



Policy engagements in support of Owner Operator

Owner Operator
Overview



Link to online engagement site and to complete questionnaire



Purpose

The purpose of this presentation is to

- Provide **background** and **context** for Owner Operator and how it is supported by other vessel and related policies.
- To **seek your views and feedback** on how to better support inshore **Owner Operators**, through these related policies;
 - **Vessel Registration Policy,**
 - **Vessel Sharing Arrangements, and the**
 - **Substitute Operator Policy**

What these engagements are **NOT**

- These engagement are **not imposing or recommending** a standard one size fits all approach to **vessel policies** across Atlantic Canada and Quebec.

What is Owner Operator?

Owner Operator Policy was originally introduced with **two primary objectives**:

1. that the person issued the licence is the same individual fishing the licence (and be on board the vessel); and,
2. limit licence holders from holding more than one licence per species.*

In 2021, the requirement to fish the licence personally while on board the vessel was **put into law** in the *Atlantic Fishing Regulations, 1985* and the *Maritime Provinces Fishing Regulations*.

Inshore Regulations – Owner Operator

Atlantic Fishery Regulations, 1985

- **19 (2)** In the case of a licence referred to in paragraph 18(a), (b), (d) or (g), the activities authorized under the **licence must be carried out personally by the licence holder**, the operator named in the licence or a person authorized in accordance with subsection 23(2) of the *Fishery (General) Regulations*.

Maritime Provinces Fishery Regulations

- **29.2 (2)** In the case of a licence referred to in paragraph 29.1(a), (b), (d) or (g), the activities authorized under **the licence must be carried out personally by the licence holder**, the operator named in the licence or a person authorized in accordance with subsection 23(2) of the *Fishery (General) Regulations*.

Exceptions

- There are exceptions to being personally onboard a vessel fishing the licence.
- **Important to note:**
 - Vessel Ownership **is not required by licence holders**
 - Under s.23(2) of the *Fishery (General) Regulations*, *Where the holder of a licence or the operator named in a licence is unable to engage in the activity authorized by the licence or use the vessel specified in the licence because of* **'circumstances beyond the control of the licence holder or operator'**.



What is Owner Operator?

- Owner Operator **applies to fisheries in Eastern Canada where licence holders are restricted to using vessels <65 feet, some exceptions apply***.
- The recent **Inshore Regulations**, address concerns that a licence holder's independent **decision-making was being controlled**.
- Under Owner Operator and the Inshore Regulations, **licence holders are responsible for all aspects of their enterprise**, including all operational and management decisions.
- **Maintaining the revenues from the resource in the hands of small independent Owner Operators**, rather than corporations, promotes the growth of small coastal communities adjacent to the resource, where harvesters live.



Owner Operator Cont'd

- **Owner Operator is central** to promoting **independent** fishing enterprises.
- Vessels are **a major capital investment and/or expense for Owner Operators** and can have a direct effect on an Owner Operator's independence.
- Agreements and arrangements between licence holders and third parties (processors, buyers, banks etc) **that allow for control or influence over a licence holder are prohibited under law.**
- Agreements and arrangements between licence holders and third parties (processors, buyers, banks) **that do not allow for control or influence over a licence holder are allowed** as they provide access to important services (vessel leasing; administration and accounting etc...) and capital. These may be necessary for the annual operations of an independent inshore enterprise.



Owner Operator Cont'd

- **Owner Operator is a balance** between being onboard the vessel and making independent decisions about their enterprise.
- As part of the Inshore Regulations, **all agreements and arrangements related to vessels may be reviewed by DFO to determine control or influence and** must comply with Owner Operator and cannot be used to undermine a licence holder's independence.
- The **DFO relies on key policies** to guide decisions and uphold Owner Operator.

Key Policies that Support Owner Operators

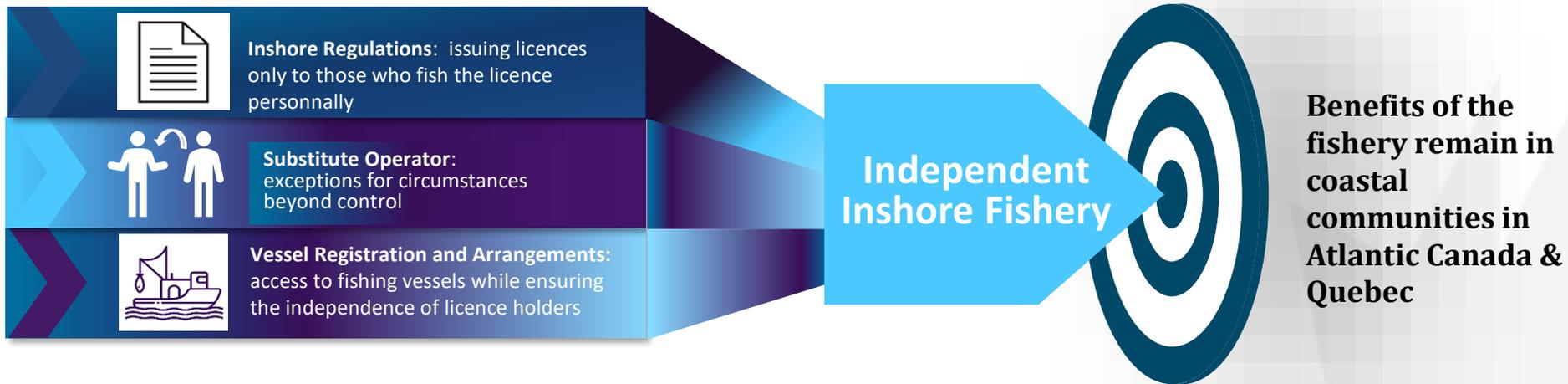
Owner Operator independence is supported through related policies, such as;

- **Vessel Registration Policy:** supports Owner Operators by allowing DFO to connect specific vessels to fishing activities authorized by the licence, and in doing so confirm that only approved vessels, regardless of ownership, are being personally operated by the licence holder
- **Vessel Sharing Arrangements:** supports Owners Operators by having licence holders partner up to share a vessel and associated costs without undermining each other's independence.
- **Substitute Operator Policy:** allows an exception to Owner Operator during difficult circumstances, such as illness.

Finding the right balance

- **Policies that support Owner Operator have been calibrated for each coastal community** and have evolved to reflect local preferences and trade offs.
- **Balancing how the different vessel registration, vessel sharing and/or substitute operators policies work together to support Owner Operator is essential** to reflect local preferences and realities.

Balancing the Regulatory and Policy Tools for the Inshore



With the implementation of the Inshore Regulations, there is a need to review the remaining policy suite to ensure that policies are continuing to uphold Owner Operator objectives while reflecting the realities of inshore fish harvesters

Engagement Questions

In your community, what is important for supporting independent inshore fishers? Are there currently rules that DFO uses that makes it more difficult for fishers to be independent?

Engagement Question

What roles do vessel registration and sharing, as well as substitute operators play in supporting or undermining Independent Owner Operators?

Thank You

QUESTIONS?