

**Presentation to the  
Ministerial Advisory Panel  
on LIFO Policy,  
Northern Shrimp  
Halifax, June 10th 2016**

By New Brunswick Licence Holders  
Caramer (Produits Belle-Baie)  
and

Lamèque Offshore (Association  
coopérative des pêcheurs de l'Île)

# We presume...

- The Ministerial Advisory Panel has read and will take into consideration our document filed on June 3rd.
- The Ministerial Advisory Panel has read and will give great attention to the CAPP document and its recommendations.
- The Ministerial Advisory Panel has read and will take in consideration the recommendations submitted by the province of New Brunswick.

# About us... Caramer



**Caramer Ltd** holds the offshore Northern shrimp fishing licence issued in 1978 to Carapec. The license was transferred to Caramer Ltd when Produits Belle-Baie bought Carapec, in 1983. The Acadian Gail II fishes Caramer Ltd's quota.



**Produits Belle-Baie** was founded in 1968 by local businessmen and fishermen. It currently employs 204 persons, has a yearly payroll of \$2,9 millions, and yearly purchases of \$9 millions. 46 boats, five midshore and 41 inshore, supplies the plant with shrimp, crab and herring.

# About us...

## Lameque Offshore Ltd



**Lameque Offshore** holds the offshore Northern shrimp license initially issued to Pandalus Nordique in 1978. The Northern Eagle, property of M / V Osprey Ltd, fishes the Lameque Offshore quotas as well as those of its partner in M / V Osprey, the Labrador Fishermen's Union Shrimp Fishing Co Ltd. In July 2017, the Northern Eagle will be replaced by a new vessel ordered in October 2015 at a cost of \$60 million.



L'Association coopérative des pêcheurs de l'Île (ACPI), a fishermen's coop founded in 1943 and the majority share holder of Lamèque Offshore, employs 530 persons. Its yearly payroll totals \$10,8 millions, its yearly purchases amount to \$70,1 millions, of which 62,5 millions are paid to fishing boats and 7,6 millions for various goods and services to businesses, most of them in the Acadian Peninsula. ACPI owns and operates two processing plants, one in Lamèque and one in Pointe-Sapin.

# The 1997 Access Agreement

- The sharing agreement and rules were very clear, as well as the principles upon which the access provided to the inshore fleets of Newfoundland and Labrador were based.
- Conservation was and should remain paramount.
- The viability of the existing fleet was not to be jeopardized.
- No permanent increase in harvesting capacity to be created, participation of new entrants to be temporary.

# Reasons LIFO is still valid

- The additional harvesting capacity allowed by the increased quotas in SFA 6 is scaled back to the levels allowed by the current state of the shrimp stock.
- Historic attachment to the fishery is respected, negative impact on provincial shares is lessened.
- DFO's policies established to provide and to maintain stability and dependable foresight to allow for better business planning, attract investments and secure financing for business ventures.
- Adjacency was the principle used to determine access of the inshore fleets in the 90% share of the quota increase.

# The price we've already paid

- The first few years of the Northern shrimp fishery amounted to deficits and hardships. They can be considered the developmental costs.
- The Newfoundland inshore fleets have raked in over a billion dollars in landing values during the sharing of the resource since 1997.
- The massive, sudden and additional input of shrimp put on the market by the Newfoundland industry has depressed the price for many years.
- Both the landing value and the price of processed shrimp products of the New Brunswick industry were severely impacted. The viability of the NB fleet was threatened and had to be restructured because of the depleted revenues.

# The consequences of Losing SFA 6

- Losing our allocations in SF 6 translates into a decrease of 27% of our total allocations. It has the most negative impact because exploiting SFA 6 is the less costly of all the SFAs.
- Loss of precious fishing time in a period where the other fishing areas are covered with ice.
- Failure to honour the social contract that was defined by the principles of the 1997 sharing agreement and access conditions for new entrants would bring uncertainty and instability we cannot afford.
- It increases the loss of New Brunswick's provincial share of the resource.



# Managing the resources with principles and clear guidelines

- We agree with the Government of New Brunswick recommendations and observations on LIFO
- We share the Government of New Brunswick's and CAPP's view on the New Access Framework, especially in seeking equity in allocation attribution given on historical attachment to the resource.
- How is pushing out a fleet involved in the fishery for 38 years a fair and well thought out policy?
- You have witnessed first hand the impact the groundfish moratorium has had in the Acadian Peninsula. Losing 4 000 processing jobs in such a small community has a dramatic effect. We cannot afford more hits.