



Executive Secretary's Summary of Decisions  
30<sup>th</sup> Annual Meeting of the Pacific Salmon Commission  
February 9-13, 2015  
Portland, Oregon

The Pacific Salmon Commission held its 2015 Post-Season Meeting February 9-12, 2015 at the Embassy Suites Downtown in Portland, Oregon and discussed a number of topics (see attached agenda).

The Commission AGREED:

1. The minutes from the Commission's Post-Season Meeting in January 2015 are approved as edited by the national sections.
2. The revised instructions to Panels and Committees regarding Annex IV renegotiations are adopted.
3. Relevant Canadian and U.S. personnel are encouraged to communicate, as appropriate, on possible improvements to mark-selective fishery data submission and each national section will report on this issue to the Commission at the October 2015 Fall Meeting.
4. Each National Section will designate members for a Chinook negotiation team and exchange initial lists of issues for amendment of Annex IV, Chapter 3 by the 2015 Fall Meeting.
5. The 2016 process for submitting Very High Priority Chinook Projects to the Joint Fund Committee is approved.
6. The Chinook Interface Group (CIG) will review their terms of reference and recommend changes that reflect current practice.
7. The Chinook Technical Committee (CTC) will review the February 11, 2015 draft of the Annex IV, Chapter 3 performance review outline in April 2015 and intersessionally recommend to the Chair and Vice-Chair a work plan for executing the review.
8. The revised work plan for the Fraser Strategic Review Committee is adopted as presented, with an interim report due in October 2015 and a final report due in October 2016.
9. The report of the Standing Committee on Finance and Administration is adopted, including the budget for FY2015/2016, bylaw amendments, Secretariat staff reorganization, and test fishing operations that include a transfer of Albion test fishing administration from the Secretariat to Fisheries and Oceans Canada by June 1, 2015.
10. The 2015 Fall Meeting is scheduled for the week of October 26, 2015 in Suquamish, Washington and any concerns related to these dates will be relayed as soon as possible to the Secretariat.

ATTENDANCE  
PACIFIC SALMON COMMISSION  
ANNUAL MEETING  
FEBRUARY 9-13, 2015  
DOWNTOWN EMBASSY SUITES, PORTLAND, OR

COMMISSIONERS

CANADA

S. Farlinger (Chair)  
J. McCulloch  
M. Ned  
R. Rezansoff  
B. Riddell  
P. Sprout

UNITED STATES

W.R. Allen (Vice-Chair)  
P. Anderson  
W. Auger  
M. Clark  
M. Oatman  
C. Swanton  
B. Turner



## **Draft Agenda**

**Pacific Salmon Commission  
30<sup>th</sup> Annual Meeting**

**February 9-13, 2015  
Embassy Suites Downtown  
Portland, Oregon**

- 1. Adoption of Agenda**
- 2. Executive Secretary's report**
- 3. Approval of Minutes**
  - a. January 2015
- 4. Action Items Pending**
  - a. Review and prioritization of Annex IV issues provided to date; adoption of further instructions to Panels and Committees as needed
  - b. SFEC data needs and national post-season reports
  - c. Chinook issues
    - i. 2015 process for communicating very high priority program needs to the Joint Fund Committee
    - ii. Chinook Interface Group (CIG) terms of reference
    - iii. CIG report - Five year review of Annex IV, Chapter 3 as per Post-Season Meeting Summary of Decisions
  - d. Preliminary report: Analysis of Parental-Based and Coded Wire Tagging Assessment Methods
  - e. Fraser Coho management issues
- 5. Reports from Panels and Committees**
  - a. Joint Fund Committee
  - b. Standing Committee on Finance and Administration
  - c. Final report from Coded Wire Tag Improvement Team (CWTIT)
  - d. Progress Reports on Work Plans – Panels and Technical Committees
- 6. Other Business**

February Session – Pacific Salmon Commission - 2015

October 23, 2014, revised February 10, 2015

From: Commission Chair and Vice Chair

To: Northern Boundary, Transboundary and Southern Panel and Chinook Technical Committee Co-Chairs

Commissioners are beginning to plan for the upcoming work that will lead to renewed chapters under the Pacific Salmon Treaty agreement to be implemented by the end of 2018. Mindful of budget constraints, the Commissioners are using a three year planning horizon so that we can conduct the negotiations, to the degree possible, within the Commission's usual meeting cycle. We are therefore requesting advice from the panel co-chairs on what is required to adopt a revised PST annex for Chapters 1, 2, 5, and 6 as a first step in scoping the workload. The Commissioners will use this advice to set priorities, anticipate workloads and schedules and consider any budget implications.

At this time the Commissioners request from each Panel a list of issues relating to renewal of these chapters by the end of the January 2015 meeting.

Commissioners will review these issues at the February 2015 meeting, providing further instruction to the panels and technical committees to identify issues, analysis, and related work to support chapter revisions. Commissioners will provide further instruction by a date to be determined following joint development of a schedule allowing for approval by the Parties of renegotiated Chapters prior to January 1, 2019.

Commissioners request the Northern Boundary, Transboundary, and Southern Panel to begin their work to prioritize and negotiate issues with their current chapters and develop recommended language for revised chapters. This request follows Commissioners' review of their lists of issues presented during the January post-season meeting.

Commissioners further request these Panels to include in their proposed 2015-16 work plans, anticipated progress with negotiations, with instruction to conduct this work to the extent possible within the Commission's usual meeting cycle. As foreseen, Panels should be prepared to justify needs for meetings outside of the usual meeting cycle in order to complete their negotiations by May, 2018.

Canada will need to ensure domestic consultations are completed in advance of the recommended language.

In the case of Chapter 3, the parties agree that Commissioners will lead the negotiations. A list of issues developed in the context of the current Chapter from the Chinook Technical Committee co-chairs will be required by the January 2015 meeting to be considered by the Chinook Interface Group and presented to the Commission.

# PBT/CWT Contract Oversight Committee

- |                             |                 |            |
|-----------------------------|-----------------|------------|
| • Mark Saunders             | CSC(chair)      | CDFO       |
| • Dave Hankin               | CSC(vice-chair) | HSU        |
| • Carmel Lowe               | CSC             | CDFO       |
| • Alex Wertheimer           | CSC             | NMFS (ret) |
| • Arlene Tompkins           | CoTC(co-chair)  | CDFO       |
| • Andrew Gray               | CTC             | NMFS       |
| • Marianna Alexandersdottir | CTC, SFEC       | NWIFC      |
| • John Carlile              | CTC(co-chair)   | ADFG       |
| • Gayle Brown               | CTC(co-chair)   | CDFO       |
| • Bill Templin              | CTC             | ADFG       |
| • Terry Beacham             | CDFO            |            |

# Multidisciplinary Evaluation of Feasibility of Parentage-based Genetic Tagging for Management of Pacific Salmon



Presenting:

Will Satterthwaite and Cameron Speir  
(NOAA Fisheries SWFSC)

Co-PIs:

Eric Anderson, J. Carlos Garza, & Michael Mohr  
(NOAA Fisheries SWFSC),  
Matthew Campbell (Idaho DFG),  
Shawn Narum & Rishi Sharma (CRITFC)

Presentation to PSC, 11 Feb 2015

# Coded-Wire Tag System

- Coastwide set of indicator stocks, comprehensive sampling of harvest and escapement
- Centralized database of release and recovery info
- Crucial to stock/age/release/fishery-specific exploitation rate calculation; also used in scientific studies and management of non-treaty stocks
- Historically, mark (ADC) indicated presence of CWT
  - Simple sampling schemes
  - Fractional marking/tagging allows for rare stock enrichment

# Emerging challenges to the system

- Decrease in exploitation rates and often marine survivals, reducing tag recovery rates
- Management demands increasingly stratified models, reducing information available per strata
- Mass-marking decouples mark from tag, creating sampling challenges (ETD or wasted effort)
- Mark-selective fisheries pose sampling and estimation challenges
- Hatchery representativeness assumption remains largely untested, with few wild indicator stocks



# How can we increase tag recoveries?

- When feasible, we should:
  - Increase sampling rates
  - Increase release size
  - Increase tagging rates
- How to do this cost-effectively?

# Parentage Based Tagging (PBT):

- Each year broodstock at each hatchery are genotyped, creating a database of parental genotypes



Lookingglass



Sawtooth



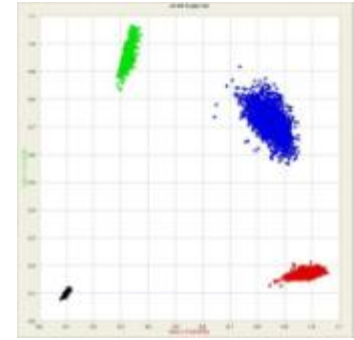
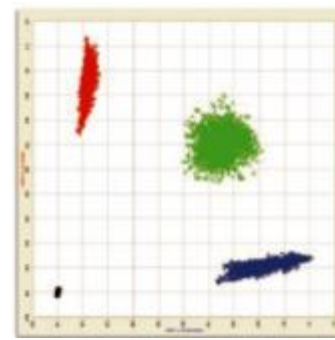
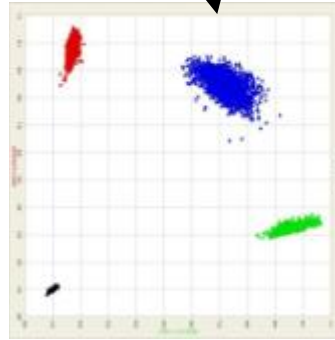
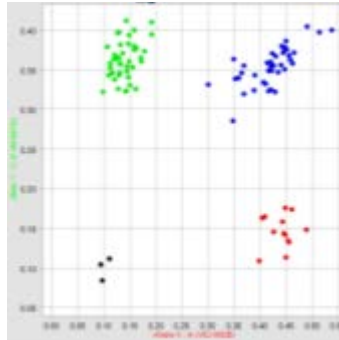
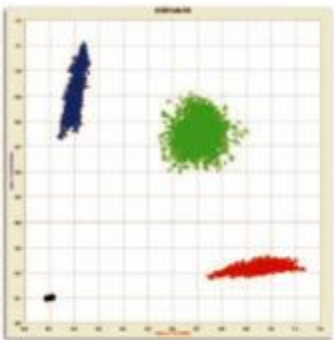
Oxbow



Pahsimeroi



Dworshak/Clearwater



Offspring from any of these parents could be assigned back to their parents during later sampling

If we know what unique release group the parents contributed to, identifying an individual's parents tells us its release group and gives us all the information of a CWT

This turns the genotype into a unique identifier equivalent to a tag code and which could be treated as such in a coastwide database

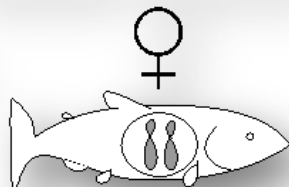


Sawtooth BY2008

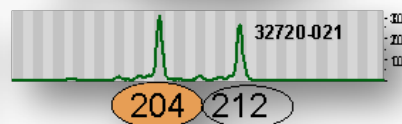
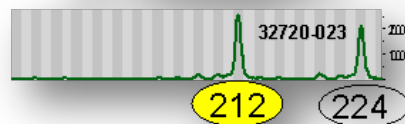
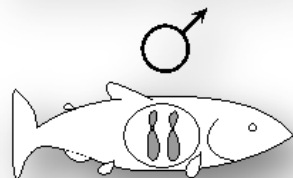
Sawtooth Female-08-121

Sawtooth Male-08-15

Assigned  
parents



X

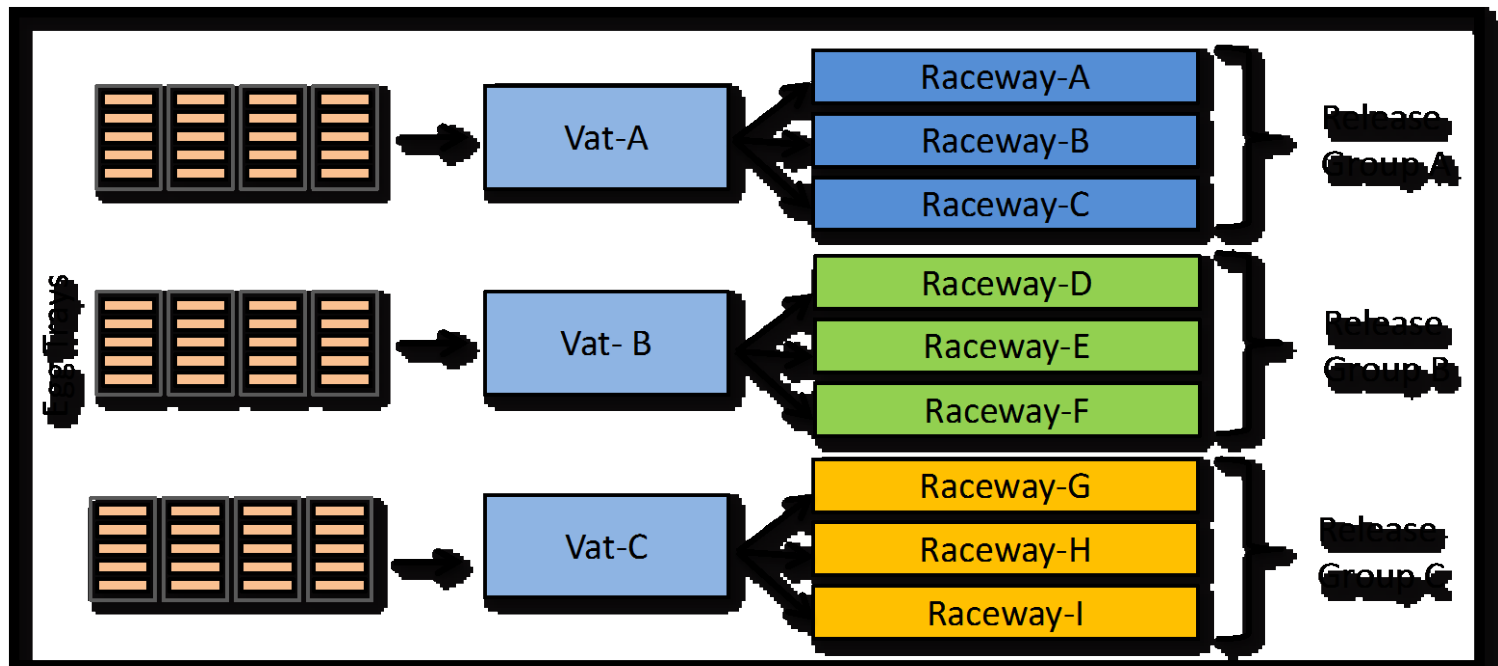


# Benefits of PBT

- Tag deployment is efficient and inexpensive
  - Genotyping 1 parent pair “tags” thousands of offspring
- Pedigree reconstructions, heritability estimates
- Broodstock management
- Studying domestication selection
- Heads can be left on fish
- Samples can be collected non-lethally

# Requirement for 1:1 matching of parent pools and release groups

- Idaho steelhead show that multiple release groups are achievable in hatchery systems
- How many groups any given hatchery needs vs. could support remains to be determined



# PBT likely means >90% tagging rate.

## Marking and sampling implications:

- If marking rates stay the same:
  - If sampling rates stay the same:
    - Mass-marked stocks: more fish genotyped than currently processed for CWT (absent AWT or alternate marks), yielding more information but diminishing returns
    - Other stocks: similar processing and information to now
  - If sampling rates decrease such that overall number of fish genotyped similar to current heads processed:
    - Mass-marked stocks: slightly more information
    - Other stocks: less information

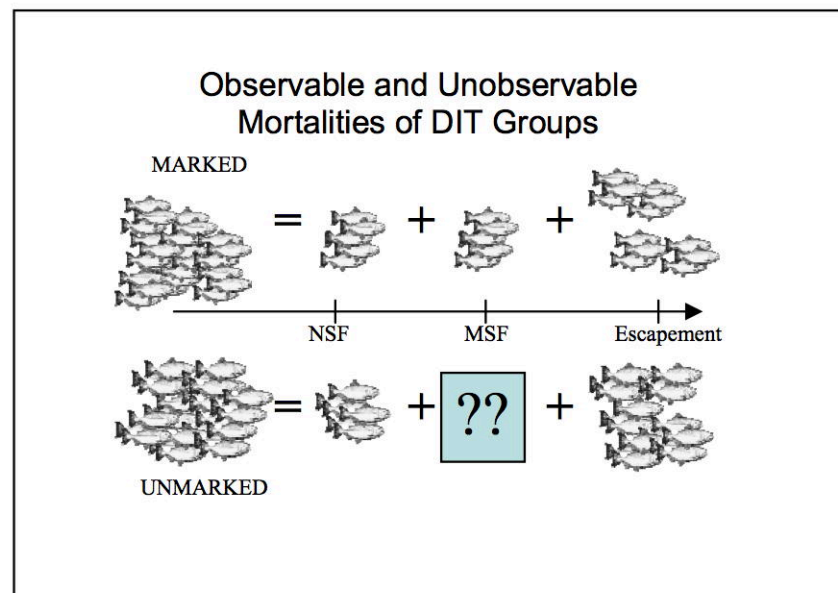
# PBT likely means >90% tagging rate.

## Marking and sampling implications:

- If marking rates increase:
  - If sampling rates stay the same:
    - More fish genotyped than are currently processed for CWT
    - Information on large stocks/releases increased
    - Information on small stocks/releases similar
  - If sampling rates decrease:
    - Overall fish processed/genotyped similar
    - Information on large stocks/releases similar
    - Information on small stocks/releases reduced

# Mark-Selective Fisheries & DIT

- Options:
  - Genotype unmarked fish
    - (tagging/sampling options)
  - Blank wire/ETD
  - Alternative mark



- Nonlethal sampling might open the door to developing a new analytical framework?



# Wild stock tagging options

- Genetic fingerprinting of smolts
  - Allows marking as well as tagging
  - Direct count of number of fish tagged
  - Does not leverage tagging efficiency of PBT
- Genotyping natural-area spawners/carcasses
  - Might expand pool of indicator stocks
  - Efficient
  - Tagged fish would not be marked
  - (Very) difficult to estimate tagging rate
  - Single-parent assignment logistics

# Forthcoming (April 1) report describes tradeoffs and logistics in more detail

- A few sample systems (of many possibilities):
  - System 1: full PBT, partial marking (ADC+AWT)
    - AWT & ETD allows current DIT, MM practices
    - Replicates information in current CWT system
    - Wild stock costs not incorporated in today's analysis
  - System 2: full PBT, fractional/full marking with ADC
    - Genotype marked fish only -> no DIT (absent alternate mark)
    - Genotype unmarked fish in all areas -> DIT & coastwide GSI
  - Hybrid systems, e.g. PBT for large hatcheries/releases, CWT for small releases & wild stocks
    - Need to design carefully for compatibility
    - No cost estimates today

# Cost Analysis

Currently in draft form, numbers will change

Compare estimated cost of current CWT system with each PBT system scenario

- Method:
  - Estimate unit costs for each step in the tagging to recovery process
  - Multiply unit costs by number of fish processed at each step – this number changes across scenarios
  - Excludes capital costs and wild stock tagging (for now)
- Data: survey of agency staff, previous studies, RMIS

First iterations show:

- Roughly equal costs with fractional sampling, cost premium for genotyping all sampled returning fish (additional information)
- Cost differences derive from differences in number of fish genotyped
- No capital costs - yet

# Cost Analysis – Unit Costs

Item	Cost	CWT Component	PBT Component	Sources
Mark/tag: ADC+CWT	\$ 0.18	x		BPA funded project budgets
Mark/tag: ADC+AWT	\$ 0.13		x	Interviews
Mark/tag: ADC only	\$ 0.09		x	Interviews
Sampling	\$10	x	x	BPA funded project budgets
Head Processing	\$5	x		Agency staff analyses, budgets
Genotyping	\$7 - 12		x	Agency staff analyses

Costs do not include capital costs

# Cost Analysis – System Costs

	Estimated Cost (Millions)
System 0: Current CWT	\$ 30
System 1: PBT + fractional AWT, DIT	\$ 28-30
System 2a: PBT, genotype all sampled fish - DIT / GSI	\$ 38-48
System 2b: PBT, genotype only ADC sampled fish - no DIT	\$ 30-34

Numbers will change prior to completion of the final report

# Cost Analysis – Ongoing Work

Capital costs of PBT, replacement costs for CWT

Develop cost estimates for tagging of wild stocks (CWT and PBT)

Incorporate data from British Columbia, Alaska

Estimate “break-even” unit costs for PBT

Improve unit cost estimates

- Additional information from agencies on existing CWT costs
- Continue estimation of genotyping costs

# 5 Year Synthesis Report of CWTIP

PSC Technical Report No. 33

# Objectives

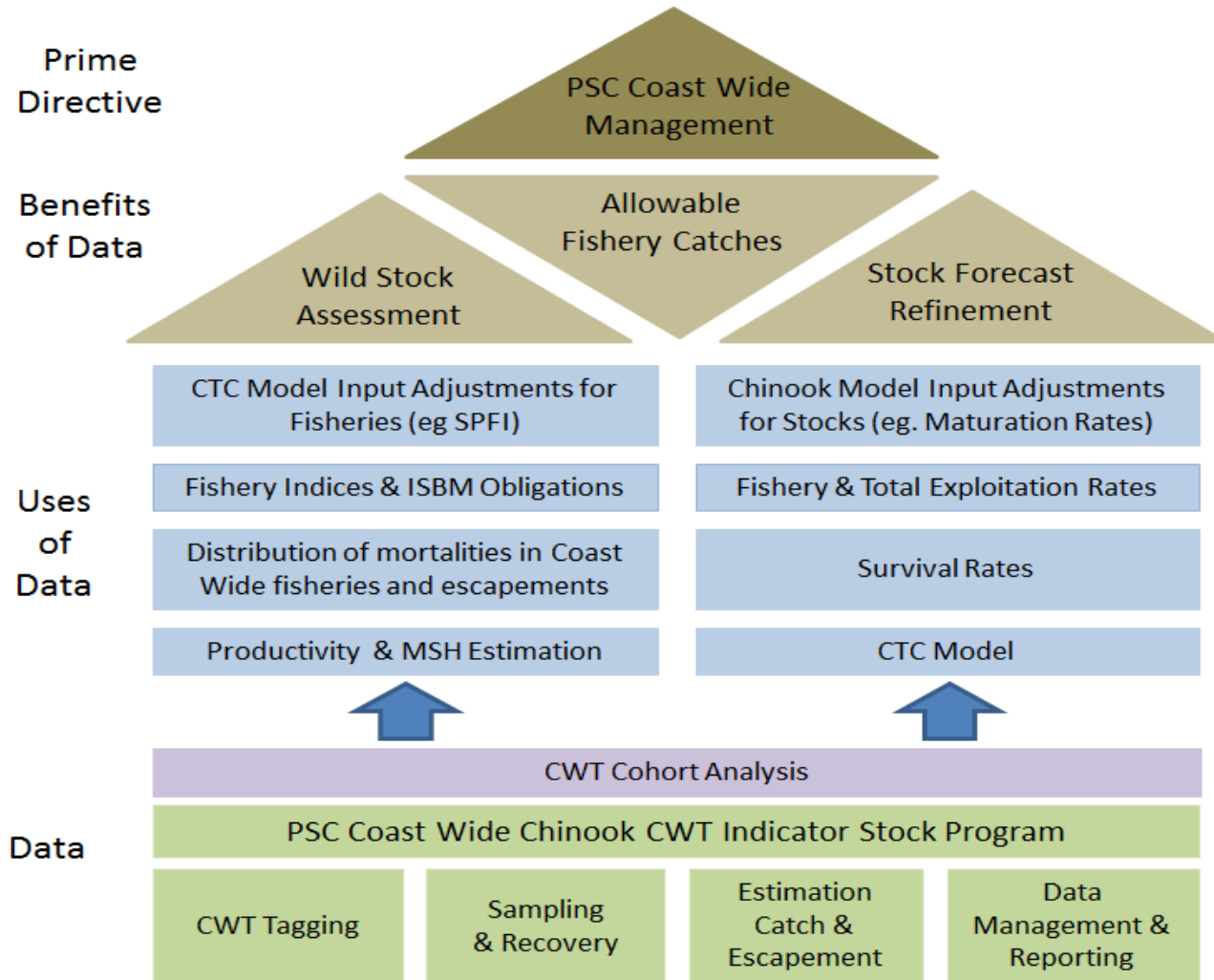
- Summarize projects & accomplishments of CWTIP
- Tables 2.1 - 2.3 provide specific expenditures by country
- Types of Improvements:
  - short –intermediate, and
  - legacy
- Ongoing Issues



# Background of CWT Tool

- 1985 MOU PST commitment to maintaining a **viable** CWT system,
- CWT Expert Panel identified concerns regarding viability of CWT System,
- CWT Workgroup TR 25 identified priority issues for stocks and fisheries and specific solutions,
- 2009 Agreement established CWTIP & CWTIT

# Coast Wide Chinook CWT Program

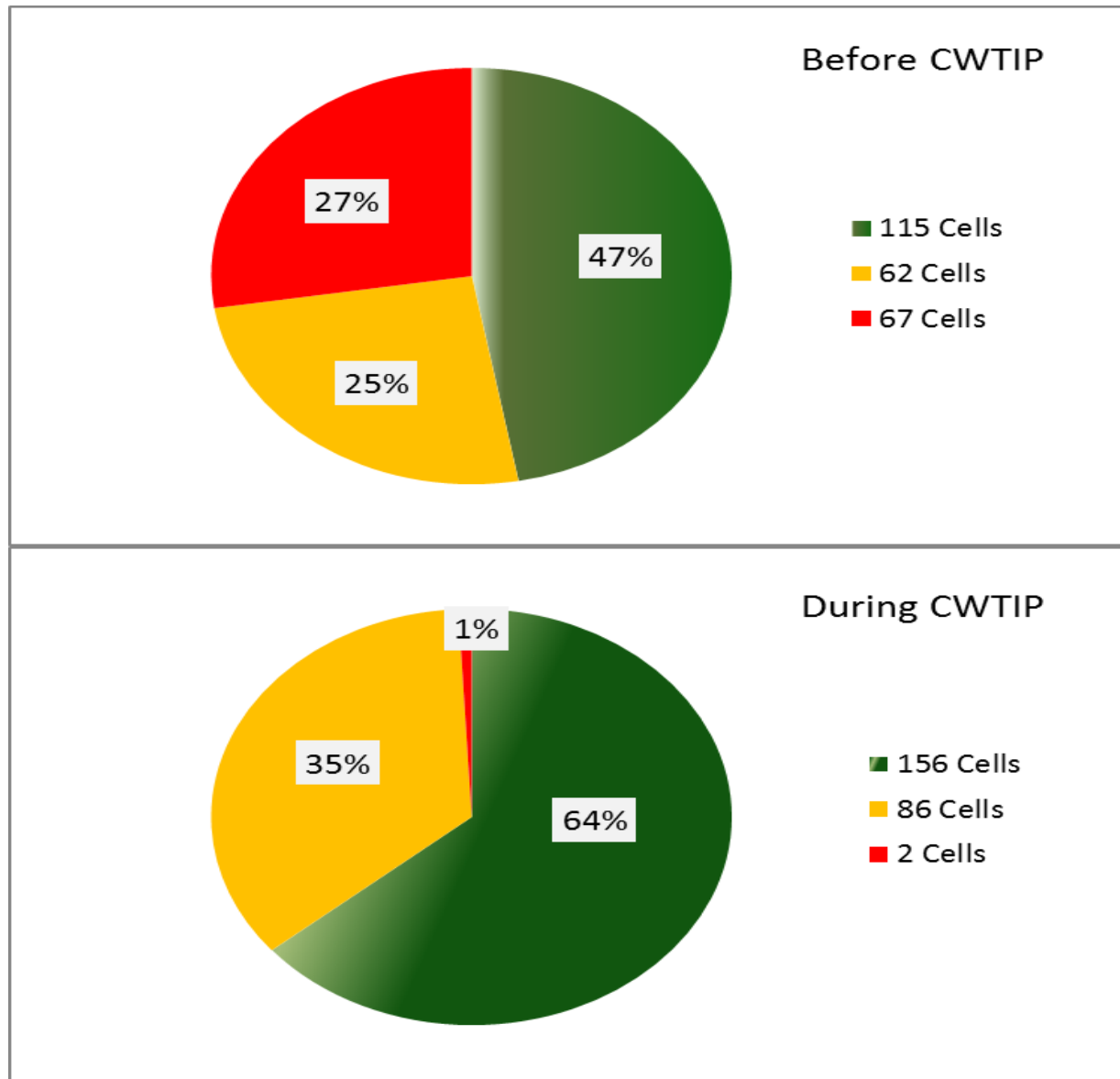


- CWT remains only tool capable of providing the information to support the PST management regimes for Chinook and Coho

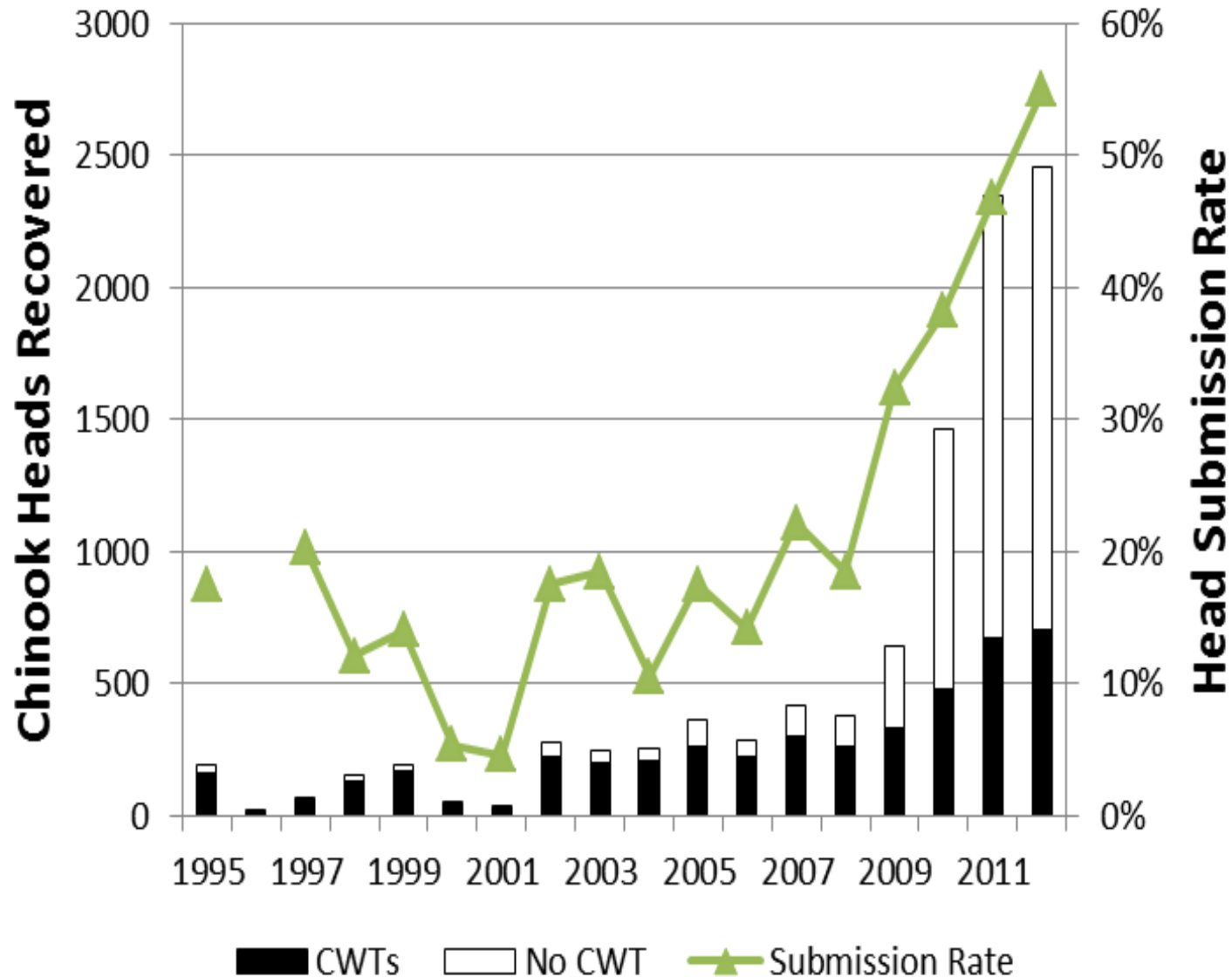
# Section 2 Expenditures

- Investment by Party (Table 2.1):
  - CWT Tagging & Sampling
  - Data Coordination & Reporting
- Program specifics in Table 2.2 & 2.3
- Summarized by category:
  - Fisheries
  - Indicator Stocks
  - Information management
  - Equipment

# Improvement Assessment

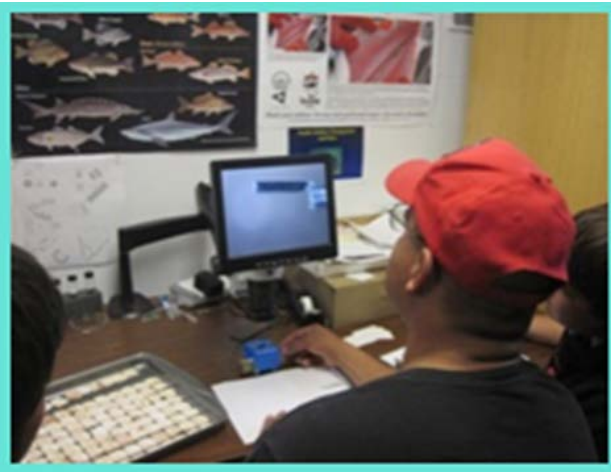


# Improvement Example



# Legacy

- Substantial cost efficiencies realized from CWTIP, reducing annual cost of maintaining CWT System
  - Sampling and Processing Equipment



# Legacy Continued

- CWT Information Management and Reporting Systems, Data Exchange, and Information Sharing (Workshops, etc.).



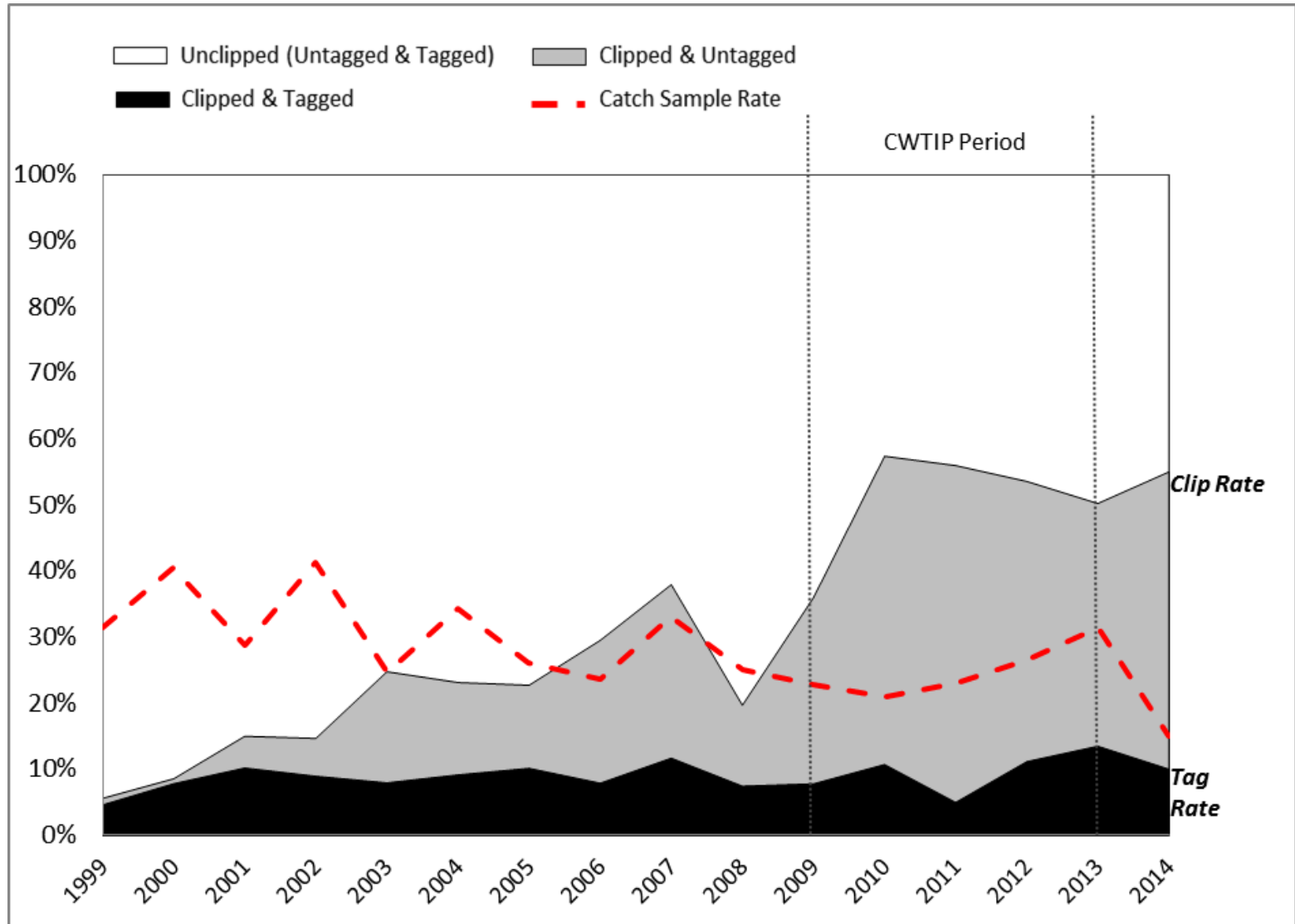
- Improved CWT statistics for use by PSC technical committees and regional management

# Ongoing Issues for Implementation of the Management Regime

- Funding for tagging, sampling, enumeration, processing, and reporting is required for a viable CWT system.
- A reliable stable funding source(s) is needed to maintain the CWT system.
- As an interim measure, PSC established a committee to recommend highest priority CWTIP & SSP projects using endowment funds and LOA for one year.



# Post CWTIP



# Conclusions

- Economy of scale of maintaining one assessment system for both Chinook and Coho
- We recommend that the PSC support regular assessments of the ability of the CWT system
  - to provide the information required for implementation of PST fishery regimes, and
  - to support future negotiations.
- This reporting could be provided by the CWTIT or by the PSC Chinook and Coho Technical Committees.



**Annual Report of the  
Southern Boundary Restoration and Enhancement Fund and the  
Northern Boundary and Transboundary Rivers Restoration and Enhancement Fund  
for the year 2014.**

***Introduction***

In June of 1999, the United States and Canada reached a comprehensive new agreement (the “1999 Agreement”) under the 1985 Pacific Salmon Treaty. Among other provisions, the 1999 Agreement established two bilateral funds: the Northern Boundary and Transboundary Rivers Restoration and Enhancement Fund (Northern Fund); and the Southern Boundary Restoration and Enhancement Fund (Southern Fund). The purpose of the two funds is to support activities in both countries that develop improved information for fishery resource management, rehabilitate and restore marine and freshwater habitat, and enhance wild stock production through low technology techniques. The United States agreed to capitalize the Northern and Southern Funds in the amounts of \$75 million U.S. and \$65 million U.S. respectively. Canada also contributed CAN \$500,000. The 1999 Agreement also established a Northern Fund Committee and a Southern Fund Committee, each comprised of three nationals from each country, to oversee investment of the Funds’ assets and make decisions about expenditures on projects. Only the earnings from investments can be spent on projects.

***Committee Members***

Northern Fund Committee

**Canada:**

Mel Kotyk  
Steve Gotch  
Tom Protheroe

**United States:**

Doug Mecum  
David Bedford/Stefanie Moreland  
Bill Auger

Southern Fund Committee

**Canada:**

Andrew Thomson  
Don Hall  
Mike Griswold

**United States:**

Larry Peck  
Peter Dygert  
McCoy Oatman/ Joe Oatman

## ***Executive Summary***

- Total contributed capital (nominal) was \$US 140,065,000 (the equivalent of \$CDN 209,796,000 using the exchange rate at the time the last installment was made). Actual fund asset value at December 31<sup>st</sup>, 2014 was \$US 208,427,000 or \$CDN 241,796,000.
- While the US economy had a year of strong economic growth and labour improvement, most other nations, especially in Europe, Japan and the emerging markets, struggled with softening growth and declining inflation. For the year, the Fund's net return trailed the benchmark in both Canadian and US terms.
- In 2014 the Southern Fund Committee supported a total of 33 projects for U.S. \$2.17 million and in addition provided U.S. \$1.8 million to the Salish Sea Marine Survival Program.
- In 2014 the Northern Fund Committee supported a total of 52 projects for U.S. \$3.17 million.
- U.S. \$554,000 was contributed to the Chinook Sentinel Stocks Program in 2014, U.S. \$277,000 each from the two Committees for a final total of \$10 million US.
- Total Fund project expenditures to date are \$55.9M US, in support of 798 projects.
- Northern and Southern Fund Committee members met jointly twice in 2014. In addition, the Northern Fund Committee met three times in separate session and the Southern Fund Committee also met on three occasions.
- In the Northern Fund U.S. section Ms. Stefanie Moreland replaced Mr. David Bedford and in the Southern Fund U.S. section Mr. Joe Oatman replaced Mr. McCoy Oatman.
- Fund staff provided administrative services for the Yukon River Panel's Restoration and Enhancement Fund for a fourth year in 2014.

## ***Investment Review***

During the first quarter of 2014 the Fund's net return of +1.1% in US dollar terms slightly trailed the benchmark return of +1.2%. Asset allocation had a neutral impact while security selection detracted value. Underperformance of the Infrastructure and U.S. Real Estate managers versus their respective benchmarks more than offset the outperformance from Brandes, the global equity manager, who exhibited improved performance over the last year.

In the second quarter the Fund's net return of +5.1% in US dollar terms matched the benchmark return. Both asset allocation and security selection had neutral impacts. The continuing outperformance of Brandes based on strong stock selection across most sectors, especially

Telecommunications, Energy and Utilities was offset by the continuing underperformance of the Infrastructure manager.

The much publicized rift between Europe and Russia over the Ukraine and the resulting sanctions, coupled with political tensions in the Middle East contributed to an unfavorable international investment environment and a slowdown in investment especially in the Eurozone. In the third quarter of 2014, Brandes the Funds' global equities manager underperformed versus its benchmark and was the primary source of value detracting in the portfolio. The Fund's net return of -2.9% in US dollar terms trailed the benchmark return by 0.2%.

Over the past quarter, the Fund's net return trailed the benchmark return in both Canadian and US terms. The underperformance of the global equity manager versus its benchmark was the largest source of value detracting.

Summing up the past year, 2014 may be best remembered as a year of divergent global economic growth. While the US economy had a year of strong economic growth and labour improvement, most other nations, especially in Europe, Japan and the emerging markets, struggled with softening growth and declining inflation. The result was the US dollar strengthening against pretty much all major currencies (including the Canadian dollar) which dampened returns in US dollar terms for non-US assets, as well as US equities performing better than non-US equities. As the portfolio had a higher weighting than target to the better returning U.S. equities and a lower weighting than target to the assets that performed worse (i.e. international equities and Canadian universe bonds), maintaining assets in this manner added value.

Total contributed capital (nominal) was \$US 140,065,000 (the equivalent of \$CDN 209,796,000 using the exchange rate at the time the last installment was made). Actual fund asset value at December 31<sup>st</sup>, 2014 was \$US 208,427,000 or \$CDN 241,796,000.

Contributed capital and asset value of the individual Funds as of December 31<sup>st</sup>, 2014 stood as follows:

<b>Contributed Capital</b>		<b>Asset Value</b>	
<b>Northern:</b>	\$US 75,000,000 \$CDN 112,388,000	\$US 114,095,000	\$CDN 132,362,000
<b>Southern:</b>	\$US 65,000,000 \$CDN 97,408,000	\$US 94,334,000	\$CDN 109,437,000

Note #1:

In 2003 a rescission of 0.65% applied to the FY 2003 appropriations reduced the final contribution to the Northern Fund by \$US162,500 and to the Southern Fund by \$US97,500. Thus the actual Contributed Capital is:

Northern:	\$US 74,837,500
Southern:	\$US 64,902,500

Note #2:

U.S. Dollar Exchange (noon) rate: per Royal Trust, December 31, 2014	1.1601	0.86199
U.S. Dollar Exchange (noon) rate: per Royal Trust, November 30, 2014	1.1427	0.87512
U.S. Dollar Exchange (noon) rate: per Royal Trust, December 31, 2013	1.0636	0.94020
U.S. Dollar Exchange (noon) rate: per Royal Trust, December 31, 2012	0.9949	1.00513

## ***2014 Project Funding***

The Southern Fund Committee's spending policy is based on a value of the Fund calculated as an average of the Fund's value during the preceding 48 months. This has the effect of smoothing annual spending budgets relative to real time values which are prone to fluctuations especially in volatile market environments. The influence of 2008/9's economic crisis on the 4-year average lessens with every passing month and improving market conditions have helped to grow the Fund. Although the Fund is gaining ground financially, overall annual spending by the Fund Committee has also been influenced by a decision made in May 2012 to lower the maximum spending rate from 5.5% of the 4-year average to 4% as recommended by the Fund's investment consultant in the face of globally diminishing rates of investment returns following the 2008/09 financial crisis. The Committee funded 6 on-going multi-year projects in 2014 and 26 new projects directly responsive to specific priorities identified by the Pacific Salmon Commission's Fraser River and Southern Panels. In addition a first year amount of \$1.8 million US, part of a \$5 million US, five year commitment, was granted to the Salish Sea Marine Survival Program.

In June 2013 the Northern Fund Committee was able to issue a general call for proposals for projects in 2014 that responded to the Fund's full range of goals and objectives. Following the review and selection process the Committee divided its use of available funding between support for 22 on-going multi-year projects funded by the Northern Fund in the year or years before 2014, and 30 new projects for a total of 52 new and on-going projects for a total of \$3.17 million U.S.

In the eleven years between 2004 and 2014 the Northern Fund has granted U.S. \$29,144,989 to 397 projects. Similarly, between 2004 and 2014 the Southern Fund has granted U.S. \$26,721,580 to 401 projects. Total Fund project expenditures to date are U.S. \$55.9 million in support of 798 projects. In addition to this the Sentinel Stocks Program has been funded in the amount of U.S. \$10 million.

## ***Joint Funding Initiatives***

### ***(i) Chinook Sentinel Stocks program***

In 2008 the Northern and Southern Fund Committees approved motions to support the "Chinook Sentinel Stocks Program" (SSP) with funds in the amount of \$1M US each, per year, for a period of 5 years beginning in 2009.

However, due to the global economic crisis of 2008/09 neither the Northern nor Southern Fund was able to financially support the SSP in its first year. Given the unexpected circumstances, the U.S. and Canadian governments stepped in and provided funds to support the Program in 2009. In 2010 the Northern and Southern Funds repaid the Canadian government for their 2009 contribution to the Program in the amount of Can \$500,000 (\$461,000 US). The Funds also repaid the U.S. government for their 2009 contribution in two installments, first in 2010 and again in 2011 for a total amount of \$985,000 US. Funding in the amount of \$2M US per year was allocated to the SSP by the Northern and Southern Funds in 2010, 2011, 2012 and 2013.

Final contributions in fulfillment of the \$10M US commitment to the SSP were made in 2014 in the amount of \$554,000 US divided equally between the two Funds.

***(ii) Very high priority Chinook projects***

At the April meeting of the Joint Fund Committees, Committee members reviewed a letter of guidance received earlier that month from the Commissioners of the PSC. The letter drew attention to the conclusion of incremental funding from the Sentinel Stocks Program, Coded-Wire-Tag Improvement Program and model improvement mandated through the 2009 PST Agreement which together had provided support for implementing Chapter 3 of the Pacific Salmon Treaty. The letter further noted that the management agencies preparing for the 2015, 2016, 2017, and 2018 fishing seasons face financial challenges in meeting obligations for stock assessment and data collection, and under present circumstances, found themselves unable to build existing PSC programs into their agency budgets. In light of these two circumstances and while also acknowledging that decisions on project and activity selection are the responsibility of the Fund Committees, the Commissioners suggested that the Committees consider financial support for a list of chinook projects prioritized as very high priority by the joint Chinook Technical Committee to address Chapter 3 data needs over the next four years.

After considerable deliberation, the Joint Fund Committee agreed to respond to the Commissioners guidance as an important facet of treaty implementation through 2018. Members committed to finance the priority projects identified over the next four years within the bounds of their financial obligations and conservation priorities for other salmon species.

***(iii) SharePoint implementation***

In December 2013 the Fund Committees unanimously approved a \$64,320 proposal to fund computer hardware and software infrastructure upgrades at the PSC Secretariat offices to support the implementation of SharePoint. SharePoint is an information and document management solution that will support an array of PSC bodies and the Fund Committees (the “PSC Family”) with virtual workspace, data archives, document libraries, and other functions accessible online. Half of this amount was provided by each of the two Fund Committees. In April 2014 the Fund Committees approved a further grant of \$85,000 for building and implementing the Secretariat’s internal office (intranet) sites and PSC bodies’ (extranet) sites.

***(iv) PSC website redevelopment***

In January 2014 reflecting on lessons learned during the Northern BC site visit tour in October 2013, the Northern Fund Committee discussed how best to communicate the results of funded projects. It was noted that 2014 is a milestone year for both Funds, marking 10 years of project investments, \$60M awarded in grants, and over 750 projects funded. Staff were tasked to explore this idea further and using the PSC website as a Fund communications tool was a clear option. The underutilized potential of the PSC website was a key finding of the 49 Solutions final report to the Commission during the Strategic Review process. Their recommendation was to “review and revamp the organization and content of the website to improve its content and navigability”. The consultants envisioned “a more informative and dynamic public website to be a communication and educational tool”. Acting on this advice the Commission formed a working group in collaboration with the Secretariat in October 2013 to advise on improvements to the PSC website and report back to the Commission.

In two months' time the working group successfully executed an electronic survey of PSC participants and public members on the current website and reported back to the Commission in February 2014. A concern of the working group was that staff didn't have the expertise to redesign the website in-house. It would appear that an examination of potential third-party expertise and associated costs would be warranted. Fund staff took on this task and met with a number of local Vancouver-based web design firms. The scope of a website redesign project incorporating innovative Fund communications functions was proposed and quotes on costs were given. At the April 2014 meeting of the Joint Fund Committees, this information was presented and the Fund Committees approved a grant of \$35,000 to the PSC Secretariat to support the website redesign project.

**(v) *Fund presentation and reception***

In addition to the website redesign project, the Fund Committees agreed to host an evening social event during the PSC post-season meeting in Vancouver in 2015 that would be anchored by a presentation or presentations about the Fund acknowledging 10 years of project funding. This format was successful in drawing a wide audience to a similar event held in February 2014 at the Wall Centre in Vancouver and featuring a presentation on the Salish Sea Marine Survival Program to which the Southern Fund has committed \$5 million over 5 years. A grant in the amount of \$10,000 was approved for the 2015 event and staff were tasked with implementation.

***Joint Fund Committee Meetings***

The Northern and Southern Fund Committees have agreed that given the congruent nature of their agendas and their decision to combine the funds into a single master account for investment management purposes, and the efficiencies involved with respect to interaction with the fund managers, it was appropriate to meet together as a Joint Fund Committee at least once a year for an annual financial review and investment manager interviews. The Joint Fund Committee met in person twice, on April 16<sup>th</sup> and on October 28<sup>th</sup> in the afternoon only, and for the day on October 29<sup>th</sup>, 2014.

At the April meeting the Fund Committees Ms. Kamila Geisbrecht of Aon Hewitt presented on a number of investment related agenda items. Ms. Geisbrecht is now the Aon Hewitt lead on the Fund's portfolio, taking over that role from Mr. Chris Kautzky after an eight year term (since Nov 2005).

Ms. Geisbrecht began the morning with an educational review of the investment strategy building process with a focus on asset mix, implementation, rebalancing and monitoring. The Committee then received the fourth Quarter 2013 report which showed that the Fund had exceeded the benchmark for the quarter and for the year, but had only matched the benchmark for the previous four years. The next agenda item was a review of potential questions developed by Ms. Geisbrecht that could be posed to the Fund's investment managers at the annual meeting in October. This item was in response to the Committee's desire to move the annual investment manager interviews onto a more proactive footing, with the managers being required to answer specific questions rather than providing their own typical presentations. The Committees were satisfied with the work Ms. Geisbrecht had done and instructed her to brief the investment managers on the new format they would be required to follow in the Fall. Lastly Ms. Geisbrecht



gave a review of the performance of Brandes Investment Partners, the Fund's global equities manager. The Committees have been concerned with the performance of Brandes since the credit crisis of 2008/09.

The next agenda item was a review and discussion of the letter of guidance to the Funds from the PSC Commissioners received earlier in April. After considerable deliberation, the Joint Fund Committee agreed to respond to the Commissioners guidance as an important facet of treaty implementation through 2018. Members committed to finance the priority projects identified over the next four years within the bounds of their financial obligations and conservation priorities for other salmon species.

The Committees then received a presentation on Fund's audited financial statements and administration costs for the following year from PSC Secretariat Controller, Ms. Ilinca Manisali. The Committees approved the administration budgets as presented.

Mr. John Field gave a presentation on the Secretariat's server upgrades and SharePoint deployment. The Fund Committees approved a proposal to award a second grant in support of this initiative in the amount of \$85,000 to be divided equally between the two Funds.

Mr. Angus Mackay responded to an action item that arose during the Northern Fund Committee's meeting in January 2014 and provided a memorandum on Fund communications and website development. The Fund Committees approved grants in the amount of \$35,000 for website redevelopment and \$10,000 for an evening Fund presentation and reception to follow scheduled for the January 2015 meeting of the Commission in Vancouver.

On the afternoon of October 28<sup>th</sup>, the Fund Committees met in joint session to discuss the very high priority chinook projects identified by the Commissioners in April and subsequently reviewed and prioritized by the Chinook Review Committee (CRC) earlier in October. Noting the financial obligations and constraints particularly for the Southern Fund, the Fund Committee members agreed to fund priority projects #1 through #6 in the CRC's report for an amount up to \$1.2M US with the grants to be awarded in early 2015.

On the following day, October 29<sup>th</sup>, at the annual investment manager review meeting, Ms. Kamila Geisbrecht of Aon Hewitt presented the second Quarter report for 2014. Over the past year, the Fund had out-performed the benchmark on a gross and net of fees basis. Outperformance was attributed to both asset allocation (underweighting Universe Bonds) and security selection (outperformance of the Global and International Equity managers versus their benchmarks).

The Committee then received the in-person presentations from LSV, RARE, Invesco and Brandes. Of the four active managers, only Invesco appeared to have made a concerted effort to conform to the format approved by the Committees and Aon Hewitt of responding to set questions they had been provided with earlier. The other managers responded more or less to the questions, but largely stuck to the traditional presentation booklet format. For a first attempt at changing the procedure of the investment manager interview meetings, it was deemed a partial success that would be improved upon next year. Ultimately the Committees were content to maintain the manager status quo for the present and review performance again with Ms. Geisbrecht at the Spring 2015 Joint Fund Committee meeting.

### ***Northern Fund Committee Meetings***

The Northern Fund Committee met three times during 2014.

January 29<sup>th</sup>, 2014

- Final selection of projects for funding in 2014. This meeting was held at the Listel Hotel in Vancouver.

April 17<sup>th</sup>, 2014

- Potential for a Call for Proposals for 2015.
- Fund financial obligations in 2015.
- Commissioner's guidance on very high priority Chapter 3 chinook projects
- Timetable.

September 25<sup>th</sup>, 2014

- First round selection of project concepts to be invited to proceed to Stage Two detailed proposals.

### ***Southern Fund Committee Meetings***

The Southern Fund Committee met three times during 2013.

February 13<sup>th</sup>, 2014

- Final selection of projects for funding in 2014. This meeting was held at the Wall Centre in Vancouver.

April 15<sup>th</sup>, 2014

- Potential for a Call for Proposals for 2014.
- Fund financial obligations in 2014.
- Southern and Fraser River Panel input.
- Commissioner's guidance on very high priority Chapter 3 chinook projects
- Timetable.

September 29<sup>th</sup>, 2014.

- First round selection of project concepts to be invited to proceed to Stage Two detailed proposals.

### ***2014 Call for Proposals for projects in 2015/16***

Both Fund Committees issued Calls for Proposals in mid-2014 for projects starting in 2015.

In April 2014 the Northern Fund Committee determined that up to \$2.16M US might be available in 2015 to fund new projects (including a contribution towards the funding of the very

high priority chinook projects), in addition to 29 prospective on-going projects requiring some \$2.23M US in funding. The Committee received a total of 76 proposals for new projects requesting \$5.85 US. At the first round review meeting in September, 39 of the new proposals were selected to move to the second round detailed proposal stage along with the on-going projects. Bilateral technical reviews of the detailed proposals took place in January 2015 and a final decision on 2015 funding will be made at a meeting of the Fund Committee in mid-February 2015.

In April, 2013 the Southern Fund Committee anticipated granting \$2.29 million to fund twenty on-going multi-year project commitments including the Salish Sea Marine Survival Program, leaving approximately \$300,000 for new projects in 2015. Given the very limited amount of funding available, the Committee focused its Call for Proposals to elicit proposals directly responsive to specific priorities identified by the Pacific Salmon Commission's Fraser River and Southern Panels. The Southern Fund received 21 new project concepts requesting \$1.02 million US. During the first round review process in September the Southern Fund Committee short-listed 8 proposals to move to the second stage. The final decisions on 2015 funding will be made at a meeting of the Fund Committee in early February 2015.

### ***Committee Appointments***

Ms. Stefanie Moreland was appointed by the United States to the Northern Fund Committee, replacing Mr. David Bedford. Also for the United States, Mr. Joe Oatman took the place of Mr. McCoy Oatman on the Southern Fund Committee.

### ***Yukon River Panel Restoration and Enhancement Fund***

In March 2011 PSC Fund staff took over responsibility for the administration of the Yukon River Panel's Restoration and Enhancement Fund (R&E Fund). 2014 was the fourth year in which PSC Secretariat Fund staff administered the R&E Fund. A total of 29 projects were awarded grants, being funded to a total amount of \$1.16M US. Of these, 21 were on-going multi-year projects and 8 were new.



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*Your file    Votre référence*

*Our file    Notre référence*

February 11, 2015

Mr. W. Ron Allen (Vice-Chair)  
Tribal Chairman  
Jamestown S'Kallam Tribe  
1033 Old Blyn Highway  
Sequim, WA 98382  
U.S.A.  
Email: [rallen@jamestowntribe.org](mailto:rallen@jamestowntribe.org)  
c/o <[alison.agness@noaa.gov](mailto:alison.agness@noaa.gov)>

Dear Mr. Allen:

I am writing in response to your letter of January 14, 2015 regarding Chapter 5 of the Pacific Salmon Treaty, specifically the determination of status of the Canadian Southern Coho Management Units (Interior Fraser, Lower Fraser, Mainland Strait of Georgia and Vancouver Island Strait of Georgia) and the exchange of management information.

As detailed in my previous correspondence, Canada continues to make progress on the determination of status of the management units, including the setting of management unit reference points. Delays in completing this work are due in part to the prioritization of work both domestically and within the bilateral Coho Technical Committee. As you point out, Interior Fraser River (IFR) Coho were in a low abundance regime for a long period of time and therefore determination of the management unit breakpoints was not a high priority for either of the parties in setting the work plan of the Coho Technical Committee.

In 2013 for the first time since 1999, IFR Coho escapement exceeded the short term recovery objective, and as a result DFO is devoting significant time and energy to determination of status. There is still a significant amount of work to undertake, including integrating the status of the conservation units of Coho and translating that information to management unit reference points. There is also a requirement for domestic consultations and bilateral discussions before the management unit reference points can be determined. Canada intends to complete this work prior to the expiry of the current chapters and will endeavor to meet that time frame.

My understanding is that the Southern Panel has bilaterally agreed to a managers' conference call or in-person meeting in mid-March to exchange information on the status of the Management Units (MUs). The Southern Panel has also agreed to provide information on fishing scenarios under consideration when they became available. To date, advice from Canadian interests on the Southern Panel strongly supports remaining in the low status category for 2015. While this does not determine the Minister's decision, it will be an important factor.

The Treaty sets out that the allowable exploitation rate for the parties is based on the status of the management units. Therefore, it is Canada's role to make the determination as to the level of abundance for Canadian MUs and in doing so set the allowable exploitation rate for both parties. There is no provision in the treaty for the non-producing party to unilaterally determine the status of the producing party's Management Units.

We hope this information is helpful for you moving forward.

Yours sincerely,

Susan Farlinger  
Regional Director General  
Pacific Region

cc:

Phil Anderson, U.S. Commissioner  
Robert Turner, U.S. Commissioner  
Charles Swanton, U.S. Commissioner  
Mike Clark, Alternate U.S. Commissioner  
McCoy Oatman, Alternate U.S. Commissioner  
Bill Auger, Alternate U.S. Commissioner  
John McCullough, Canadian Commissioner  
Murray Ned, Canadian Commissioner  
Bob Rezansoff, Canadian Commissioner  
Brian Assu, Alternate Canadian Commissioner  
Rebecca Reid, Alternate Canadian Commissioner  
Brian Riddell, Alternate Canadian Commissioner  
Paul Sprout, Alternate Canadian Commissioner  
Kate Ladell, Canadian Correspondent  
Laurie Peterson, Southern Panel Vice Chair  
Andrew Thomson, Southern Panel Chair



## Report of the Standing Committee on Finance and Administration

February 12, 2015

The Standing Committee on Finance and Administration met on several occasions in October and December 2014 and the 2015 Post-Season and Annual Meetings. The Committee addressed a number of issues and made recommendations for the Commission's consideration as noted below.

The Committee's recommended budget strategy for the Commission relies on three changes in past practice: one related to the PSC financial regulations, one related to staff reorganization/salary savings, and one related to test fishing operations. Each of those is addressed below.

### Financial reporting change

The Committee recommends a change to the Commission's financial regulations to ease the calculation of the cash reserves on hand, improve transparency in the Commission's audited statements, and save actuarial fees. If adopted by the Commission, this regulation change will confirm the cash reserves available to fund those expenses not met by Party contributions and other sources of income.

The proposed financial regulation change is shown in Attachment 1, along with unrelated bylaw amendments assigned to the Committee.

### Secretariat reorganization

With recent retirements of long-serving staff, and the need for cost-containment in salaries, the Executive Secretary has revised the staff organization as shown in Attachment 2 beginning in FY2015/2016. The Committee recommends adoption of this plan for the medium term to facilitate Secretariat services and conserve funding as reflected in the budget proposals in Attachment 3.

### Test fishing operations

The Committee discussed results of the 2013 and 2014 pilot projects on Secretariat test fishing administration in anticipation of the 2015 season. Those discussions revealed that the Secretariat required relief of certain administrative duties to allow staff adequate time for analytical work to support the Fraser River Panel and other tasks.

Accordingly, the Committee recommends certain changes to PSC test fishing operations beginning in 2015, as noted below:

1. The Secretariat will be responsible for administering only those test fisheries related to Fraser River sockeye and pink salmon management (in Panel and non-Panel waters), except for a transition period wherein the Secretariat will administer the Albion test fishery until May 31, 2015 and recover appropriate staff costs from the relevant funds held at the Secretariat;
2. At least 90 days (37.5%) of the Test Fishing Biologist's salary and benefits will be charged to test fishing revenue, while the remaining portion (as modified by any Joint

Project Agreement with the Government of Canada) will be charged to the ordinary PSC budget.

3. The Secretariat will coordinate with Canadian authorities and designated parties to transfer funding from the PSC's Larocque legacy account to pay for specified non-Fraser test fishing costs.

#### Budget proposal for FY2015/2016 and forecast through FY2018/2019

The Committee discussed the financial challenges facing the Commission and the Secretariat over the coming years. The Secretariat has worked with the Committee to constrain expenditures and find efficiencies in operations through FY2018/2019, although there will be a need to draw on the Commission's cash reserves as shown in Attachment 3.

Accordingly, the Committee recommends that the Commission adopt the proposed budget for FY2015/2016 as shown in Attachment 3, with the following provisos:

1. Up to \$166,560 may be used from the Commission cash reserves to cover shortfalls between expenses and other income;
2. The Secretariat will make reasonable efforts to realize savings in areas where conditions and external sources of funding permit;
3. Net savings realized through the course of the fiscal year will be used to reduce withdrawals from the Commission's cash reserves in FY2015/2016; and
4. Notwithstanding the directive to maximize savings, the PSC's Financial Regulations will govern how the Executive Secretary shall manage the Commission's budget in-season, transfer funds between categories, and administer Commission programs.

The Committee will reconvene in the summer/fall of 2015 to a) review the Commission's budget outlook; and b) discuss financial planning options to generate savings and augment income through FY2018/2019, with the aim of reporting back to the Commission at the October 2015 Executive Session.

## Attachment 1

Proposed amendments to the Pacific Salmon Commission bylaws  
recommended by the Standing Committee on Finance and Administration

January 30, 2015

### **Chapter II: Rules of Procedure – The Pacific Salmon Commission**

#### **SECTION E (bis).**

##### **WAIVER OF PRIVILEGES AND IMMUNITIES OF THE PACIFIC SALMON COMMISSION**

The Treaty Between The Government Of Canada And The Government Of The United States Of America Concerning Pacific Salmon provides that the “immunities and privileges which the Commission and its officers shall enjoy in the territory of a Party shall be subject to agreement between the Commission and the Party concerned.” Art. II(2).

In Canada, the Commission is granted Privileges and Immunities pursuant to section 3 of the Privileges and Immunities (International Organizations) Act (see Order P.C. 1986-1083, May 1, 1986 Pacific Salmon Commission Privileges and Immunities Order regarding the specific Privileges and Immunities extended to the Commission).

In the United States, the Commission has been designated as a public international organization under the International Organizations Immunities Act, 22 U.S.C. 288 et seq., and enjoys the privileges and immunities available thereunder (see Executive Order EO 12567, Oct. 2, 1986).

#### **Rule 24(bis)**

##### **Waiver of Immunity –**

1. The privileges, exemptions, and (a) immunities granted by the Parties to the archives, property, and assets of the Commission and (b) immunities enjoyed by the officers, and employees of the Commission will be waived only with the prior express consent of the Commission. The Executive Secretary may act on behalf of the Commission in the circumstances noted below, but, as appropriate, will consult with the Chair and/or Vice Chair as to whether a particular matter requires full Commission attention.
2. When the waiver requested pertains to a law enforcement investigation or judicial inquiry or other sensitive matter, the full Commission shall convene either in person or by electronic means to discuss the matter.
3. When the waiver requested pertains to personal matters of personnel, waiver of archival inviolability to permit the furnishing of records pertaining to the individual will, where appropriate, be provided by the Executive Secretary, unless she or he determines that the particular circumstances warrant review by the Commission. Where the Executive



Secretary is him or herself implicated in the waiver request, the matter will be brought to the Chair and Vice Chair to consider.

4. Requests for waiver of immunity shall include sufficient factual detail to afford an adequate basis upon which to act. In the usual case, such requests shall be submitted to the Executive Secretary, who, as appropriate, shall provide it to the Commission for consideration.
  - (a) The following guidelines shall apply to consideration of requests for waiver of immunity:
    - i. The key factor in determining whether to consent is the potential impact upon the interests of the Commission.
    - ii. If the interests of the Commission are not likely to be injured as a result of the waiver, there will be a presumption in favor of waiver if doing so will serve the interests of justice or scientific advancement.
    - iii. Any waiver granted pursuant to Rule 24(bis) shall be transmitted in writing to the Commission by the Chairman as quickly as possible. The waiver shall specify any limits on its duration and scope.

## **Chapter IX – Financial Regulations**

### **Rule 11 (bis) – Post employment benefits obligation**

For the purpose of financial statements presentation and to determine the amount of unobligated funds at year-end:

- a) The Commission will use the triennial pension valuation report provided by the International Fisheries Commissions Pension Society (IFCPS) to determine the yearly pension expense. The pension expense will consist of the employer portion of the current service pension contribution plus any additional yearly payments required by the IFCPS (as shown in the current valuation report) that are necessary to extinguish the unfunded portion of the pension obligation.
- b) Other post-employment benefits such as extended medical plans and life insurance will be charged against appropriations in the fiscal year in which the respective invoice is dated. The annual budgets will include the full annual costs of such benefits.

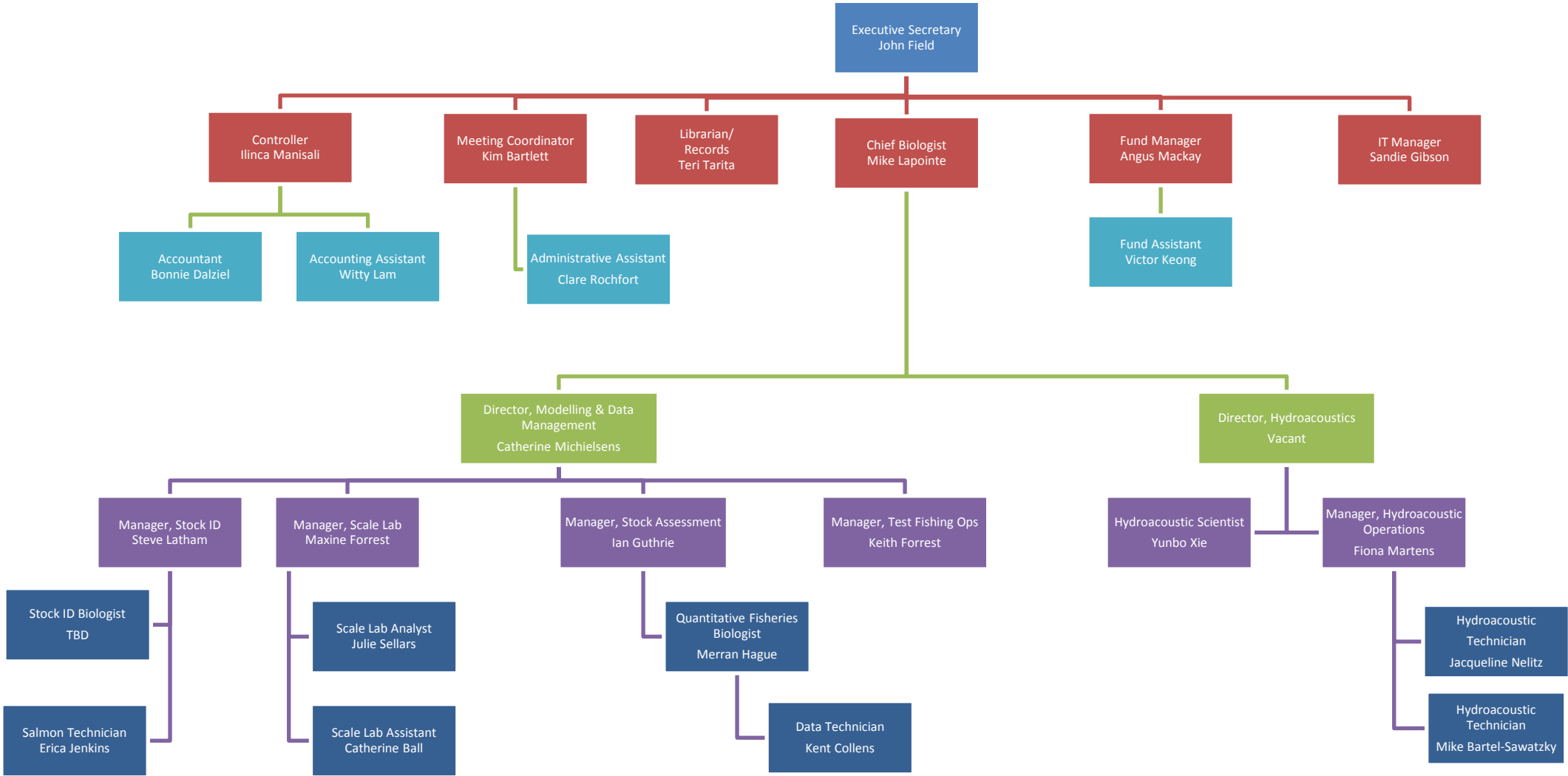
## **Chapter X: Staff regulations**

### **Rule 23 - Promotions and reclassifications**

1. Promotion of staff to fill vacancies: The Executive Secretary shall be authorized to promote staff to fill vacant positions based on the relevant classification standards from the Canadian Public Service. Such promotions shall be based on merit in all cases, and occur through competition when the Executive Secretary deems it in the best interests of the Commission.
2. Reclassification:

When the Executive Secretary determines that substantial changes are needed to a staff position's duties and responsibilities, he/she shall propose any relevant classification review to the Chair and Vice-Chair of the Commission for their concurrence. This proposal shall include estimates of budget implications. If the Chair and Vice-Chair concur with the classification review, the Executive Secretary shall proceed to develop a written rationale based on the relevant classification standards in the Canadian Public Service, the Secretariat's job description, benchmark positions in the Public Service, and direct consultation with appropriate Public Service classification experts. The Executive Secretary may select the incumbent of the former position or select a candidate via competition, based on merit and the best interests of the Commission.

**Attachment 2**  
**Pacific Salmon Commission Secretariat Staff – reorganization 2015/2016**



**ATTACHMENT 3**

**PACIFIC SALMON COMMISSION**

**FORECAST BUDGETS**

	Forecast Results 2014/2015	Proposed Budget 2015/2016	Forecast Budget 2016/2017	Forecast Budget 2017/2018	Forecast Budget 2018/2019	NOTES
1 INCOME		(pink)	(none)	(pink)	(sockeye)	
A. Contribution from Canada	1,879,636	1,879,636	1,879,636	1,879,636	1,879,636	
B. Contribution from U.S.	1,879,636	1,879,636	1,879,636	1,879,636	1,879,636	
Sub total	3,759,272	3,759,272	3,759,272	3,759,272	3,759,272	
D. Interest	29,000	26,000	26,000	26,000	26,000	
E. Other income	188,000	177,000	177,000	177,000	177,000	
Carry-over from previous fiscal year	286,454	149,575	0	0	0	
Top-up from cash reserves (as req'd)		166,560	144,791	238,424	0	1
F. Total Income	4,262,726	4,278,407	4,107,063	4,200,696	3,962,272	
2 EXPENDITURES						
A. 1. Permanent Salaries and Benefits	2,723,961	2,809,679	2,818,996	2,841,154	2,951,435	2,3
2. Temporary Salaries and Benefits	295,627	245,679	177,433	269,591	277,406	
3. Total Salaries and Benefits	3,019,588	3,055,358	2,996,429	3,110,744	3,228,841	
B. Travel	61,523	94,695	95,989	119,334	120,034	4
C. Rents, Communications, Utilities	116,465	122,245	119,726	150,053	150,461	4
D. Printing and Publications	8,921	9,000	9,000	9,000	9,000	
E. Contractual Services	673,402	810,727	612,708	755,726	778,823	
F. Supplies and Materials	60,567	49,223	50,009	64,121	52,721	
G. Equipment	172,685	137,159	223,203	206,757	275,807	5
H. Total Expenditures	4,113,151	4,278,407	4,107,063	4,415,736	4,615,687	
3 BALANCE (DEFICIT)	149,575	0	0	(\$215,040)	(653,415)	

NOTES:

- Cash reserves (\$549,775) will be virtually exhausted by the end of 2017/18.  
Should a portion of the Test Fishing Biologist's salary be included in the PSC budget, the rate of drawing down-cash reserves will increase (exhaust quicker)
- Assume additional \$5K/mo (\$60K/year) needed for pensions starting Jan 1, 2018 (in addition to the \$91,000/year payable over 15 years starting Jan 1/15)

3. Budget prepared under the assumption that 37% of salary and benefits for Test Fishing Biologist (Keith Forrest) is allocated to Test Fishing. The budget effect of absorbing all or a portion of Keith's salary in the core PSC budget is estimated below:

% captured	2015/16	2016/17	2017/18	2018/19	Total 4 yrs
50%	58,366	59,686	60,563	61,771	240,386
100%	116,732	119,372	121,126	123,541	480,771
63%	73,541	75,204	76,309	77,831	302,885

4. 2017/ 18 and 2018/19 include costs for additional travel and meeting space rental for re-negotiations (based on 2007/2008 and 2008/2009 cycle)

5. Capital assets include:

		2015/16	2016/17	2017/18	2018/19
ADMIN:					
	Vehicle	28,000		30,000	30,000
	Misc. equipment	4,400	4,400	4,400	4,400
IT	Computers, servers	57,000	44,500	36,500	51,000
HYDROACOUSTICS					
	HTI electronics board	10,659			
	Computers	11,900	21,996	21,900	29,450
	Boat motor	14,700		14,000	3,045
	ARIS sounder		144,229		123,259
	HTI Split beam sounder			99,957	
	Biosonics transducer				22,330
	Generator replacement				3,523
SCALE LAB					
	Software upgrade, misc.	10,500			
	Microscope - automated stage		8,078		8,800
TOTAL		137,159	223,203	206,757	275,807

## 2015 PRE-SEASON MEETING

### SOUTHERN PANEL

### MEETING REPORT

#### Session Activities:

- *Southern Panel continued to work on developing the Idealized Agenda for both post and pre-season meetings to ensure alignment to chapter requirements. Prior to the current February meeting of the Southern Panel, the Panel co-chairs asked the chairs of the Coho and Chum technical committees to work with their committees to review and ground-truth the Idealized Agenda, analyzing what we can/cannot achieve realistically with an eye toward informing the future renegotiation process for the chapters.*
- *Discussion of Article V of the Treaty regarding Salmon Enhancement Programs. There is no reference to this in Chapters 5 or 6. Southern Panel seeks clarification from Commissioners regarding if the Panel has a role with Article V. Need to clarify that there is no expectation by Commissioners of reporting or discussion by the Southern Panel.*
- *Discussion of the overage in the 2014 Chum Fisheries in Areas 7/7A. The US indicated that it would reduce their catch ceilings to account for the overage of 17,021 fish over the course of the next two non-critical years on an opportunistic basis as the US is frequently under the 130,000 CAP by an amount greater than that of the overage.*
- *Update from Chum Technical Committee*
  - *The US and Canadian chairs of the Chum Technical Committee presented an update on their work plan, including their SEF funded research projects.*
  - *The Chum TC provided research priorities for SEF projects.*
  - *The Chum TC presented research on a comparison of SNPs vs Microsatellite DNA Stock Identification techniques.*
- *The Panel continued discussions (started at the January meeting) on potential issues for Chapter Renegotiations.*
  - *The Panel reached agreement that an abundance-based management regime for Coho is preferred and negotiations should focus on streamlining the work required to implement such a regime and determining what specific resources would be required to adequately implement an abundance-based regime.*
  - *The Panel worked on prioritizing information needs and questions of the CoTC to inform the renegotiation process. The highest-priority item identified was to have CoTC develop a prioritized list of resources required to adequately implement Chapter 5 provisions. The Panel would like to know specific estimated costs for data collection programs and personnel requirements, as well as recommendations for process improvements or changes (e.g., sequencing of CoTC and Southern Panel meeting times). This work could inform funding requests by the Panel (SEF funds, dedicated funds, etc).*

- *In general the Panel has initiated discussions trying to examine ways in which the current annex could be simpler, less costly to implement, and less data demanding.*
- *More discussions to occur in the Coho Working Group.*
- *Update from Coho Technical Committee*
  - *The initial run of the FRAM model for the 2013 Post season estimates was presented, there was an overage in the 2013 season of 2.9% Exploitation Rate (CAP = 10%) by US fisheries on the Canadian Interior Fraser Management Unit. The CoTC has indicated that there were errors in the initial run and a subsequent model output needs to be generated.*
  - *The CoTC presented a detailed description of areas for potential SEF funding to support meeting the deliverables in the Chapter. The highest-priority funding need was listed as determining reference points for stock status determination and associated allowable exploitation rates for Canadian Management Units (MU). This builds on recent Canadian efforts to determine the status of component Conservation Units and how they translate into PST MU status.*
  - *The highest priority for current chapter implementation was identifying key analytical gaps and potential funding strategies – consider "out of cycle" funding requests to SEF to support this work. A key priority would be establishing the PST MU status reference points. However any additional funding acquired should not be looked at to support all agency core activities regarding stock and fishery assessment programs.*
- *The Panel discussed the pre-season (February) meeting format and requirements. It was concluded that the technical committees and in particular the CoTC requires greater support to complete its work activities in advance of Panel requirements. The CoTC should meet in advance of the Panel meeting in order to complete the Post-season review and other discussions prior to the Panel meeting. Any additional travel costs could be supported by reducing the number of meeting days for the Southern Panel Post-season (January) meeting.*
- *Drafted a letter to the Southern Endowment Fund describing the Southern Panel's priority areas of research.*
- *Developed an agenda for the planned Coho Working Group meeting in May 2015, which will include discussions of the chapter renegotiations and developing a mechanism to address circumstances where annual limits for exploitation rates are exceeded as per Paragraph 5.*

# **SFEC Report**

Pacific Salmon Commission

February 2015

Rob Houtman

Gary S. Morishima



# Duties of SFEC

1. Serve as a coastwide clearinghouse for coordination and reporting on MM and MSF programs;
2. Provide advice on potential adverse impacts of MM and MSFs on the CWT program;
3. Assess and monitor the cumulative impacts of MSFs on stocks of concern;
4. Receive and review MM and MSF proposals to identify potential issues and concerns regarding impacts on the CWT program.

# **SFEC is to establish a technical review process for MM/MSFs that will**

- Identify potential impacts on other jurisdictions and the CWT program;
- Review procedures and protocols for marking, sampling, and evaluation;
- Establish standard formats and reporting requirements to provide post-season information and estimates of mortalities on stocks of concern;
- Identify information needs or request modifications of proposals to meet concerns regarding impacts on the CWT program; and
- Periodically assess impacts of MM/MSF programs regarding the integrity of the CWT program.

# Overview

- Proposals have been received and review is underway
- MM Proposals

Species	# 2014 Mass Marked	# 2015 Mass Marked
Coho	34.2 million	34.3 million
Chinook	119.8 million	117.3 million

- MSF Proposals

Species	# Proposed for 2014	# Proposed for 2015
Coho	19	25
Chinook	30	34
Coho & Chinook	1	1

# MM Proposals

- MM levels remain relatively constant
- DIT groups continue to be discontinued
  - Coho (two more dropped)
  - Chinook (one more dropped) (when MSFs are expanding)
  - Recommended DIT groups not implemented (CR summer and fall Chinook)
  - ODFW has now dropped all DIT groups
- ETD and Visual CWT sampling areas remain unchanged
- Some MM of Coho & Chinook releases not represented by CWTs
  - Difficulty estimating source of MM'd encounters

# MM Proposals (excluding marked CWT'd fish) for 2015

Agency	Coho (million fish)	Chinook (million fish)
ADFG	0	0
USFWS	1.8	25.0
CDFO	4.8	0
WDFW/Tribes	22.0	71.6
ODFW/Tribes	5.7	20.7
IDFG	0	0
CDFG	0	0
<b>TOTAL</b>	<b>34.3</b>	<b>117.3</b>

# MSF Proposals for 2015

	Coho		Chinook	
Agency	2014	2015	2014	2015
ADFG	0	0	0	1
CDFO	5	6	1	1
WDFW	10	10	20	20
ODFW	2	6	2	6
WDFW/ODFW	2	2	6	4
IDFG	0	0	1	1
CDFG	0	0	0	0
<b>TOTAL</b>	<b>19</b>	<b>24</b>	<b>30</b>	<b>33</b>

Note. One 2015 proposal from WDFW/ODFW was for Chinook and Coho salmon is not included in the table

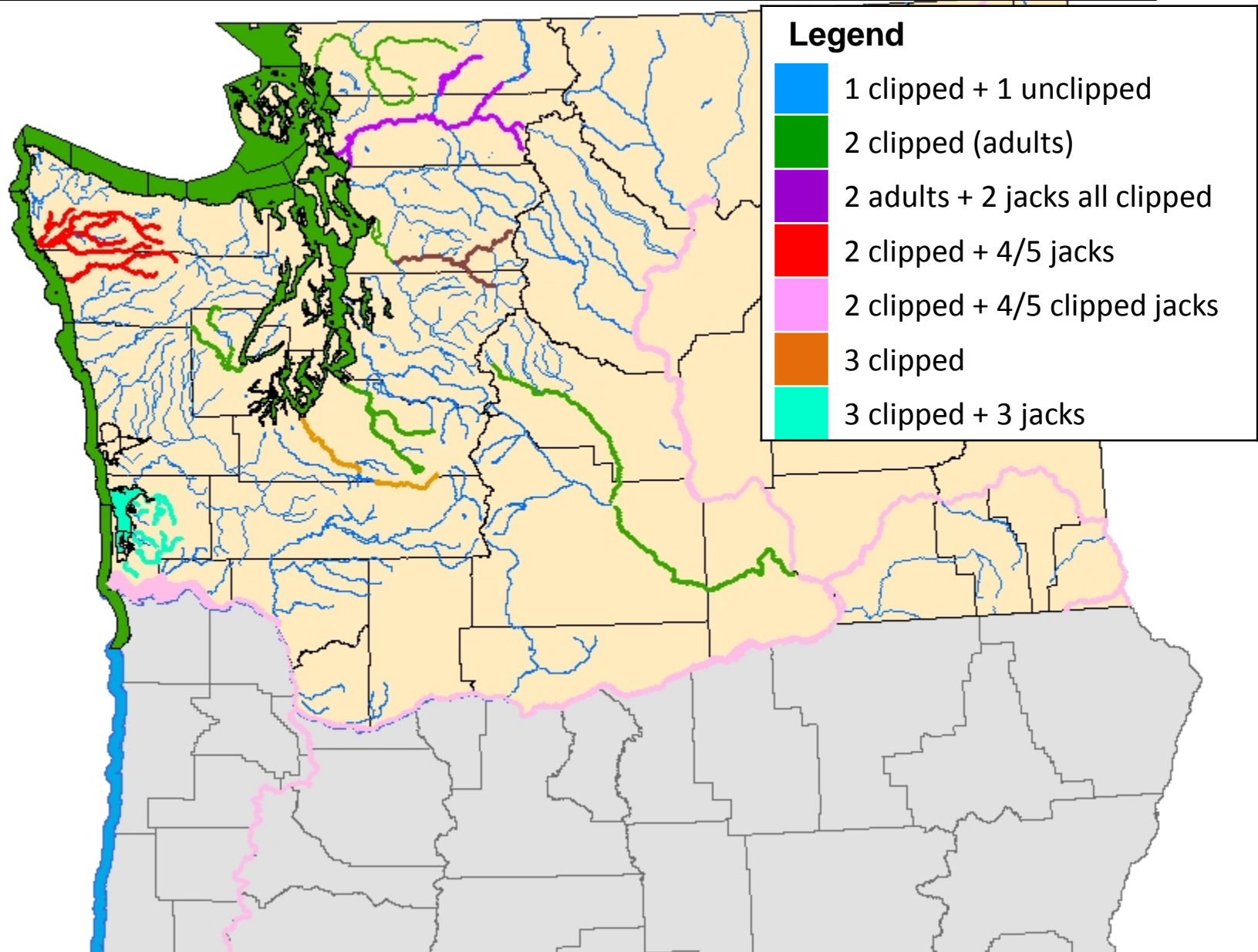
ODFW increase largely due to non reporting of MSF proposals in 2014

# Chinook MSF Proposals

- PS limited opportunity for spatial expansion. Substantial variation in regulations.
- WA ocean and CR spatial and temporal expansion
- BC sport fishery in Strait of Juan De Fuca – mixture of NSF and MSF
- New for 2015 - SEAK troll fishery
  - 1<sup>st</sup> MSF proposal for an AABM fishery
  - Retention of clipped legal sized fish during previously non-retention periods

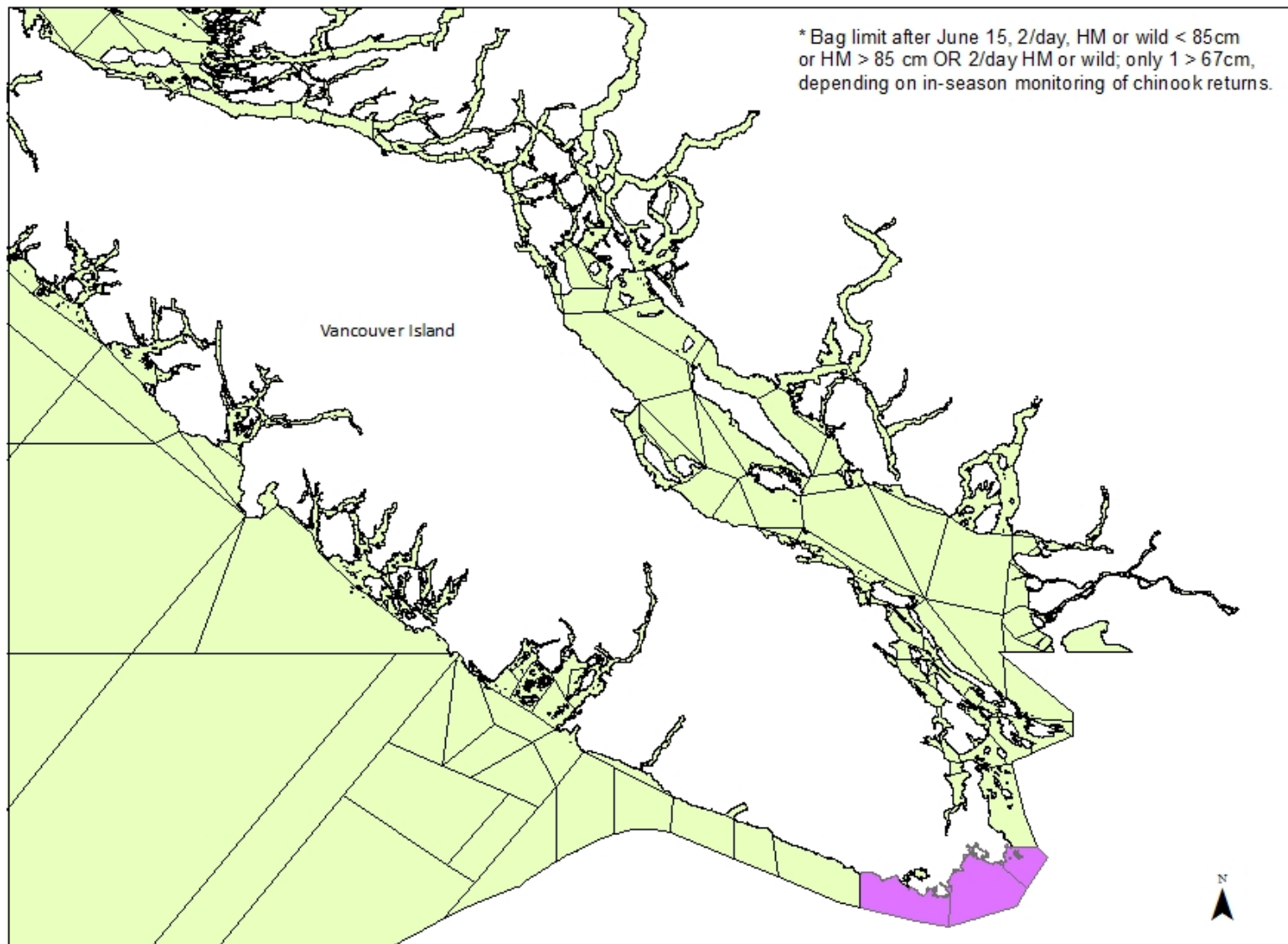
# Bag Limits Proposed for 2015

## Chinook Recreational Mark-Selective Fisheries





# Proposed 2015 Bag Limits for Southern British Columbia Chinook Recreational Fishery by PFMA Sub Area

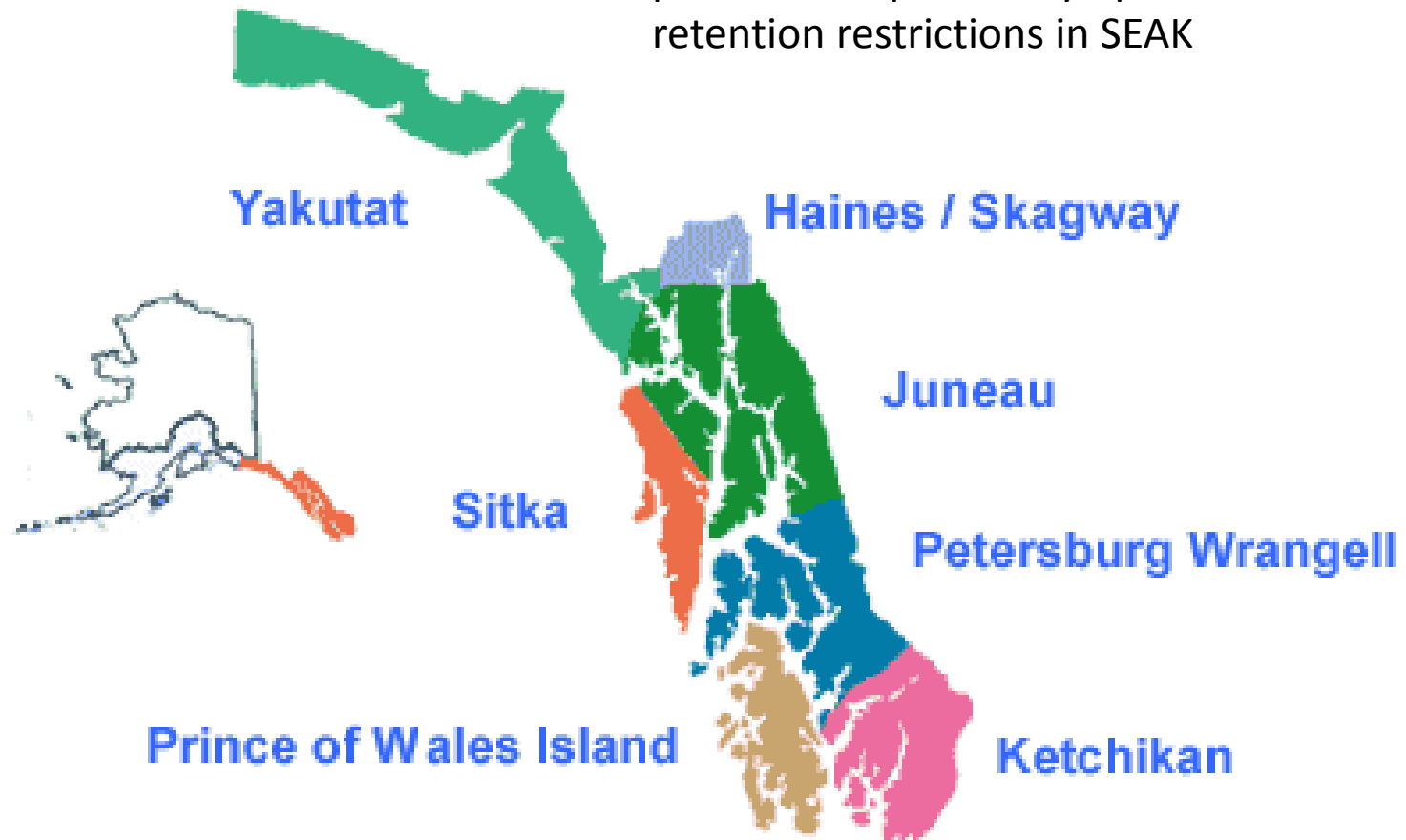


## Legend

- 2 45-67 cm or 1 may be clipped > 67 cm Mar 1 to Jun 15, then 2 where 1 may be clipped > 85 cm Jun 16 to Jul 20
- No MSF

# SEAK Chinook MSF Proposal For 2015

- First MSF proposed for an AABM fishery
- Retention of marked chinook >28" during periods that previously operated under non-retention restrictions in SEAK

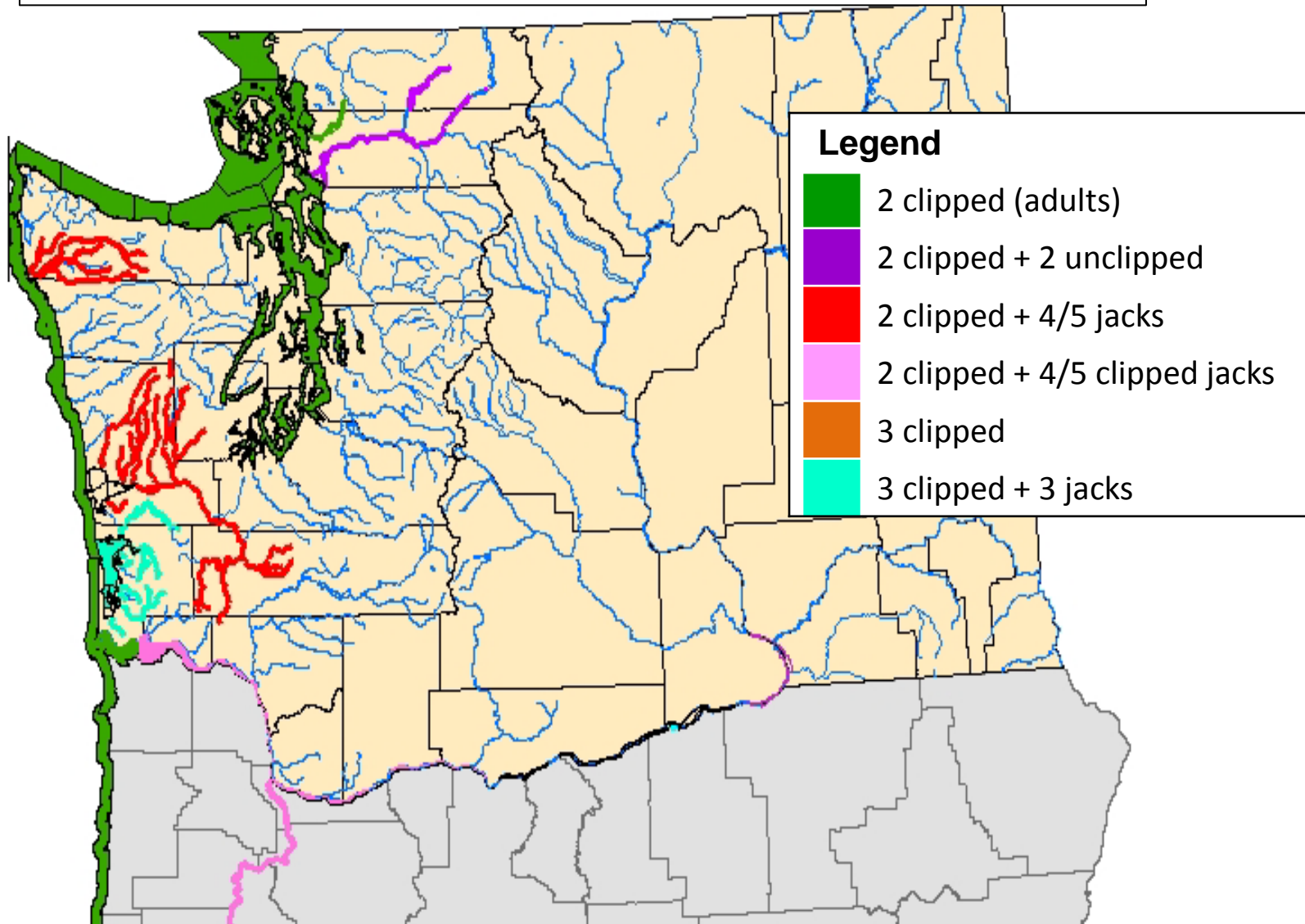


# Coho MSF Proposals

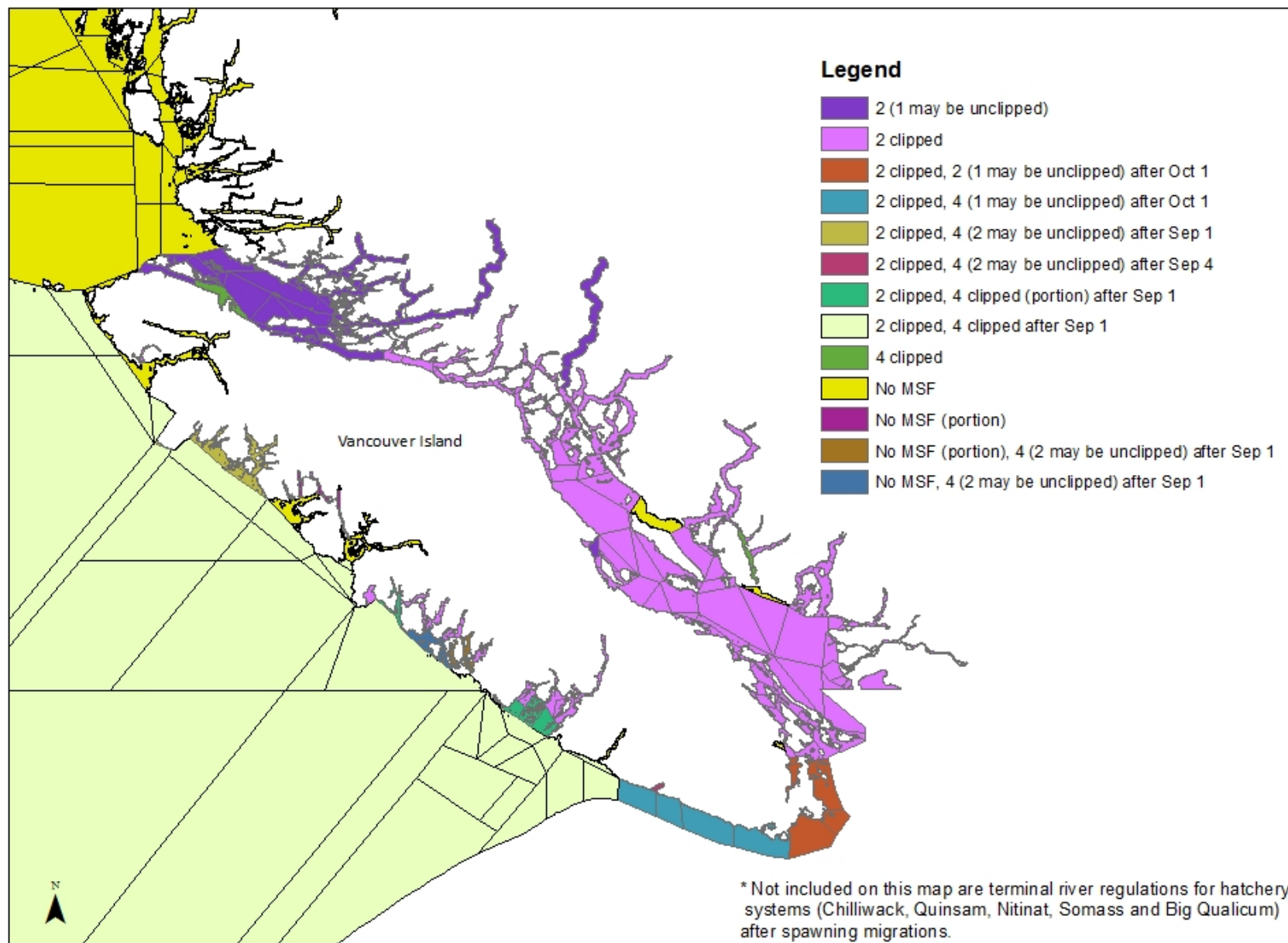
- PS, WA ocean, and Columbia River: limited opportunity for spatial expansion
- BC sport fisheries
- Many variations in retention, time-area restrictions.

# Bag Limits Proposed for 2015

## Coho Recreational Mark-Selective Fisheries



# Proposed 2015 Bag Limits for Southern British Columbia Coho Recreational Fishery by PFMA Sub Area



# MSF Proposals

- R-Y-G tables & issue list
  - Complex regulations (e.g., mixed bag, size limits)
  - Inadequate catch monitoring and CWT sampling programs
    - Voluntary recovery programs in BC sport fisheries
    - Misalignment between MSF and catch sampling programs
    - Insufficient data collection (e.g., mark status, size category, retention)

# At a glance: Green-Yellow-Red

## Approach being refined

Color	Level of concern to SFEC
	None
###	Moderate
###	Major

# Red-Yellow-Green - examples

Proposal ID	Location	Fishery Type	Regulations	CWT Sampling Method	CWT Detection Method	CWT Composition Estimation Method	Alignment	Catch Estimation	Indicator Stocks	DIT Stocks	Comments and Concerns	Methods of Estimation
<b>Coho Salmon</b>												
MSF-FOC-03	Lower Fraser River	Terminal, First Nations (Mixed Bag)	1	3	2	4	1	2	1	0,1	This fishery is mixed bag because unmarked Coho that are mortally wounded or dead can be retained. Low CWT submission rates. Numbers of ad-clipped and unclipped Coho are reported in some fisheries.	Total catch estimate using creel survey or census.
MSF-FOC-05	BC Management Areas 23-27, 121-127	Pre-terminal Commercial (MSF)	1	1	1	1	1	1	1	1		Total catch is from fisher reported log books and phone-in catch reports.
<b>Chinook Salmon</b>												
MSF-WDFW-19	Ocean Areas 1-4	Recreational	1	1	1	1	1	1	1	1		Catch estimate from creel survey, based on an effort/CPUE survey with boat exit counts and exit interviews. Stratified by boat type (private or charter boats) and day type (weekend or weekdays). On-water encounter rates (by mark status/size) obtained from charter ride-along trips and VTRs.
MSF-WDFW-09	Puyallup / Carbon River	Recreational	1	3	1	2	1	2	1	1	Lack of direct sampling; only indirect CWT estimates, via electronic sampling at hatchery. These are substantial Chinook freshwater sport fisheries, averaging 1,000 and 400 fish in Puyallup and the Carbon.	Catch estimates from catch record cards. Indirect estimates of CWTs via electronic sampling at hatchery & associated tribal net fisheries.



# Proliferation of regulations for implementation of MSFs

- Five major types with multiple variations

Category	Description
MSF	Release of all unmarked fish
MSF size–mixed bag	Different bag limits for adults and juveniles, all unmarked fish released
MSF marked mixed bag	Limit of the unmarked fish that can be retained in daily bag regardless of size
MSF size and marked mixed bag	Limit of the unmarked adult fish that can be retained in daily bag
Species MSF	Multiple species fishery with mark retention restriction on one species

# Implications of MSF complexity

- Regulations affect complexity and costs for catch monitoring, sampling, and reporting systems
- Difficulty of developing methods to estimate MSF impacts on unmarked fish
  - Planning
  - Post-facto assessment
  - DIT coverage & sampling

# Issues

- MSF proposals – required before details are known.
- Post Season and Detailed reporting of MSFs
  - Pilot project for PS marine Chinook MSFs

## **Types of Information Needed**

1. MSF location, timing, regulations
2. CWT sampling method
3. CWT estimation method
4. Estimates of encounters, retentions, releases for marked and unmarked, legal, and sub/extra legal sized fish

# Issues – Budget Pressures

- Concerns for maintaining base sampling programs
- DIT programs (e.g., ODFW discontinued DIT Big Creek fall chinook) and sampling (ODFW has not implemented ETD of Columbia R. fall Chinook).
- Dependency on CWT system – concern for erosion of cornerstone for management, stock & fishery assessments

# Examples

- Anadromous Fish Act - imminent loss of ocean fishery sampling in US – CWTIT \$ expires
- DFO
  - CDFO funding cuts for 2014 CWT recovery and dissection affected both commercial and hatchery sampling programs

# Data-driven to Assumption based management

- Uncertainty, risk, and precautionary approaches
  - Compensatory buffers
  - Fishing patterns (decreased reliance on mixed-stock fisheries)
- Additional funding needed to maintain stock and fishery assessment capabilities and the viability of the coastwide CWT system
- **Recommend:** Initiating multi-TC evaluation of impacts of budgetary pressures on the ability to implement PSC regimes (letter from TC Co-Chairs)

# Future Plans

- 2014/2015 MM/MSF reviews: target completion date Spring 2015
- MSFs
  - Specific details of proposed MSFs unavailable in November
    - Focus on new proposals and post season reporting
  - Feb '15: Agencies to report on issues relating to post season reporting of Encounters, releases, etc. (on line or post- season report)
- Coho DIT update – draft still in progress for PS, WC. Chinook DIT reported by CTC in exploitation rate analysis and calibration reports- differences are becoming apparent.
- Lessons Learned draft is under review within SFEC

**Hydro-acoustics Work Plan, 2015-2016 proposal.**

<b>Task</b>	<b>Who – lead &amp; support</b>	<b>Deliverable</b>	<b>Timeline</b>
1. Complete costing template	Qualark – Timber Whitehouse with admin support.  Mission – Mike Lapointe with admin support.	Completed costing template. Template will be reviewed by Mike and Timber to ensure a common approach to filling it in. In-filled costing template broken down to individual components of both the Mission and Qualark programs. Note for Qualark the cost of stock ID should be estimated for equivalent samples sizes as for Mission, not the amounts expended in past years, which have been constrained by monies available.	February 25, 2015
2. Review of completed costing template	Fraser Panel Hydro-acoustics “oversight team” (Panel chairs, alternates, tech committee reps) to review completed costing template, hold meeting with Timber and Mike if necessary to discuss any questions and ensure common understanding.	Compilation of questions, points of clarification for staff that provided costing data by February 25, with follow-up meeting as required.	March 4, 2015
3. Evaluate cost-effectiveness of the hydro-acoustics components	Fraser Panel Hydro-acoustics “oversight team” (with Hydro-acoustics Technical Team) to complete assessment of cost-effectiveness (similar to tables in PSC January 2013 document “Next Steps for Fraser River Acoustics”) of components under the three scenarios (base/dominant/pink return years) using updated costing information for Mission and Qualark.	Updated cost benefit analysis tables from February 2013 PSC document completed and provided to Fraser Panel	May 15, 2015
4. Define objectives required from a lower Fraser Assessment program, including linkages between lower river assessments and other in-season information (e.g. run size estimation, management adjustments).	Fraser River Panel and FRP Technical Committee to define management objectives.	List of fisheries management and fiscal objectives, performance measures, and linkages to be considered in evaluation. Identify keys risks that would require some evaluation.	May 15, 2015



Task	Who – lead & support	Deliverable	Timeline
5. Compile assessment data for analyses by an independent consultant.	Hydro-acoustics Technical Team in Dialogue with Fraser Panel Hydro-acoustics “oversight team” (with DFO & PSC staff)	Files containing daily estimates of total salmon species proportions and stock ID associated with various component combinations to match with associated costs in template. Estimates of potential spawning escapement, spawning escapement (for MAs), and Marine area CPUE data (for run size estimation) by management group. Note for DFO, the assessment data would equate the Qualark in-season data file with Stock ID added for those years for which it is available.	June 5, 2015
6. Identify periodic times of divergence in estimates between Mission and Qualark and develop datasets to assess fish behaviour and distribution patterns (environmental variables)	Timber and Fiona as technical leads with technical support	Pull together time-space strata for Mission	June 5, 2015
7. Secure services of consultant to complete evaluation of alternative assessment options, taking into consideration objectives defined in (6) above.	Oversight team to work with PSC to develop RFP for a prioritized list of deliverables and seek funding support for this work.	Confirm consultant to conduct the work as identified	June 1, 2015
8. Evaluate alternative lower river assessment programs across the range of three scenarios (base, dominant, pink return years)	The Fraser River Hydro-Acoustics Oversight Team and Technical Team to liaise with independent consultant on completion of analyses to address deliverables.	<p>In this phase of analyses, address top priorities – preliminary list below:</p> <ol style="list-style-type: none"> <li>1. Describe and identify the mechanisms responsible for observed deviations between alternative assessment program elements.</li> <li>2. Calculate performance measures for alternative program designs and scenarios.</li> <li>3. Compare performance of assessment program elements in delivery of defined fishery management objectives.</li> <li>4. Compare performance of assessment program</li> </ol>	September 15, 2015

Task	Who – lead & support	Deliverable	Timeline
		<p>elements in delivery of defined fiscal objectives.</p> <p>5. Combine information from performance assessments (in 3 and 4 above) in a risk assessment framework that includes defined fishery management and funding constraints.</p> <p>6. Identify key information gaps and options to address same.</p>	
9. Develop SEF funding request for 2016 Qualark (research and monitoring program, continued analyses from(9) above)	Timber with support of oversight team	Funding proposal is submitted to SEF with the support of the Fraser River Panel	August 1, 2015
10.Complete interim report	Consultant	Interim report	September 15, 2015
11.Review interim report	Oversight team with support from Secretariat staff, others as required	Identification of information gaps, points of clarification to be addressed by Consultant	October 15, 2015
12.Complete draft report with additional analyses to address contract deliverables	Independent consultant with review to be completed by Oversight team, Technical Team	Revised, “Final” report from consultant with Executive Summary, Presentation of key elements to Fraser Panel; too include additional work conducted between October 2015 Executive Session	Mid- June 2016
13.Complete report for FRSC, Commissioners	Oversight Team with support of consultant review from Panel	Re-packaging of the Consultant’s report for distribution to FRSRC, Commissioners highlighting key finding and alternative recommendations.	September 1, 2016
14.Discussion and decision @ Executive session	FRSRC with support from Oversight Team	As per FRSRC TOR - “Based on the assessment the FSRC shall provide recommendations for the next five-to-ten years.”	Mid-October, 2016

**Oversight Team:**

US: Lorraine Loomis, Kirt Hughes, Kyle Adicks, Tim Tynan

Canada: Jennifer Nener, Les Jantz, Mike Staley.

**Technical Team:**

Timber Whitehouse (DFO), Fiona Martens (PSC), Robert Conrad (NWIFC)

Notes: 1. FRSC TOR re Scope of review, Objectives (a) and Alternatives (b) to be considered

### **Scope of the Review**

To this end, the FSRC shall examine alternative hydroacoustic monitoring configurations for the Mission Bridge and Qualark Creek stations – both as independent and as complementary operations, as well as other assessment methodologies. The FSRC will be supported by the PSC Secretariat, Fisheries and Oceans Canada staff and others as required. The examination should include:

- a) Clarification of the fisheries management objectives for lower Fraser River in-river assessment. Objectives may include (but are not limited to):
  - o species priorities,
  - o level of accuracy required to inform fisheries management decisions,
  - o reliability and timeliness of data; (in-season versus post-season/in season timing versus location),
  - o robustness of the enumeration system to unpredictable variations in fish behaviour, and river conditions (e.g. discharge, temperature);
- b) Evaluation of existing hydroacoustics station configuration, as well as new alternatives or additions, in terms of whether they meet fisheries management objectives, value for money, bilateral management application, and the appropriate distribution of funding responsibilities as may be applicable.



Proposed Commission timeline and process  
for communicating 2016 very high priority Chinook projects  
to the Joint Fund Committee

February 11, 2015

### Background

Budget constraints in domestic agencies have recently affected assessment programs for Chinook salmon in Canada and the United States. Given this, the Commission and the Joint Fund Committee (JFC) developed a process in 2014 to guide potential endowment fund financing of these programs through 2018. The Commission delivered a document (attachment 1) to the JFC in April 2014 that a) explained the relevance of Chinook assessment programs to Treaty implementation; b) placed Chinook programs in the context of other Treaty needs for other salmon species; c) acknowledged that funding choices remain the prerogative of the JFC; and d) provided guidance for consideration in the JFC's annual funding decision process.

### Timeline and process for 2015/2016

March 2015: The Commission transmits the current list of very high priority Chinook projects, with funding needs, to the JFC.

Spring 2015: The JFC responds to the Commission's recommendations by specifying deadlines for project proponents to submit detailed proposals to the JFC as may be determined by the JFC.

Autumn 2015: The Chinook Review Committee (CRC) convenes to review and rank the detailed proposals and recommend specific projects for funding, directly to the JFC. The CRC also provides a status update on progress reports for projects from the previous year, directly to the JFC.

February 2016:

- The JFC makes a final decision on funding specific Chinook projects recommended by the CRC
- At the Commission's annual meeting, the CRC reports to the Commission on the results of 2015 projects

The Commission expects that final reports from each of the high priority projects will be incorporated into annual processes of the CTC.

April 10, 2014

## **Pacific Salmon Commission Guidance to Northern and Southern Pacific Salmon Treaty Endowment Committees**

The Pacific Salmon Commission (PSC) is providing guidance to the Northern and Southern Fund Committees for their consideration as they review and decide on projects and activities to be funded starting in 2015. This guidance is provided to support the needs of implementing Chapter 3 of the Pacific Salmon Treaty (PST) in light of conclusion of incremental funding with the Sentinel Stocks Program, Coded-Wire-Tag Improvement Program and model improvement mandated through the 2009 PST Agreement. The PSC recognizes that the management agencies preparing for the 2015, 2016, 2017, and 2018 fishing seasons face financial challenges in meeting obligations for stock assessment and data collection, and under present circumstances, are unable to build existing PSC programs into their agency budgets.

The Commission recognizes that implementing the fishery provisions of the Treaty creates research and management responsibilities on the part of agencies in both nations and that securing sufficient funding is an ongoing problem. The Commission also recognizes that in light of the differing requirements of the Treaty's various fishery arrangements and the differing needs for management in the northern and southern areas the long-term agreement reached in 1999 and revised in 2008 created two fund committees with the responsibilities of each focused on one of the two regions. As such the Northern and Southern Funds are valuable resources that make important contributions to the implementation of the Treaty, recognizing that expenditures shall not exceed the earnings from the invested principle of the respective funds.. The Commission also recognizes that provisions in Chapter 3 are unique in creating a comprehensive and coordinated management program for Chinook that encompasses Chinook salmon stocks and fisheries in the geographic areas of both the Northern and Southern Funds.

The concern for maintaining key assessment activities such as the viability of the coded-wire-tag system, the performance of catch and escapement monitoring and sustaining exploitation rate and escapement indicator stock programs, was outlined in a letter from the co-chairs of the Chinook Technical Committee (CTC), Coho Technical Committee, Coded Wire Tag Implementation Team, Sentinel Stocks Committee and Selective Fishery Evaluation Committee to the PSC dated January 10, 2014. In response to this letter, the Commission requested that the co-chairs provide a prioritized list of the expiring activities related to chinook and that this be done on coast wide basis. Advice from the joint Chinook technical committee on projects and activities amended by the Commission is attached and this information was used to develop the considerations outlined below.

As a final point, it is important to emphasize that the Commission's guidance also reflects the understanding that the endowment committees' interests and responsibilities are not confined to the data needs of Chapter 3. The Commission recognizes that the endowment committees will review a wide range of projects and activities across other salmon species and must balance divergent needs with existing multiple year project commitments and available annual funds. In particular the Coho Technical Committee and the Selective Fisheries Evaluation Committee co-chairs have recently informed the PSC of stock and fishery assessment programs at risk and necessary for implementing commitments defined in chapter 5 with the southern Coho Management Plan. Similarly needs in the north include funding for sockeye stock and fishery

programs in the northern boundary area and the Transboundary Rivers to address commitments explicit in Chapters 1 and 2. The Commission acknowledges that decisions on project and activity selection are the responsibility of the endowment committees, the members of which are appointed by either Government of Canada or the United States, and each committee retains the final authority and responsibility for any funds committed by that committee.

With the above understanding, the Commission suggests that the following considerations guide the Northern and Southern endowment committees' review and decisions on funding projects and activities for 2015 through 2018:

- 1) All projects and activities funded by the PSC endowment funds will be undertaken in support of the Pacific Salmon Treaty;
- 2) All projects and activities that are identified for funding will have a specified end date and will not extend beyond 2018;
- 3) The attached list of projects prioritized as very high priority by the joint technical committees to address Chapter 3 data needs is supported by the PSC, and should be used to inform the committees' selection of projects for approval. The Commission may provide further advice on other projects that are currently under review. For example, the Commission recommends bilateral development and SSC review of a project to estimate the West Coast of Vancouver Island escapement with the understanding that this project may be added to the list of very high priority projects for consideration by the endowment committees.
- 4) The committees will collaborate, and preferably meet jointly, in reviewing and selecting projects and activities aimed at addressing identified data needs. A coast wide and integrated approach will be required to assess priorities and evaluate projects and will be best accomplished through joint fund committee meetings; and,
- 5) Recognizing that needs and priorities may shift and costs may change, the Commission suggests annual reporting on the projects that are funded and review of priorities and associated costs for the coming year. The committees, working with the CTC and other technical committees as appropriate, should develop the best review process that includes their involvement and could consider the following process:
  1. Proposals to the Fund Committees with clear objectives and detailed methods complete enough that reviewers can ensure that the project is efficient, well thought out and likely to accomplish the stated objectives.
  2. If funded, a proponent would make a presentation similar what has been done to date with the SSC and CWTIT process. A review team comprised of CTC members would be appropriate.
  3. The CTC can be called on to make a recommendation by the end of the PSC annual meeting in February to the Fund Committees regarding whether a project should continue the next year, whether modification is needed to achieve objectives, or if an alternate data need is more important.
  4. Each Fund Committee should take the CTC input under consideration as they make funding decisions.