressive crab species that preys on molluscs and other crustaceans.

Section staff coordinated an invasive species awareness campaign during the summer of 2005. The purpose of this campaign was to promote the awareness of invasive species that will help prevent their spread. The campaign consisted of three activities: signs were placed at 43 wharfs and boat launches around the province with information on invasive species; radio ads ran during July and August raising the awareness of invasive species to recreational boaters; and students with the Department of Environment, Energy and Forestry’s Environmental Futures Program visited most of the Island’s marinas and boat slips promoting the awareness of invasive species. They handed out information brochures with an attached floating key chain and gathered

information on recreational and commercial boaters' knowledge of invasive species.

Section staff undertook trapping studies of the oyster drill (*Urosalpinx cinerea*). The oyster drill is a snail that predated on bivalve species, including oysters. Although the oyster drill has been present in Prince Edward Island since the early 1900s, it has become an increasing problem over the last two to three years. Known locations of the oyster drill include Conway Narrows, Bedeque Bay, Enmore River and Foxley River.

Mussel Monitoring Program

The Aquaculture section continued to deliver the Mussel Monitoring Program to mussel growers. Information was collected in 33 areas representing 21 river or bay systems, which are utilized for spat collection and/or grow out. The program assisted growers to manage their lease sites by providing information on the timing of mussel spatfall, mussel meat yields, water quality, and presence of potentially harmful algal species.

The bulk of the program operated during the ice-free season, with a focus on mussel spatfall prediction between May and August. Monitoring for potentially harmful algae occurred from September to December and was carried out periodically on samples collected through the ice in the winter months.

Information collected through the Mussel Monitoring Program was communicated to industry via a web site, voice-mail system and a summary report at year-end.

Mussel Processing Waste

With the dramatic increase in the production of mussels over the last several years and the increase in waste volumes due to invasive tunicate species, the issue of environmentally sustainable mussel processing waste management received considerable discussion in 2005. Section staff prepared a discussion paper outlining what other mussel producing areas of the world are doing regarding this issue as well as possible solutions available to the processors on Prince Edward Island. A Mussel Waste Roundtable was formed and mandated to meet periodically to explore solutions to the mussel waste issue. The roundtable has representation from federal and provincial agriculture departments, Island Waste Management Corporation, Prince Edward Island Seafood Processors Association, mussel processing plants and other organizations or individuals who may offer insight to a solution.

Oyster Larvae Monitoring Program

During the summer of 2005, the Aquaculture section carried out an Oyster Larvae Monitoring Program. Six oyster seed collection areas were monitored two to three times per week from the first week of July to the third week in August. Larvae size and abundance were reported to industry using a voice-mail system. Shell strings were also placed in several of the major spat collection areas to monitor spat-fall.

Oyster Shellbed Cultivation

Section staff continued to work closely with representatives of the Queens County Shellfish Association to carry out a project to cultivate oyster shellbeds in the West River and North River. The technique of exposing clean shell for oyster spat to attach can be inexpensive, yet result in positive returns for the oyster fishery. A vessel equipped with a de-silter made of a sleigh assembly and two rows of steel teeth was used. Fourteen plots were cultivated, covering approximately 80 acres. The vessel operated for 66.5 hours between June 21 and July 20.

Oyster Diseases - MSX and SSO

Section staff continued to work closely with Fisheries and Oceans Canada officials to monitor oyster stocks for the presence of MSX and SSO. The parasite causing MSX has not been found in Prince Edward Island oysters. SSO has been found in Island oysters, however at non-threatening levels. Importing oysters from areas in the Bras D'or Lakes, Nova Scotia is prohibited by Fisheries and Oceans.

Conditional Shellfish Openings

In 2005/06, section staff continued to work with shellfish leaseholders in the Vernon-Orwell River system to maintain conditional opening for the harvest of oysters and quahaugs. The conditional opening was a joint effort of the Canadian Food Inspection Agency, Fisheries and Oceans Canada, Environment Canada, the department and affected shellfish growers. A Memorandum of Understanding was renewed to continue monitoring for coliform bacteria in Hope River to allow an oyster dealer to hold market product on a lease during early winter.

Assistance Programs

The Fisheries and Aquaculture Division delivered two incentive programs to the aquaculture sector. Under the Aquaculture Technology Program, two projects were approved, representing a government contribution of \$9,900. Under the Environmental Practices Program, one project was approved for a government contribution of \$9,400. These programs assisted the industry to evaluate new technologies and improve the environmental sustainability of aquaculture.

A total of \$80,000 was approved for the Prince Edward Island Shellfish Association to carry out oyster enhancement activities on public fishery grounds. Projects included seed collection, oyster relays, shell bed cultivation and shell spreading. Each project is carried out with a goal to either improve oyster quality or increase the acreage of public oyster grounds. The Association cost-shared the oyster enhancement activities. The long-term commitment of the department to the enhancement of the public oyster fishery has resulted in increased landings and opportunities for oyster fishers.

The department continued to support the Atlantic Veterinary College's Shellfish Aquaculture Research Program. A contribution provided the Atlantic Veterinary College with the necessary

infrastructure and research support to attract funding and conduct research projects identified by, and relevant to, the Island shellfish industry.

The department supported the Prince Edward Island Aquaculture Alliance under the Fisheries Organization Support Fund. The Alliance is the voice of the Island aquaculture industry and its efforts have been instrumental in addressing numerous research, development and regulatory issues facing the aquaculture sector.

Aquaculture Leasing Program

The department continued its partnership with the aquaculture industry to provide management advice to Fisheries and Oceans Canada for delivery of the Aquaculture Leasing Program. The Lease Management Board met on a number of occasions to oversee development of work plans, financial plans, and the policy framework of the program. The department was also represented on a Referral Committee and gave advice on applications for new sites and other transactions. Under the Aquaculture Leasing Program, Fisheries and Oceans Canada makes the final decision on leasing matters; however, the industry and province have a role in management decisions. All parties contribute financially to the program.

National Aquatic Animal Health Program

The National Aquatic Animal Health Program (NAAHP) is a new fish health program designed to protect Canadian farmed and wild fish stocks as well as Canadian export markets. The development of the NAAHP is being led by the Canadian Food Inspection Agency in cooperation with Fisheries and Oceans Canada. Department staff are working with the federal government to develop the framework of the program. For more information on the NAAHP please see: www.inspection.gc.ca/english/direct/naahp .

Aquaculture Renewal

The Aquaculture Task Group under the Canadian Council of Fisheries and Aquaculture Ministers continues to discuss programming to develop the aquaculture industry in Canada. The concept of aquaculture renewal or an Aquaculture Framework Agreement received considerable discussion. Elements such as governance renewal and programming in support of aquaculture will be required to address the constraints facing aquaculture and realize the opportunities that aquaculture can present.

Fisheries Services Section

Staff of the Fisheries Services section provide advice and assistance to clients regarding maintenance of fish quality and production of quality seafood products. The section also administers regulations under the Prince Edward Island *Fisheries Act* and the Prince Edward Island *Fish Inspection Act*. The section is also responsible for gathering, compiling and publishing fisheries information including statistical data relating to the maintenance and

development of fishery resources.

Section staff undertake development projects for the improvement of fishing ports and shellfish landing sites under provincial jurisdiction. As well, projects are carried out on the promotion of seafood through a summer food demonstration program called Out of the Sea and Over the Coals and participation in the Prince Edward Island Exhibitions Association's Linking Land and Sea Program.

Licensing

The Fisheries Services section is responsible for the administration of licenses pertaining to processing, buying and peddling under the Prince Edward Island *Fisheries Act* regulations. Fish processing licenses are divided into four categories: primary processing, secondary processing, lobster cookroom (limited to 144 square feet of processing area) and groundfish processing (limited to 750 square feet of processing area). In 2005, the department issued 61 primary processing licenses, 2 secondary processing licenses, 26 lobster cookroom licenses, and 6 groundfish processing licenses.

Fish buying licenses are issued on a species per buying station basis. The six categories are lobster, other crustaceans, groundfish, pelagic, mollusc, and other fish. During 2005, the department issued 261 spring and 51 fall lobster buying licenses, 162 other crustaceans, 94 groundfish, 174 pelagic, 195 mollusc and 10 other licences.

In addition, 20 fish peddling licenses were issued to individuals and/or companies who peddle fish (processed in licensed establishments) to various consumers throughout Prince Edward Island.

Two fisheries inspection officers are responsible to enforce regulations under the Prince Edward Island *Fish Inspection Act* and the Prince Edward Island *Fisheries Act*.

Dead Mammal Disposal

The Fisheries Services section is responsible to coordinate and pay the costs for removal of dead marine mammals that appear on Island beaches from time to time throughout the year. The majority of these mammals are either examined in the field by personnel from the Atlantic Veterinary College, or in some cases, the carcasses are transported to the Atlantic Veterinary College for post-mortem examination.

Staff work closely with Fish and Wildlife Conservation Officers in disposal of carcasses. The cost for disposal of dead mammals varies from year to year. When dealing with dead whales, the cost of disposal varies from a low of \$1,500 to a high of \$5,000 per animal. The variables involved are the size, location, condition of the carcass, etc.

In the case of seals, decomposed carcasses are buried on the beach and fresh carcasses are transported to the Atlantic Veterinary College for examination. In the majority of cases,

conservation officers deliver the carcasses to the Atlantic Veterinary College.

Environment officials approve locations for burial of dead carcasses and a local contractor or an individual in the area carries out the work of disposal. This year, the Fisheries Services Section coordinated the removal of 15 seals and 4 whales.

Shellfish Landing Sites

The Fisheries Services section is responsible for the maintenance of approximately 50 shellfish launching sites in various rivers and bays throughout the province. The maintenance costs of these sites vary depending on the weather conditions. There are continuous erosion problems on the coastline and contractors are hired periodically to provide gravel, shale, etc. in order to assure that shellfishers have access to the rivers and bays.

The department also lends financial support to assist in the operation of two oyster trailer parks in Lower Bedeque and York Point. These parks were established to allow fishers to live on site, thus cutting down on their travel expenses and allowing more time for fishing. The tenants pay a user fee that helps defer the costs of electricity, sewage disposal, and garbage disposal.

With the new construction of Goff's Bridge, it became necessary to establish a new launch site and parking area for shellfishers in the Mill River system. This new area will improve safety for the shellfishers.

Quality Management Project

A Quality Management Project initiated in 1999 assists small and medium-sized seafood processors to enhance their quality systems to meet requirements of the Federal Fish Inspection Regulation administered by the Canadian Food Inspection Agency (CFIA). The project evolved into a joint effort between the department and the Prince Edward Island Seafood Processors Association, utilizing provincial funding from the Prince Edward Island Atlantic Shrimp Corporation and an industry share.

Work done this past year provided continued assistance to the plants in the implementation of their Quality Management Programs developed in the previous phase of this long-term project. A private consulting firm, Innovative Quality Solutions, provided the required technical services and expertise through the work plans directed by a Quality Management Working Group Committee comprised of representatives from the department and the Prince Edward Island Seafood Processors Association.

Seafood Promotion

The department participated in the Linking Land and Sea summer program in co-operation with the Prince Edward Island Association of Exhibitions. This program promotes seafood by showing various ways that seafood can be prepared. These promotions are done at various

events such as Old Home Week, Summerside Lobster Carnival, Northumberland Fisheries Festival, Tyne Valley Oyster Festival, and other exhibitions.

The department had a busy summer with the seafood promotion program, Out of the Sea and Over the Coals. This program has been in operation for over 20 years, bringing the sizzling taste of seafood from the barbecue to thousands of people, visitors and Islanders. Two summer students attending fairs, exhibitions, national and provincial parks, tourism visitor information centres, campgrounds, and other tourist areas in the province operated the program.

The department was a sponsor of the 2005 Prince Edward Island International Shellfish Festival, which celebrated its 10th anniversary. This festival is hosted by the Prince Edward Island Aquaculture Alliance and the Prince Edward Island Shellfish Association. Department staff helped organize several of the festival events, which attracted thousands of visitors to the venue.

Aquaculture and Fisheries Research Initiative Inc.

The Prince Edward Island Aquaculture and Fisheries Research Initiative (AFRI) encourages short-term applied or developmental research in partnership with individuals, business and organizations. AFRI was formed in September of 1996. A board of directors representing government, research agencies and industry manages the program. AFRI has funded 40 research projects since its inception. A copy of AFRI's Annual Report for 2005-2006 is available through the Department of Agriculture, Fisheries and Aquaculture or at www.gov.pe.ca/go/afri.

**APPENDIX I
Fish Landings and Values: 2004 vs 2005**

MOLLUSCS & CRUSTACEANS	2004		2005	
	Weight (Lbs)	Value (\$000)	Weight (Lbs)	Value (\$000)
LOBSTER	19,905,972	100,099	18,484,601	103,222
SNOW CRAB	5,624,504	16,864	7,557,454	15,118
ROCK CRAB	5,305,570	1,351	5,033,568	1,262
SPIDER CRAB	1,043,294	416	1,556,687	389
BAR CLAMS	964,836	406	903,765	338
QUAHAUGS	1,316,119	1,364	1,180,330	524
MUSSELS	38,747,715	23,249	35,350,173	21,422
OYSTERS	7,352,700	6,670	6,281,054	5,527
SCALLOPS (shucked)	104,740	704	94,136	629
SOFT SHELL CLAMS	1,187,243	1,662	1,183,215	986
WHELKS	32,568	13	77,710	35
TOTAL	81,585,261	152,798	77,702,693	149,452
PELAGICS AND ESTUARIAL:	2004		2005	
	Weight (Lbs)	Value (\$000)	Weight (Lbs)	Value (\$000)
BLUEFIN TUNA	394,322	2,722	388,307	2,179
MACKEREL	10,343,071	2,275	10,886,106	3,215
HERRING	33,432,525	3,071	33,265,400	4,133
GASPEREAU	244,644	84	297,221	143
EELS	152,533	307	115,021	247
SMELTS	352,628	144	286,277	110
SILVERSIDES	649,106	283	513,770	250
SHARK	5,963	3	2,573	1
DOGFISH	165		64	
CULTURED FINFISH	44,305	3,256	24,000	1,888
SKATE				
TOTAL	45,619,262	12,145	45,778,739	12,166
GROUND FISH	2,004		2,005	
	Weight (Lbs)	Value (\$000)	Weight (Lbs)	Value (\$000)

COD	635,999	371		611,468	319
HAKE	6,283	2		2,749	1
PLAICE	117,947	33		219,277	76
BLACKBACKS	365,260	192		287,845	147
YELLOWTAIL	20,730	3		15,441	2
TOMCOD	6,058				
GREYSOLE	76			140	
OTHER GROUND FISH	56,168	156		55,452	112
TOTAL	1,208,521	757		1,192,372	657
TOTAL FISH:	128,413,044	165,700		124,673,804	162,275
SEAPLANTS:	2,004			2,005	
	Weight (Lbs)	Value (\$000)		Weight (Lbs)	Value (\$000)
FURCELLARIA	2,247,690	157		727,240	51
IRISH MOSS	11,472,674	1,256		12,878,930	1,410
OTHER	4,910	3			
SEA URCHINS					
TOTAL	13,725,274	1,416		13,606,170	1,461
TOTAL FISHERY:	142,138,318	167,116		138,279,974	163,736
Source: Statistics Division, Gulf Region, Fisheries and Oceans Prince Edward Island Department of Agriculture, Fisheries and Aquaculture (Fisheries and Aquaculture Division)					

APPENDIX II
Lobster Landings and Values 1920-2005
Q = Quantity in millions of pounds V = Values in thousands of dollars

Year	Q	V	Year	Q	V	Year	Q	V
1920	8.3	703.90	1950	9.1	1,963.00	1980	11.8	15,458.00
1921	6.4	255.30	1951	8.3	1,702.00	1981	11.9	18,519.00
1922	8.8	651.40	1952	8.4	1,849.00	1982	12.2	22,599.00
1923	9.7	878.80	1953	7	1,997.00	1983	15.5	29,056.00
1924	6.5	564.80	1954	7.4	1,977.00	1984	13.6	23,137.80
1925	7.9	661.10	1955	8.3	2,324.00	1985	15	33,591.90
1926	6.6	601.80	1956	9.7	2,725.80	1986	18.3	44,494.20
1927	6.3	617.10	1957	8.5	2,456.30	1987	18.9	49,532.10
1928	6.6	553.10	1958	8	2,510.20	1988	22	56,128.90
1929	7.4	621.50	1959	8.4	2,842.20	1989	21.3	46,058.00
AVG. 20's	7.5	610.90	AVG. 50's	8.3	2,234.80	AVG. 80's	16.1	33,857.50
1930	8.1	539.70	1960	10.1	3,212.30	1990	22.4	40,348.50
1931	9.4	553.70	1961	9.5	3,055.00	1991	22.8	48,521.90
1932	11.5	551.70	1962	8.7	3,218.90	1992	19.9	59,439.00
1933	9.2	396.20	1963	7.4	3,155.80	1993	19.7	51,452.00
1934	7.7	536.00	1964	7.8	4,210.80	1994	18.9	65,398.00
1935	6.4	467.80	1965	8.8	5,176.60	1995	19.3	79,242.00
1936	6	544.40	1966	7.9	3,925.70	1996	18	66,424.00
1937	5.8	524.80	1967	9	5,228.90	1997	17.8	71,243.00
1938	7.1	458.80	1968	8.7	5,328.90	1998	18.9	80,553.00
1939	7	464.40	1969	8.2	5,375.80	1999	18.8	88,925.00
AVG. 30's	7.8	503.80	AVG. 60's	8.6	4,188.90	AVG. 90's	19.6	64,455.40
1940	5.6	353.90	1970	8.7	6,231.20	2000	19.1	87,769.20
1941	6	469.20	1971	8.2	5,860.60	2001	19.1	103,894.00
1942	6.4	694.80	1972	7.3	6,360.80	2002	19.9	105,399.00
1943	6	999.00	1973	7.7	7,503.20	2003	20	108,308.00
1944	6.6	1,149.70	1974	6.2	6,347.00	2004	19.9	100,099.00
1945	8.1	1,503.60	1975	8.6	5,135.50	2005	18.5	103,222.00
1946	7.9	1,982.70	1976	8.5	5,810.50			
1947	6.2	1,070.00	1977	9.1	10,012.00			
1948	6.5	1,411.90	1978	11.1	16,648.60			
1949	6.8	1,388.40	1979	11.8	18,073.90			
AVG. 40's	6.6	1,102.30	AVG. 70's	8.7	9,368.30			

Source: Prince Edward Island Department of Agriculture, Fisheries and Aquaculture, Fisheries and Aquaculture Division and Statistics Division, Fisheries and Oceans, Moncton, New Brunswick

**APPENDIX III
Prince Edward Island
Mussel Landings and Values: 1980-2005**

Year	Metric Tons	000's Dollars
1980	40	54
1981	47	51
1982	69	107
1983	162	233
1984	285	407
1985	464	562
1986	1,218	1,880
1987	1,036	1,712
1988	1,441	1,405
1989	2,444	2,946
1990	2,697	2,675
1991	3,483	4,574
1992	4,179	4,959
1993	4,789	4,972
1994	5,949	6,321
1995	7,472	8,596
1996	8,821	10,693
1997	9,976	12,096
1998	12,465	15,110
1999	13,892	16,845
2000	17,899	21,703
2001	17,513	23,160
2002	16,785	22,202
2003	16,830	22,612
2004	17,576	23,249
2005	16,035	21,422

Source: Fisheries and Oceans Statistics Division, Moncton, New Brunswick and Prince Edward Island Department of Agriculture, Fisheries and Aquaculture