

Coastal fisheries in the North Atlantic
Reykjavik, Iceland
March 25-26, 2014

The Newfoundland and Labrador Coastal Sector



FFAW | UNIFOR
Fish, Food & Allied Workers

That was Then, This is Now

- Vikings showed up around 1000 A.D.
- First Europeans came to Newfoundland in 1497.
- *“The sea there is swarming with fish, which can be taken not only with the net but in baskets let down with a stone, so that it sinks in the water. These same English say that they could bring so many fish that this kingdom would have no further need of Iceland.”*

Raimondo di Sancino in a letter to the Duke of Milan dated December 18, 1497 informing him of John Cabot’s discovery of North America.

“Dictatorship in Newfoundland”

- *“The codfishery is also of very great interest to the student of theoretical economics. It is almost unique as an industry in that the class which owns the capital employed in it has managed, somehow or other, to throw the whole risks, or very nearly the whole risks, which capital normally takes and on which it bases its abstract claim for reward, on to the shoulders of the working classes. Moreover, it is a striking example of an industry in which the real capitalist has gone very far towards making a profit the first charge on the proceeds of the sale of a manufactured article, taking precedence even of a bare subsistence for the primary producer.”*

Thomas Lodge

Commissioner for Public Utilities in Newfoundland, 1934-37

FFAW-Unifor

- 1969 – Organizing of fishermen and plant workers begins.
1971 – Burgeo – Spencer Lake: *“I’m fond of the people of Burgeo. It’s just that they’re not capable of running their own affairs.”*
- Union now has ~ 12,000 members – 8,000 harvesters, 3,000-4,000 plant workers and several hundred in other occupations.
- Harvesters include 2-300 crew members on offshore shrimp/groundfish trawlers. The balance are roughly 2/3 small boats – i.e. <40’ – fishing crab, cod and lobster, and 1/3 45-65’ primarily fishing shrimp and crab.

Headquarters St. John's, NL Canada



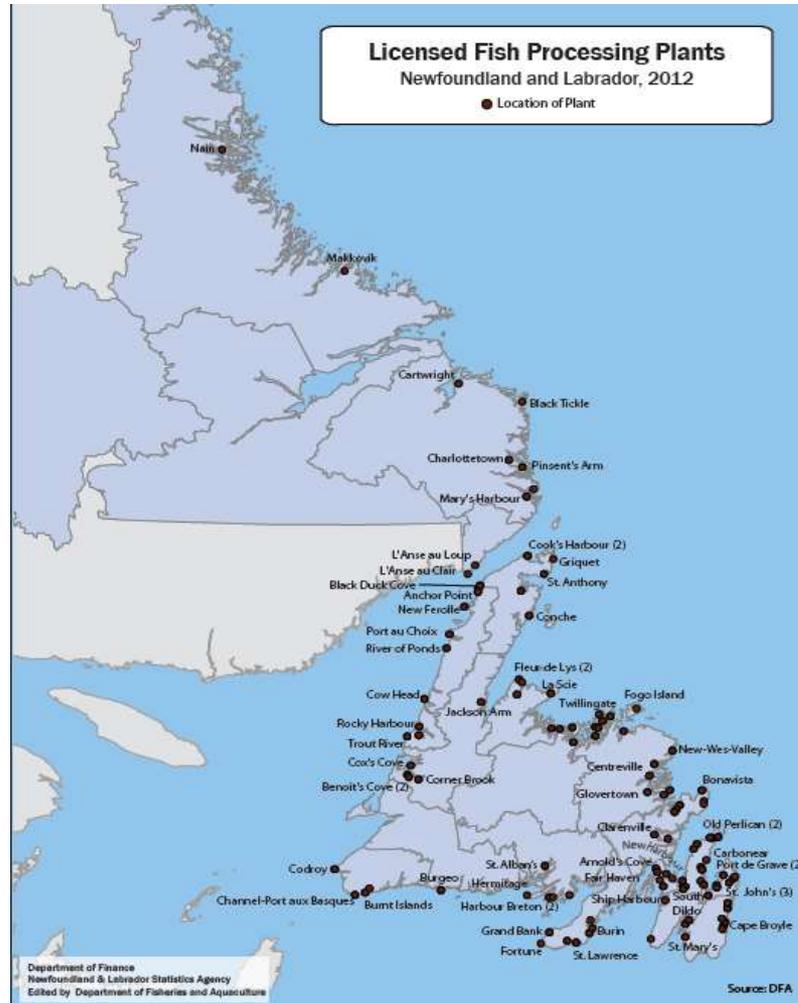


Challenges over the years

- **Challenges over the years.**
- History of feudal-type relationship between primary producer and buyers.
- Foreign overfishing.
- 30 year cooling trend.
- Massive job loss. Demoralizing period.
- Emergence of crab and shrimp.

- **Back to the Future**
- Trend now reversing itself. 18 years of warming.

Map of Newfoundland & Labrador



NL Fishing Industry Highlights

 Newfoundland and Labrador Fishing Industry Highlights 2011 (Revised) and 2012 (Preliminary)					
Total Production Value for 2012: \$1 billion, and Revised 2011: \$1 billion					
Total Landed Value for 2012: \$575 million, and Revised 2011 : \$614 million					
Landed Volume (tonnes)					
	2011 Revised		2012 Preliminary		
Groundfish	31,798		25,621		
Pelagics	62,569		58,616		
Shellfish	174,354		167,715		
Seals (number)	37,918		67,567		
Total (not including seals)	268,721		251,952		
Annual Average Employment (person years)			Total Employment (individuals)		
	2011	2012		2011	2012
Harvesting	3,800	3,600	Harvesting	10,835	10,398
Processing	4,200	4,000	Processing	9,902	9,214
Average Industry Employment:	8,100	7,600	Capture Fishery Employment:	20,737	19,612
Note: <ul style="list-style-type: none"> - The three processing plants on Fogo Island are combined under one license. - The two processing plants in New Harbour are combined under one license. - Processing employ includes aquaculture processing workers. 					
Source: Labour Force Survey, Statistics Canada; DFO; Professional Fish Harvesters Certification Board; and DFA					

Landings & Landed Value NL Fishery 2013

Newfoundland & Labrador 2013 Landings and Landed Value Vessels ≤ 65'		
<u>Groundfish</u>	Landings (000 M.T.)	Landed Value (\$000 Cdn)
Cod	7,696	\$7,443
Halibut	599	\$5,164
Turbot	4,113	\$12,354
Total Groundfish	13,763	\$25,997
<u>Pelagics</u>		
Herring	16,728	\$4,610
Mackerel	3,680	\$2,019
Capelin	27,897	\$5,595
Total Pelagics	48,357	\$12,522
<u>Crustaceans</u>		
Crab	49,273	\$202,960
Shrimp	49,616	\$66,033
Lobster	2,209	\$17,597
Total Crustaceans	101,098	\$286,590
All Species	170,623	\$338,690

Current Challenges

- Figures in tables show magnitude of challenge arising from regime shift that appears to be well underway.
- Need to improve incomes and stabilize communities
- Cod quality pilot project.
- Traceability project for halibut and lobster.
- Rationalization needed – not debt-driven – not as an end in itself but to help achieve income goals.

When ideology and revisionist history intersect:

- Bogus claims about private property and stewardship. Our history suggests otherwise.
- Two sectors to NL fishery, two competing visions of how we should structure our industry. Corporate fishery based on property rights, or Owner-Operator based inshore/midshore fishery.
- Example of New Zealand – inevitable end game of rampant deregulation/privatization. What kind of model is that to aspire to?
- Co-opting of words – some advocates of privatization talk about need to “modernize”. There’s nothing modern about feudalism.

Debt and fish – a dangerous combination

- Rarely does analysis of fishery take adequate account of debt.
- Property rights by their nature produce a debt spiral
- Debt load increases every time quota changes hands. (E.g. FPI/OCI).
- Those who fish and process pay the price.
- E.g. BC halibut up to 80% of value paid out in lease payments. (No O/O).
- The basic pillars of adjacency and historic attachment should not give way to financial might as the cornerstone of access to our fishery resources.

The NL economy in the 21st Century

- Prosperity for some after decades as the poor cousin of Confederation. Driven by oil.
- Oil industry imposes real risk on the fishery.
- We need to use some of the wealth generated by oil to help build a stable foundation for a prosperous future fishery that will employ NLers long after the last drop of oil is squeezed out of the Grand Banks of Newfoundland.
- We'll adapt – after all, we've survived >500 years in a climate that the Vikings gave up on.