

# Sound Fisheries Management

## The Confusion of LIFO



**FFAW | UNIFOR**  
Fish, Food & Allied Workers

# Responsible Fisheries Policy

- Over the last half of the century, policy makers have dealt with questions surrounding how to best regulate access and allocations to natural resources
- Triggered by “Tragedy of the Commons” argument
- Goal of:
  - Sustainability
  - Conservation
  - Economic Viability

# Developing A Canadian Framework

- Canada spent much of the late 1990s and early 2000s investing resources into examining issues in the fishery such as capacity, economics, and resource productivity
- Out of these years came studies and recommendations such as, but not limited to, the Atlantic Fisheries Policy Review, Independent Panel on Access Criteria, and Preserving the Independence of the Inshore Fleet in Canada's Atlantic Fisheries

# Wider Canadian Policy Objectives

- Spurring economic growth, job creation and the new economy;
- Promote competition, efficiency and innovation;
- Enhance international competitiveness, in light of economic globalization; and,
- Produce a net benefit for the Canadian economy

# Objectives for Rural Economies

- Vibrant communities and a sustainable resource base contributing to our national identity and prosperity;
- Citizens making informed decisions about their own futures; and
- Canadians sharing the benefits of the global knowledge-based economy and taking full advantage of opportunities for personal gain and sustainable community development

# Responsible, Sustainable Fisheries Policy Development

- “The Department cannot create prosperity, it *can* create a policy framework that enables the fishing industry to contribute optimally to the national economic and to the economic viability and self-reliance of individual fishing enterprises.”
  - Atlantic Fisheries Policy Review

# LIFO Contradicts the Goals of Policy

- LIFO appeared despite a lack of substantial consultation and education on its definition, process and what it would mean in practice
- Policy is made using a holistic approach to reach long-term, agreed upon goals
- LIFO is incompatible with the social and economic goals that policy sets out to achieve
  - **LIFO is not a policy; it is a mechanical, archaic means of exclusion, a carry-over from previous regimes prior to substantial work by DFO, provincial governments and resource users on what responsible policy should achieve**

# 1997-1999 IFMP

- To ensure that the viability of the traditional, offshore fleet was not jeopardized, the 1996 quota levels in each SFA were set as thresholds. Sharing will only take place in a particular Area, if the quota rises above the threshold in that Area. If quotas decline in future years back down to the thresholds, the sharing will end and the new, temporary entrants will leave the fishery. The overall 1996 quota for all Areas combined will also be used as a threshold to determine sharing. Thus, a major decline in one or more Areas could preclude further sharing in any area.



# 2003 IFMP

- To ensure that the viability of the traditional, offshore fleet was not jeopardized, the 1996 quota levels in each SFA were set as thresholds. Sharing will only take place in a particular SFA, if the quota rises above the 1996 threshold in that SFA. If quotas decline in future years back down to the thresholds, the sharing will end and the new and the new temporary entrants will leave the fishery. The overall 1996 quota for all SFAs (37,600) is also used as a threshold to determine sharing. Thus, a major decline in one or more SFAs could preclude further sharing in any SFA. Should there be a decline in the abundance of the resource in the future, temporary participants will be removed from the fishery in reverse order of gaining access – last in, first out (LIFO).

# 2007 IFMP

To ensure that the viability of the traditional offshore fleet was not jeopardized, the 1996 quota levels in each SFA were set as thresholds. Sharing would only take place in a particular SFA, if the quota rose above the 1996 threshold in that SFA. If future quotas declined back down to the thresholds, then the sharing would end and the temporary entrants would leave the fishery.

The overall 1996 quota for all SFAs combined (37,600t) is used as a threshold to determine sharing. Thus a major decline in one or more SFAs could preclude further sharing in any SFA. Should there be a decline in the abundance of the resource, new participants/allocations will be removed from the fishery in reverse order of gaining access – last in, first out (LIFO).

Question 1:  
Should LIFO be continued, modified or  
abolished?

**LIFO should be abolished.**

## Question 2:

What key considerations should inform the decision to continue, modify or abolish LIFO?

**Adjacency.**

## Question 3:

If LIFO were modified or abandoned what are the elements of an access and allocation regime for the northern shrimp fishery?

The guiding principles for a new access and allocation regime were stated by the current Liberal Government in September 2015:

***"The best possible decisions are reached for the future of the resource and the maximum benefit for the people and coastal communities who rely on the resource."***

# Principles of the New Access and Allocation Regime

1. Conservation and Sustainable Harvest, as per current management plan language.
2. Respect and fulfill the obligations on fishery resources as defined in the Nunavut Land Claims Agreement, the Nunatsiavut Claims Agreement and the Nunavik Inuit Land Claims Agreement.
3. Adjacency: those who live nearest the resource shall have priority access to the resource and be the primary beneficiaries of the harvesting of the resource.

# The Goals of Adjacency

1. Spurring economic growth and job creation in the adjacent area;
2. Facilitating the growth and sustainability of vibrant communities and a sustainable resource base;
3. Promote values of local stewardship and local economic development; and
4. Produce a benefit for the Canadian economy.

# Addressing the Particulars of the LFUSC Licenses

- The FFAW proposal will not keep the LFUSC from receiving quota in other SFAs.
- The FFAW proposal recognizes the value the LFUSC to the entire southern Labrador economy.
- Under the FFAW proposal, the LFUSC receives consideration due to its adjacency and unique structure (for an offshore license holder). As a result it is the only current offshore licence holder to maintain access in SFA 6 and that quota would be caught by the inshore fleet and landed locally.



# The Impact of the FFAW-Unifor Proposal

- The inshore shrimp fleet will not be destroyed.
- Most or all of the current shrimp plants will be able to remain open.
- Approximately 3,000 good paying jobs will remain in rural NL.
- Communities will not be left with a financial crisis.
- Rural NL will have access to the fishing resources necessary to navigate this current ecological shift so as to ensure the continued growth of the rural economy for years to come.

# Conclusion

- In 2015, the province developed a socio-economic presentation on the impacts of LIFO.
  - If LIFO is maintained in 2016, this is the cost – **3,000 good paying jobs.**
  - If the offshore loses its quota allocation in SFA 6, it will cost 54 jobs.
  - The offshore is viable and sustainable without SFA 6. The inshore will be destroyed.

Vibrant communities need a  
strong inshore shrimp fishery.



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