JUNE 2020

A BLUE ECONOMY FOR NEWFOUNDLAND AND LABRADOR

Recommendations to Protect and Promote Our Inshore Fishery



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The next step is to decide what metrics matter to you. Below are some metrics you can start with:

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FFAW 50 YEARS STRONG

The Fish, Food and Allied Workers (FFAW-Unifor) is the largest private sector union in Newfoundland and Labrador, representing more than 15,000 workers, most of whom are employed in the fishing industry. Since 1971, FFAW has played a vital role in shaping the economic, social and cultural landscape of Newfoundland and Labrador. FFAW-Unifor members also work in the hotel, hospitality, brewing, metal fabrication and marine transportation. Our members live in more than 500 coastal and rural communities around the **province**.

HISTORY

0-1969

Father Desmond McGrath moved to the Northern Peninsula and quickly learned that fish harvesters in the region were powerless in the industry that depended on their labour. He discussed the idea of a union to bring harvesters together.

0-1970

The price of fish plummets and fish plant workers are being paid less than the minimum wage. Father McGrath and Richard Cashin suggest the formation of a Fishermen's Union to protect fish harvesters and processors.

0-1971

The Fishing Industry Collective Bargaining Act gives inshore harvesters the right to bargain the price of fish.

0-1979

Labrador Fishermen's Union Shrimp Company union created and successfully lobbies to ensure the proceeds from the northern shrimp fishery were used to benefit the people of Labrador, not just the remote fishing companies.



0-1981

Union wins Universal Worker's Compensation coverage for harvesters—passed by the House of Assembly in this Bill gave harvesters equivalent coverage to other workers with the fish companies obliged to pay the premiums.

0-1990

Decline in fishing quota led to fish plant closure, debilitating the rural economic landscape.

0-1992

Cod Moratorium. Massive rally in St. John's followed by a protest at sea in which a flotilla of fishery vessels sailed outside the 200 mile limit to symbolically claim the nose and tail of the Grand Banks as Canadian territory.

0-1995

Attack on public policy in Canada, seasonal workers were singled out with major assault on Unemployment Insurance Program.

- 2000s

Membership growth in other industries, fisheries growth with increased and sustained profits for harvesters, protections and price negotiations, owner/operator separation in the Fisheries Act.



THE NEXT 50 YEARS

The Federal Government has a responsibility to provide a clear path forward for our members in every sector, for their families and for the coastal communities that depend upon our members success. FFAW-Unifor members want to see investments in the next generation of fish harvesters, and long-term financial security. The Federal government has a critical and distinct role in the fishery determining management plans and quotas. Each year, millions of dollars in tax revenue is derived from the industry from fish harvesters, plant workers, processing companies and related industries.

Stephen K.

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Recommendation One PROTECT THE INTEGRITY OF THE INSHORE FISHERY

- Protect the integrity and future of the inshore fishery, which is dependent upon the owner/ operator fleet, the Federal Government must strengthen the commitments in the Fisheries Act to investigate and prosecute controlling agreements.
- As the oceans change and marine species migrate to different waters, there must be a consideration to the distribution of fair quotas in these fishing grounds.

Ending Controlling Agreements

The key to maintaining the integrity of the inshore fishery is protecting the sanctity of the owneroperator fleet. Over the past decade, the owner-operator fleet has been undermined by some harvesters and processors that have taken ultimate control over licenses held in another owneroperator's name. Once under a "controlling agreement," the owner-operator is bound to contractual terms that make it very difficult to leave the agreement. The current government does have an owneroperator policy known as Preserving the Independence of the Inshore Fleet in Canada's Atlantic Fisheries [1](PIFFCAF), which has recently been strengthened. With that said, the current policy could be strengthened to examine the root of the controlling agreement problem.

The current system to track and identify harvesters who have entered into a controlling agreement is lacking investigative support and jurisdictional prowess. More simply put, identifying those controlling agreements and then following through on the termination of licenses is arduous. In order to properly execute the aims of the PIFFCAF, and the those outlined in the Fisheries Act, the Federal Government must invest in ongoing training to assist the Department of Fisheries and Oceans in a) the identification of possible controlling agreements and, b) proper investigation for cancelling of licences the contrave PIFFCAF.

Fair Quota Allocations

The most important fisheries management principles for rural Newfoundland and Labrador and the inshore fishery are adjacency and historical attachment. 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, particularly cod, shrimp, and crab.

Adjacency and historical attachment are the pillars that support all aspects of the 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, RURAL COMMUNITIES THROUGHOUT THE ATLANTIC PROVINCES, WOULD BE MUCH LESS PROSPEROUS AND MUCH MORE ECONOMICALLY VULNERABLE."

For example, halibut stock in 3Ps is stronger than ever, which has been confirmed many times by the experiences and observations of harvesters. Unfortunately for 3Ps halibut fishers, the bulk of the halibut is tied to several license holders in the area, most of whom are not actively engaged in the fishery. Instead of fishing, many license holders sell parts of their quotas to individual harvesters. Thus, the financially strained 3Ps harvester has to make an upfront payment to an inactive license holder in order to get access to fish located just off the coast of where they live.

The government has not intervened to rectify this problem, though it is within its authority to do so.

Recommendation Two

BUILDING BLUE COMMUNITIES

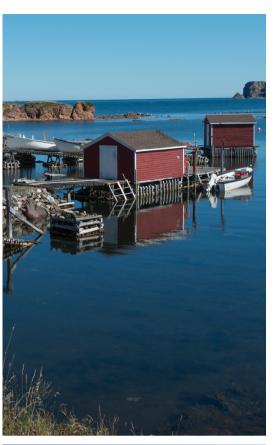
- In the national pursuit a *blue economy* harvesters as the cornerstone of these economies must be the center of planning and decision-making.
- As the harvesters navigate the uncertainty of global warming on species stocks, the Federal Government must commit to protecting our waters as a vital part of the public domain to be utilized for the benefit of the public.



The Blue Economy requires a paradigm shift that acknowledges and values all ocean benefits, including the positive economic and social impact of the inshore fishery on all rural coastal communities. The United Nations Environment Programme[2] notes that this new economy is based on "sharing, circularity, collaboration, solidarity, resilience, opportunity, and interdependence" as we move away from large-scale, corporate control of our oceans. We do not own our oceans and waterways, we belong to them and therefore, we must treat them as a shared public resource to be protected and managed responsibility for the next generation.

Our members understand first-hand the need to build the fishery in conjunction with the latest and most robust science available in order to protect our resources for years to come. Harvesters' expertise and knowledge are crucial for identifying research needs, distribution, mitigation, and ocean conditions.

In recent years the increased presence of invasive species due to seismic exploration and aquaculture are threatening marine environments. Harvesters' in partnership with researchers and FFAW-UNIFOR are working on mitigation efforts. For example, there is the rise of the invasive green crab species[3] which has been dubbed one of the ten most unwanted species in the world able to upset the overall balance of the marine ecosystem. In Placentia Bay, there have been efforts focused on removal and restoration of eelgrass. In 2018, over 90 tonnes of green crab was removed from the waters in this area and mitigation has expanded to North Harbour and Swift Current.

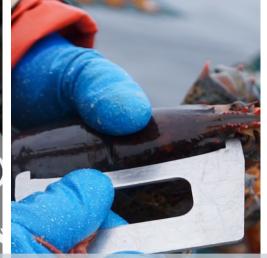




Harvesters are experts in their stocks and geographic areas, this knowledge is also essential in collecting data from our assessments and surveys. FFAW-UNIFOR surveys provide crucial information for stock assessments for a variety of species. In 2014, the collaborative Gulf halibut longline survey and tagging program began which continue to provide data on exploitable biomass—which is needed to demonstrate the health of the stock. The wide scope of research happening in collaboration with; harvesters, FFAW-Science, federal and provincial fisheries departments, university researchers and research networks and environmental groups partners, enhances our shared knowledge and ability to respond to climate change.

The Blue Community is a counter-narrative to the Blue Economy campaign corporations use to rally investors around big ocean-based development like net-pen farming and massive wind farms. Translation: ocean privatization and consolidation. The Blue Commons seeks a collaborative approach to managing the oceans as a shared resource providing equal and fair access to opportunities to fish for and grow seafood responsibly.

As the Federal Government begins to design and implement a strategy for a blue economy, it must include fish harvesters and fish processors, as all members of the inshore are lifelines to any long-term solutions. The success of building blue communities will require whole sector support with signification community involvement,





Recommendation Three SUPPORTING TRACEABILITY AND SUSTAINABILITY

- The Federal Government must commit to protecting our waters as a vital part of the public domain to be utilized for the benefit of the public.
- Traceability is a growing trend for blue economy initiatives and to ensure continued success, all levels of government must commit to investing in new markets and increased funding for the expansion of this intative to more species.

The Future of Traceability

The Traceability Program includes nearly 300 harvesters participating in the "Trace Your Plate" initiative that provides consumers a link to where and who their seafood came from. Consumers from all over the world can read about the harvesters and the supply chain involved in the meal on their plate.

In early 2019, the Seafood Producers of Newfoundland and Labrador (SPONL), the industry group for 14 lobster buyers, and FFAW-Unifor joined together on branding and traceability. SPONL members, which buy and export a majority of lobster landed in the province, promote traceability to their harvesters and ensure that traceability tags remain attached to lobster claws for shipment. As another measure of collaboration, FFAW-Unifor and SPONAL jointly incorporated SeafoodNL as a collaborative approach to oversee future branding and traceability.

The fishery is adapting to shifting markets, policies and climate often means seafood harvesters need to simplify their supply channels. Harvesters, chefs, distributors can work together to create more direct supply chains, built on transparency, trust, and fair pricing.

FFAW and harvesters must be a part of any strategy from the Federal Government in the creation of the Blue Economy, as it is their lives that are most profoundly impacted by climate change in our fishery and their knowledge that will offer essential insight.

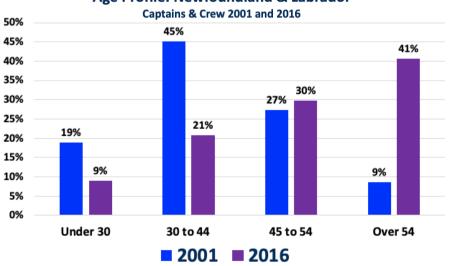


- More government support fro young harvesters and women who seek a career in the fishery
- Ending the current Temporary Foreign Worker program in favour of investments into full time and permanent employment for all workers.

Despite the significant victories of the fishery over the last ten years with increases in landed

value, protections for workers, and the commitments in the Fisheries Act that solidifies fleet separation; considerable challenges remain to protect the future of the fishery. In Newfoundland and Labrador, there are pronounced labour market realities across every sector that threaten our workforce with a shrinking and aging demographic.

In particular the fishery is facing a monumental turnover with a vast majority of harvesters, owner/operators, and licenseholders nearing retirement. Only 17% of harvesters are under the age of 35, while nearly 40% are over the age of 55. This monumental shift must require equally monumental solutions from all levels of government to avoid collapse.



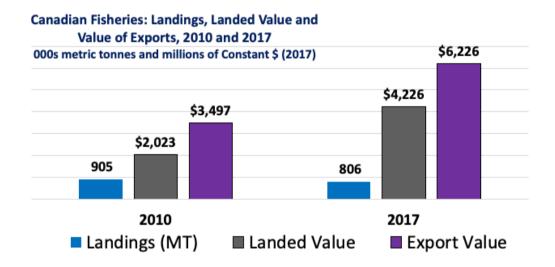
Age Profile: Newfoundland & Labrador





HOW CAN THE GOVERNMENT SUPPORT YOUNG HARVESTERS?

The persistent narrative that there is no money in the fishery has been proven false time and time again, as the industry proves economically stable with those in the industry earning more despite declines in biomass across major stocks (see table). However, another narrative has begun to surface that entering into this, now profitable fishery, is impossible. Based on the demographic numbers, alone there is certainly some truth to this, as young harvesters face considerable barriers.



Encouraging young harvesters and women to enter or remain in the fishery is dependent on the ability of the Federal Government to support various conditions that will increase participation including; accessible licenses; increasing financial support; and providing education and training for those new to the fishery.

To address these barriers for young harvesters and to secure the healthy future of the fishery, licenses must be more accessible. The accessibility depends upon securing more financial support from the Federal Government with funding earmarked for young harvesters. Additionally, as previously noted the Department of Fisheries and Oceans, as mandated by the Fisheries Act, must be given adequate funding to investigate controlling agreements. Without these measures, licences will continue to be purchased by corporations, thus further driving up the price and threatening future and current owner/operators.



Prohibit Temporary Foreign Workers

The province is suffering from a shrinking and aging demographic, with immigration being one of the most important strategies able to bridge the population chasm. However, the hiring of Temporary Foreign Workers cannot be considered a reflection of this immigration strategy. Any program of labour migration that fosters a climate of precariousness and fear for a large segment of Canada's workforce, is not a method to encourage long-term growth. As such, the union recognizes that the core tenets of the Temporary Foreign Worker Program (TFWP) are flawed.

A comprehensive reassessment of the TFWP is needed with meaningful consultation and an evidence-based approach to reform. Real change requires the government to view the TFWP through a progressive lens – one that emphasizes equitable rights and protections for migrant workers and a well-designed program that is coherent with Canada's immigration processes.

With reports from fish processing plants in Triton and St. Lawrence using temporary foreign workers for low-wage and seasonal jobs, we must commit to ending this often exploitive practice. The argument from the processing companies centers around the notion that the jobs are not being filled by local residents, therefore, they are forced to bring in workers from other nations. However, the root cause of these labour shortages is much more complicated and based on the stagnation of wages and increasingly precarious and seasonal work.

In processing plants where workers are unionized with full time work and decent wages, such as the Clearwater Seafoods processing plant in Grand Bank the labour supply is filled by local workers. Clearwater Seafoods employs approximately 130 people processing arctic surf clams and this year processing sea cucumber as well. The plant is an economic driver for the Burin Peninsula, supporting valuable land-based jobs where employees work nearly year-round

THE NEXT 50 YEARS: BUILDING BLUE COMMUNITIES

The Federal Government has a responsibility to provide a clear path forward for our members in every sector, for their families and for the coastal communities that depend upon our members success. In order to secure a vibrant middle class in our rural communities significant commitments must be made by the Federal Government. There can be no future for blue communities without the support of those workers and fish harvesters who are the lifeblood to these rural economies.





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