



REMARKABLE SEAFOOD, RESPONSIBLE CHOICE

May 24, 2023

Standing Committee on Fisheries and Oceans  
Sixth Floor, 131 Queen Street  
House of Commons  
Ottawa ON K1A 0A6  
Canada

E-mail: [FOPPO@parl.gc.ca](mailto:FOPPO@parl.gc.ca)

RE: **Study of Issues Relating to Foreign Ownership and Concentration of Fishing Licences and Quota**

Dear Members of the Standing Committee on Fisheries and Oceans,

On behalf of Clearwater Seafoods, we are pleased to provide this update regarding the committee's study of issues relating to foreign ownership and concentration of fishing licences and quota.

Founded in 1976, Clearwater is a Canadian owned company that has enjoyed international success as a leading seafood exporter. Clearwater is recognized globally for its superior quality, food safety, diversity of species and reliable worldwide delivery. The company has expanded into international operations in other fishery jurisdictions that have strong governance and regulatory environments.

Over the years, Clearwater has become an integral part of the community in Atlantic Canada, with a focus on responsibly harvesting seafood of the highest quality, all while investing in communities and innovation in the sector and working toward Indigenous reconciliation.

Clearwater has a long history of working collaboratively with Mi'kmaq first nations, helping to foster meaningful participation in the commercial fishery and working toward economic outcomes that benefit everyone. Two years ago, in January 2021, Premium Brands Holdings Corp. and Mi'kmaq Coalition reached a historic agreement in acquiring ownership of Clearwater Seafoods. The collective investment of seven Mi'kmaq Nations in Clearwater represents the single largest investment in the seafood industry by any Indigenous group in Canada. This generational investment will secure and create new jobs, advance meaningful reconciliation, and will continue



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Clearwater's international reputation for excellence in sustainable seafood. With this partnership, Mi'kmaq are now 50% owners in the company, and 100% owners of the fishing licences harvested by the company.

We would like to emphasize how proud we all are to have built and are continuing to build a relationship with the Mi'kmaq of Nova Scotia and the Miawpukek in Newfoundland and Labrador. It's tangible proof of both the community and the business benefits of Indigenous reconciliation and the benefits to rural fishing communities, rooting our operations even more firmly in Atlantic Canada. It is truly a win-win-win.

Clearwater's ownership structure puts the Mi'kmaq at the boardroom table as owners of our company, but it does not alter or impact the day-to-day operations of the company. This provides stability for 1,500 good middle-class jobs across the 276 communities in Atlantic Canada that continue to help drive the economy in the region.

We have previously made submissions to the Committee with respect to the owner-operator and fleet separation policies enshrined by DFO regulations. I would like to reiterate that Clearwater does not own and has no intention of owning licences that fall under the PIIFCAF regulations, and Clearwater does not enter into controlling agreements for licences. The fishing licences included in the acquisition of Clearwater by Premium Brands and the Mi'kmaq Coalition remain commercial offshore licences where the PIIFCAF regulations do not apply. In the offshore, companies have been permitted to hold licences and accumulate quota within concentration limits outlined within Integrated Fisheries Management Plans (IFMPs). Such limits have been designed to allow the industry to operate efficiently within an area of the fishery where operational costs and the capital intensity of fisheries is higher than coastal fisheries.

Regarding recent testimony at the committee concerning Lobster Fishing Area (LFA) 41, we would like to clarify that the licences in this fishery are held by two separate and distinct Mi'kmaq organizations. Six licences are held by First Nations Coalition Quota Limited Partnership, the legal entity established by the seven Mi'kmaq communities, and two licences are held by Membertou First Nation. We would also like to highlight that the lobster catch in LFA 41 is 1% of the total lobster fishery landings in Canada. This fishery was referenced as a monopoly during committee questioning; however, this term is not accurate. At 1% of Canadian supply of a highly competitive commodity, this fishery clearly does not exhibit any of the characteristics of a monopoly. There is no exclusive possession or control of a trade in a commodity or service, nor does a single company in the highly diverse Canadian lobster industry represent a single seller of a unique product in the marketplace.



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We're proud of the partnership between Premium Brands and the Mi'kmaq Coalition and this monumental step toward reconciliation and greater Indigenous participation. We will continue to work collaboratively to build a sustainable and diverse Canadian seafood industry that supports thousands of jobs, generates significant economic activity in coastal communities and provides seafood products of the highest quality to consumers all over the world.

Thank you for your interest and your continued service to Canadians.

Sincerely,

A handwritten signature in blue ink, appearing to read "Christine Penney".

Christine Penney  
Vice President, Sustainability and Public Affairs