

Association of Seafood Producers

Responses

1. Economic Recovery and Growth

Given the current climate of federal and global fiscal restraint, what specific federal measures do you feel are needed for a sustained economic recovery and enhanced economic growth in Canada?

The federal government must address issues in Canadian fisheries policy. In a 1976 policy review on Canada's fisheries, then-Federal Fisheries Minister Romeo LeBlanc wrote "we have been looking for ways to solve these problems and create a healthy, stable industry, one which can bring prosperity and security to the people in it." Yet it is acknowledged by most industry stakeholders that this has not happened. The Fishing Industry Renewal started in 2006 is a good first step, and now more must be done. Harvesters should be given more flexibility to fish quotas in the manner most economical and efficient. Policy should not be designed to provide access to EI, but sustainable harvesting of fish, first and foremost. Canadian fisheries policy is also inadequate and contradictory in different parts of the country. Harvesters can invest in and own fish plants, but under fleet separation policy, processors can not invest in or own harvesting licenses. But in BC, this policy does not apply at all, and there are numerous exceptions to it in eastern Canada on a fleet by fleet basis. There is no basis in fisheries management or economics for such a discriminatory policy. The owner-operator policy is itself contradictory, and poorly regulated. It is more the policy by exception than the rule; many harvesters have made the business decision to hire captains to run their enterprises while they remain ashore. There is nothing wrong with that business model, and if it is ok for a harvester to do so, why can any other Canadian not engage in the same model? Clearly, our fisheries remain underperforming assets in terms of contributing to national wealth. This is the fundamental argument for change. The federal government must decide to tackle issues related to the structure of the fishery. Policies from 1976 have not served us well. The industry can not attract the right capital and without change, it is increasingly difficult to get people to work in a highly seasonal business.

2. Job Creation

As Canadian companies face pressures resulting from such factors as uncertainty about the U.S. economic recovery, a sovereign debt crisis in Europe, and competition from a number of developed and developing countries, what specific federal actions do you believe should be taken to promote job creation in Canada, including that which occurs as a result of enhanced internal and international trade?

The Canadian government should continue its efforts to secure a free trade deal with the European Union. A free trade deal with Europe with reduced tariffs can mean more exports; there is room for that growth, because the European market is a sophisticated market and it has high seafood consumption per capita in comparison to the US and Canadian markets. And Europe has a seafood deficit in trade terms, of about 4 million tonnes annually. They need seafood and they can not source it locally. So reduced and eliminated tariffs can mean new market opportunities for Newfoundland and Labrador seafood producers.

3. Demographic Change

What specific federal measures do you think should be implemented to help the country address the consequences of, and challenges associated with, the aging of the Canadian population and of skills shortages?

We need to build an industry structure that is most adaptable to creating wealth rather than dissipating wealth. The current fisheries model does the latter, and should do the former. We have viewed fisheries through a social policy lens, when it should be viewed as a matter of international trade (most of our production is exported) and business. One of our challenges is the current model creates many short-term seasonal work opportunities. The seasonality issues have been compounded by increases in harvesting and processing capacity when we moved from ground fish to shellfish in Atlantic Canada. We need an industry model that can self-rationalize with private capital, and allows harvesters and processors to make the same best business decisions - within the confines of DFO's mandate to manage the resource. We can and should not use fisheries policies as a form of social engineering. Judging from the declining birth rates in Atlantic Canada, this has failed.

4. Productivity

With labour market challenges arising in part as a result of the aging of Canada's population and an ongoing focus on the actions needed for competitiveness, what specific federal initiatives are needed in order to increase productivity in Canada?

I think we return to our past messages; modernize the structure of the fishery, so we can move the fishery from a social policy fountain to a true business foundation, get better fish management, better incomes for fewer participants, and see free trade deals so people can buy sustainable wild-capture protein from Canada.

5. Other Challenges

With some Canadian individuals, businesses and communities facing particular challenges at this time, in your view, who is facing the most challenges, what are the challenges that are being faced and what specific federal actions are needed to address these challenges?

The largest challenge we face collectively will be labour shortages. All levels of government, business and stakeholders must tackle this together. The unfortunate thing in Atlantic Canada is we have high levels of unemployment and seasonal industries with large numbers of people not working 'out of season.' We need a mix of policy instruments to encourage higher labour force participation rates, from seasonal industries, so we are playing our bit in helping address this fundamental challenge.