



Fisheries and Oceans Canada/Canadian Coast Guard



Unifor has more than 10,000 members employed directly in the country's fishing industry, including fish harvesters, plant workers and marine safety professionals; and hundreds of members working in the Coast Guard's Marine Communication and Traffic Services bases.

Unifor priorities

The central principles in fisheries management should be adjacency and historical attachment. Fisheries and Oceans Canada defines adjacency as those who live closest to the resource will be given priority access and allocation to that resource. Adjacency and historical attachment have been enshrined in the management plans of several species since the early 1980s.

Adjacency and historical attachment are the pillars that support all aspects of the owner-operator inshore fishing industry. Adjacency supports the sustainability of the owner-operator fleet; it supports local harvesting and processing; it supports local economic growth and employment; and it ensures a strong Canadian connection to the resources in our coastal waters. Without adjacency and historical attachment, coastal Canada would be much less prosperous and much more economically vulnerable.

The at-sea factory freezer fleet is owned by several different multi-national companies that often have tenuous connections to the provinces that are adjacent to the waters in which they fish. The catch of this fleet is not processed in Canada and is instead shipped out of country, usually to locations that have much lower labour costs and poorer labour laws. The significant costs to losing the owner-operator fleet can already been seen in provinces such as British Columbia, where a dynamic owner-operator fishery has almost completely disappeared.

Owner-operator enterprises are locally owned and employ local crew members. All of the owner-operators catch is landed and processed locally. Therefore, this local fleet supports processing plants that employ thousands of Newfoundland and Labrador residents and a strong trucking industry needed for transporting product. Owner-operators purchase their supplies locally, such as gas, groceries, and bait, and they use local businesses for maintenance. The web of economic benefits that flows from the owner-operator fleet is substantial, supporting scores of small rural communities, as well as helping to maintain the sustainability of regional service centres.

In British Columbia, a salmon processing monopoly and a disregard of adjacency has seen the recent decision to shut down the salmon cannery in Prince Rupert to process elsewhere, costing more than 500 good jobs held primarily by First Nations residents.

The department also has an important responsibility to Canadians to keep them safe on our waterways. With Canada's extensive coastline, the Canadian Coast Guard has formidable challenges in the wake of the previous government's reckless cuts and closures. Over the last two years, Stephen Harper closed 9 of 22 Coast Guard's Marine Communication and Traffic Services (MCTS) bases. These cutbacks endanger lives and wildlife on our coast. The MCTS protects people who live and work on the seas. By monitoring traffic, they are the first line of defense when disaster strikes.



Specific issues and recommendations

Northern Shrimp & LIFO (Newfoundland and Labrador)

For the past several years, northern shrimp has been allocated in a manner that unfairly places the burden of stock declines on the inshore owner-operator fishery. As a result, since 2009 the inshore quota, which is confined to a single shrimp fishing area, has been cut by 47%, while the corporate owned offshore quota, which is fished in seven fishing areas including the same area fished by the inshore, has declined by just 14%. The immediate effects of this decline has been the closure of three shrimp processing plants that employed 600 people in rural NL.

During the federal election, Prime Minister Trudeau committed to reviewing the policy, commonly referred to as LIFO, which unfairly allocates the northern shrimp quota. Thus far this review has not yet commenced. According to the written commitment, the review is to seek to establish the maximum benefit for the communities and people that depend upon the resource. Therefore, at a minimum, we expect that the review will involve consultations in communities across the coast of Labrador and along the northeast coast of Newfoundland.

In the meantime, this year's northern shrimp quota will be announced in late March or early April. If the promised review is not complete, we currently have no guide for how the quota will be allocated. A difficult stock report and an allocation decision based on LIFO will be economically devastating to several regions across NL.

Halibut (Newfoundland and Labrador)

The previous federal government has also ignored adjacency and historical attachment to secure political favour. In April 2015, the Minister of Fisheries and Oceans, Gail Shea, broke the stable sharing arrangement on Gulf halibut in favour of fish harvesters in her home jurisdiction of PEI.

Under the stable sharing arrangement, halibut was allocated to provinces based on historical attachment and adjacency. Under the latest management decision, PEI saw a 90% increase to its quota while NL saw only a 9% increase.

In the 3Ps region, which is on the south coast of the province, the previous federal government halved the share for inshore fishers from 6% to 3%. For harvesters in that area to participate in the halibut fishery in any meaningful way, they must first purchase quota from an inactive license holder who is often not a resident of NL.

One particular difficulty with this attack on adjacency and historical attachment is that it has primarily hit the most financially insecure harvesters. If adjacency and historical attachment had been followed with halibut, it is possible that the increase in quota could have lifted harvesters out of poverty; instead, they have been left struggling.

Our recommendation would be to reverse these cuts and manage the halibut fishery based upon historical active harvesters and their historical attachment.

Preserving the Owner-Operator Fleet

Key to maintaining the integrity of the inshore fishery is protecting the sanctity of the owner-operator fleet. Over the past decade, the owner-operator fleet has been undermined by some harvesters and processers that have acquired ultimate control over licenses held in another owner-operator's name. Once under a "controlling agreement," the owner-operator is bound to contractual terms that make it very difficult to get out of. The current government does have an owner-operator policy, *Preserving the Independence of the Inshore Fleet in*

Canada's Atlantic Fisheries (PIIFCAF), which has recently been strengthened. With that said, the current policy could be strengthened to examine the root of the controlling agreement problem and the enforcement penalties for those who break policy. Moving this policy to regulation would be an effective route.

On the west coast, Individual Transferrable Quotas (ITQs) for the halibut fishery has concentrated licences in the hands of large multinational fleets, effectively stripping BC's coastal communities of control of licences. There is ample evidence that ITQs do not achieve the stated policy goals of DFO for fleet stability, viability, safety, efficiency, and greatest net benefits to (Canadian) society.

The ongoing push within the department for salmon fishery ITQs is bad public policy and alternatives should be considered, and Unifor welcomes the opportunity to contribute to that discussion.

Marine Safety

The new federal government has already taken commendable steps to ensure marine safety by reinstating the Coast Guard rescue sub-centres in St. John's and Vancouver. However, we request that mariner's safety be further improved by immediately halting the planned closure of the Comox Marine Communication and Traffic Services (MCTS) centre and the new government consider reopening MCTS centres that were closed under the previous federal government.

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