

Coastal Communities



# 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.

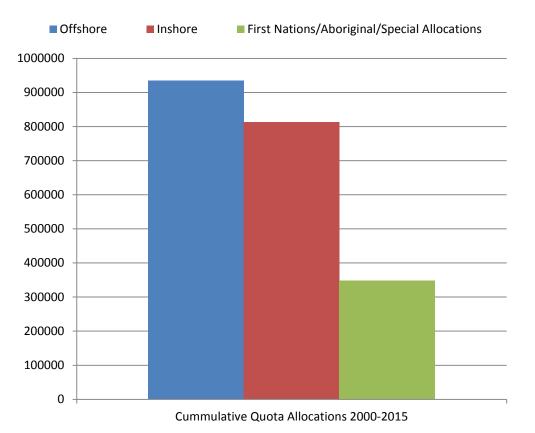


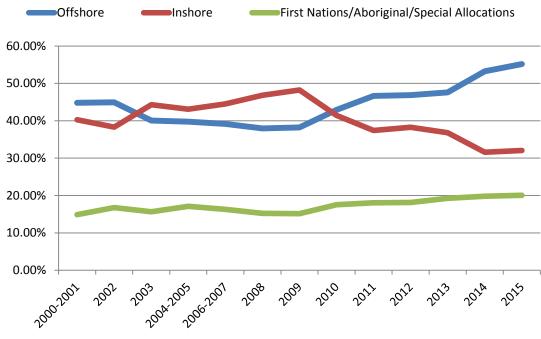
#### Historical Attachment

- Historical attachment should be based on geography and not per species. This approach better reflects the realities of the fishery.
- Fisheries change over time in specific areas. Those fishing in a changing area should be able to carry over their period of historical attachment to whatever other species may develop in that area.
- The per-species historical attachment argument leads to policies like LIFO because the current version of the principle operates to protect those who were the first to fish regardless of adjacency or the local economic benefits.



#### Allocations in Recent Years







#### 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.



#### Applying Adjacency in the Northern Shrimp Fishery to SFA 6

- Priority access to the shrimp resource shall be given to those who are adjacent to where the resource is to be harvested, which ensures that the resource benefits the coastal communities.
- Allocation of the resource for harvesting purposes shall go to inshore owner-operators and adjacent community groups, followed by the offshore fleet.
- Adjacency can be applied consistently to other shrimp fishing areas.



### Community Benefits – the Labrador Fishermen's Union Shrimp Company

- FFAW has always supported the shrimp company. The FFAW advocated for harvesters in the region to receive the shrimp licenses and LFUSC board is composed of FFAW members.
- The LFUSC is critical to the economic base and prosperity of the region and invests heavily in creating local jobs, particularly in the fish processing sector.
- The LFUSC operates plants in Charlottetown, Mary's Harbour, L'Anse au Loup, Cartwright, Pinsent's Arm.



### A Northern Shrimp Fishery Guided by Adjacency

 All of Shrimp Fishing Area 6 shall be harvested by the inshore fleet.

 All adjacent community-based license or special allocation holders shall maintain an annual quota. This quota will now be harvested by the inshore fleet. We anticipate landing these quotas at the plant supported by the communitybased license.



#### LFUSC and an Inshore-exclusive SFA 6

- Inshore fleet will provide revenue to the LFUSC for accessing its quota in SFA 6.
- LFSCU will maintain shrimp revenue from SFA 6 so it can maintain its important community and fishery based development work.
- Greater fishing opportunities for 2J harvesters and more work at the Charlottetown plant due to more inshore shrimp.
- Increased local economic benefits due to strengthened inshore fleet shrimp fishery and strong work season at the plant.
- Creates stronger and more sustainable regional economy.



# Regional Impacts of Operations

Port	Landings (#)	Groceries	Maintenance	Fuel	Total
St. Anthony	330	\$264 <i>,</i> 000	\$165,000	\$2,037,750	\$2,466,750
Charlottetown	155	\$124,000	\$77,500	\$957 <b>,</b> 125	\$1,158,625
Twillingate	147	\$117,600	\$73,500	\$907,725	\$1,098,825
Seldom	108	\$86,400	\$54,000	\$666,900	\$807,300
LaScie	102	\$81,600	\$51,000	\$629,850	\$762 <b>,</b> 450
St. Lunaire	75	\$60,000	\$37,500	\$463,125	\$560,625
Old Perlican	69	\$55,200	\$34,500	\$426,075	\$515 <i>,</i> 775
Carmanville	59	\$47,200	\$29,500	\$364,325	\$441,025
Bay de Verde	56	\$44,800	\$28,000	\$345,800	\$418,600
Valleyfield	51	\$40,800	\$25,500	\$314,925	\$381,225
Port de Grave	49	\$39,200	\$24,500	\$302,575	\$366,275
Cook's Harbour	42	\$33,600	\$21,000	\$259,350	\$313,950
Catalina	36	\$28,800	\$18,000	\$222,300	\$269,100
Musgrave Harbour	24	\$19,200	\$12,000	\$148,200	\$179,400
Lumsden	23	\$18,400	\$11,500	\$142,025	\$171,925
St. John's	16	\$12,800	\$8,000	\$98,800	\$119,600
Bridgeport	12	\$9,600	\$6,000	\$74,100	\$89,700
Bonavista	8	\$6,400	\$4,000	\$49,400	\$59,800
Joe Batt's Arm	6	\$4,800	\$3,000	\$37,050	\$44,850
Black Duck Cove	4	\$3,200	\$2,000	\$24,700	\$29,900
Hant's Hr	3	\$2,400	\$1,500	\$18,525	\$22,425
Port Saunders	3	\$2,400	\$1,500	\$18,525	\$22,425
Fogo	2	\$1,600	\$1,000	\$12,350	\$14,950
Port au Choix	2	\$1,600	\$1,000	\$12,350	\$14,950
Harbour Grace	1	\$800	\$500	\$6,175	\$7 <b>,</b> 475
<b>Total Expenditures</b>	1383	\$1,106,400	\$691,500	\$9,231,525	\$11,029,425



#### 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.

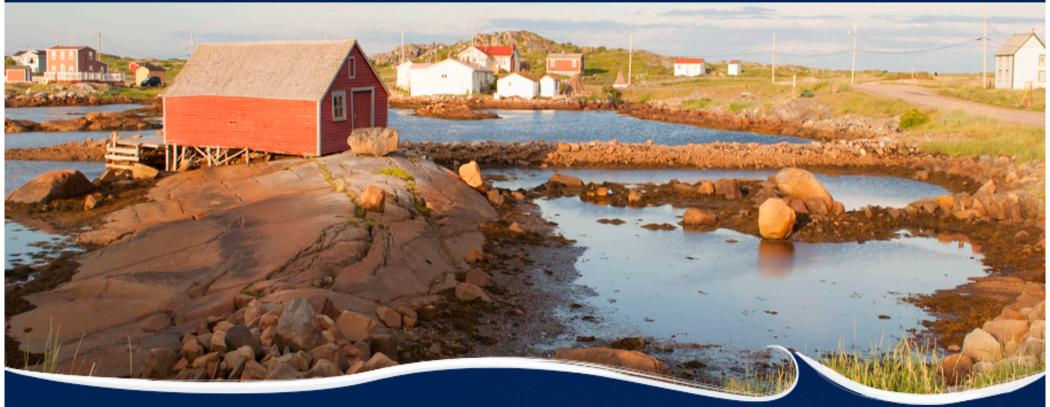


#### Conclusion

- 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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