

Cooke aid raising concerns

By ROGER TAYLOR Business Columnist

The Dexter government, on behalf of Nova Scotia taxpayers, is banking heavily on the belief a single company from New Brunswick will be able to jump-start the province's underachieving aquaculture sector.

But there's concern the Dexter government may be risking too much on Cooke Aquaculture, which had been forced by government inspectors in March to kill thousands of farmed salmon due to an outbreak of infectious salmon anemia at one of its facilities in Shelburne Harbour.

Another suspected outbreak at a different Cooke operation in Nova Scotia was reported this month.

The company was compensated for the fish kill because it was ordered by government inspectors. A call to the Canadian Food Inspection Agency failed to yield exactly how much the company was paid for the fish, but it is estimated to be in the millions of dollars.

Nevertheless, the Nova Scotia government announced Thursday it has committed to providing the Blacks Harbour, N.B., company with \$25 million to help with its expansion in Nova Scotia.

The attraction for the government is that most of the jobs Cooke will create will be in hard-pressed rural areas of Nova Scotia where the local economy is flagging and employment prospects are bleak.

Aquaculture currently contributes about \$50 million a year to the Nova Scotia economy while creating about 750 jobs. But that's less than other provinces. In order to improve the aquaculture business here, the government came up with a strategy released a couple of weeks ago.

The sizable contribution to Cooke Aquaculture is viewed as the first step in the government's effort to build the fish farming sector here.

The provincial funding includes a \$16-million, 10-year, interest-bearing loan and a \$9-million forgivable loan. The forgivable loan requires Cooke to achieve employment benchmarks and complete \$70 million worth of capital projects.

Those projects include a \$30-million expansion of the company's saltwater farming operation in Shelburne, which has already started. The expansion is supposed to create an additional 120 jobs and achieve a goal of bringing three million fish to market annually.

Cooke will also spend \$8 million on a processing plant in Shelburne County, creating up to 300 jobs. According to the company, the processing plant will focus on turning out value-added product for markets in Canada and the U.S. east coast.

The company is also committed to spending \$12 million on a freshwater hatchery in Digby, which it bills as the largest “freshwater recirculating hatchery” in North America. It will have a capacity of hatching four million fish a year and the potential to employ about 20 workers.

The fourth project will be a \$20-million expansion of Cooke’s existing feed plant in Truro, adding about 30 jobs.

While the government was willing to talk about food safety and environmental issues while rolling out its aquaculture strategy, the term “closed containment” didn’t get a lot of attention Thursday. Environmentalists and people involved in the traditional fishery complain about the open-net method of farming finfish because of its potential for harming the traditional fishery and environment.

And Cooke doesn’t have a good reputation. The company is reported to be facing more than 70 counts of dumping illegal substances in the Bay of Fundy, related to a government investigation into dead lobsters.

The government has indicated it prefers the closed containment method, which would segregate the finfish farms from open bodies of water or streams, because there is less chance of contaminating the wild fish stock and harming the environment.

In its strategy, the government gave the impression it is going to do a better job at managing aquaculture in the province.