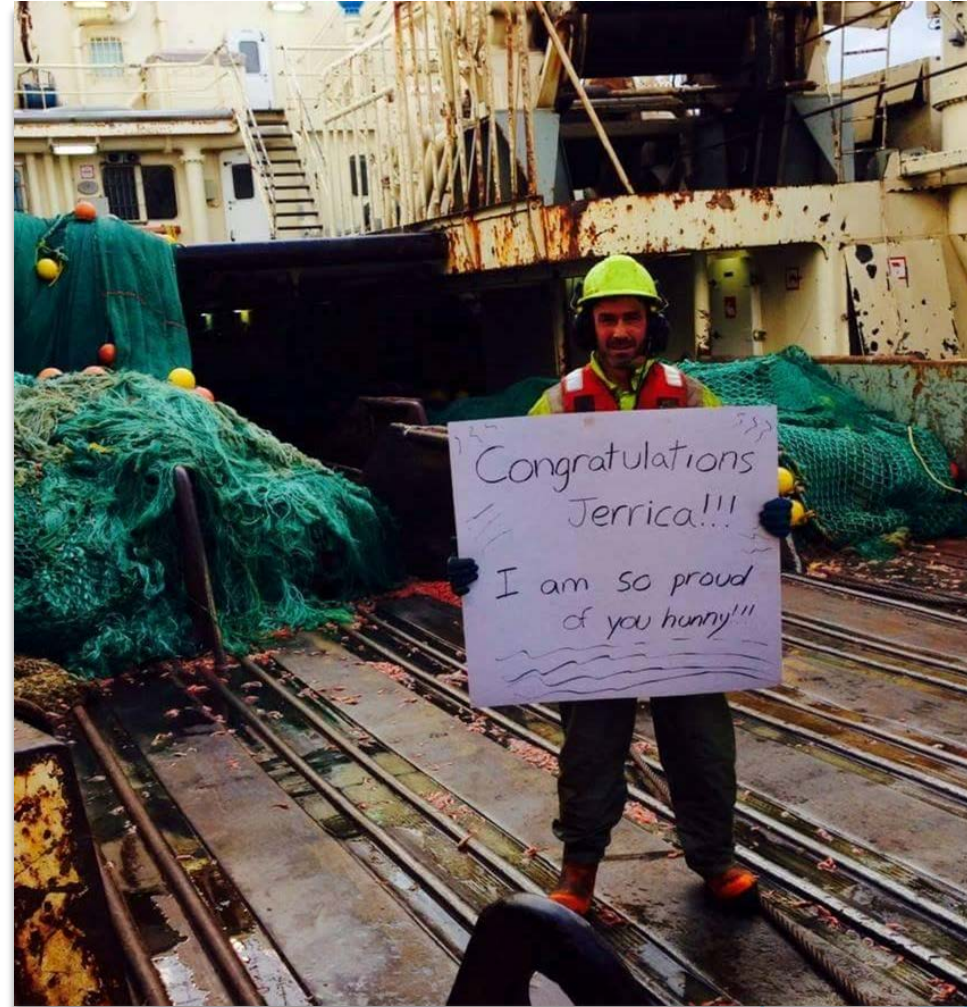


NOVA SCOTIA AND THE NORTHERN SHRIMP FISHERY



OUR INVESTMENT IS OUR LIVES



OUR CREWS PAST AND PRESENT

NEWFOUNDLAND and LABRADOR

- ▶ Lourdes
- ▶ Grey River
- ▶ Goose bay
- ▶ Harbour Breton
- ▶ Cartwright
- ▶ Rigolet
- ▶ Hopedale
- ▶ Placentia
- ▶ Makkovik
- ▶ Corner Brook
- ▶ Poole's Cove
- ▶ St Johns

NOVA SCOTIA

- ▶ Bridgewater
- ▶ Canso
- ▶ Port Bickerton
- ▶ Antigonish
- ▶ Halifax
- ▶ Lunenburg
- ▶ New Germany
- ▶ Lockport
- ▶ Liverpool
- ▶ Shelburne
- ▶ Riverport

OUR CREWS PAST AND PRESENT

- ▶ Noonan, Quann, Simpson, Kenny, Rideout, Young, Parson, Welch, Blake
- ▶ Martin, Winters, Wolfrey, Poole, Gear, Quinn, Gibbons, Sheppard, Kearly
- ▶ Brake, Fiander, Green, Marks, Blackmore, Mitchell, Benoit, Picco, Fahey
- ▶ Pottle, Williams

EARLY DAYS

- ▶ The early days are not like they are today, huge risks were taken
- ▶ Trips were 60 days or longer with 4 days home and back out again
- ▶ Communication with family was infrequent and by radio only
- ▶ Vessel and companies went bankrupt at alarming rates



EARLY DAYS PRE 1997

- ▶ A lot of time was spent searching in places like , Hawk Channel , T bone , Adrian's Hole , The Moon , St Anthony Basin , The Point as well as many others
- ▶ Data showed by the FFAW and Mr. Barnes indicating lack of catch by the Offshore was misleading. Hours of effort or sea days would show a much different story. We were there!!!
- ▶ Quota was issued for small areas ,for example Hawk Channel had its own TAC
- ▶ There is no question through these years there was an increase in shellfish and a decrease in ground fish

EARLY DAYS PRE 1997

- ▶ We saw increased catches but smaller sizes
- ▶ 1989 saw 100% Observer coverage implemented
- ▶ In 1993 the Nordmore Grid became compulsory although we struggled with it we saw the benefits
- ▶ We fished SFA 6 from January to April



EARLY DAYS

- ▶ Stability for Torngat was found when they signed with Mersey Seafoods in 1993 and Labrador Shrimp Company in 1994 with Osprey




EARLY DAYS

- ▶ Price ,quality and catch rates were excellent the mid 90s
- ▶ The Inshore wanted in, there seemed to be enough shrimp, sharing the resource seemed like a good idea for all
- ▶ Word came down on what the licence criteria would be GEARING UP. No draws as usual ,no control on entrants ,just gear your boat up and you will get a shrimp licence
- ▶ Some Fishermen did just that, some couldn't afford to so they came up with other means
- ▶ Deals were made with processors for financing but some Hydraulic Companies supplied equipment to pass the inspections only to be removed and put on another boat to pass their inspection

QUOTE FROM NORMAN CULL

- ▶ In 1997, after some lobbying by fishermen, me included, we were successful in getting a shrimp allocation known as northern shrimp. There were several meetings and seminars held throughout the province, in which some of you probably were involved, asking fishermen to gear up for what we called, or what was called then, the gold mine of the north. I can well remember because I had no intentions, and probably a lot of other fishermen out there didn't have any intentions of ever gearing up for shrimp or anything like that that we were approached by processors saying, "Boys, you're going to have to gear up for the shrimp because it's out there by the scores (Cull, 2006)

- ▶ Fisheries Allocation Policies and Regional Development :Successes from the Newfoundland and Labrador shrimp fishery page 29



- ▶ The release of the "Final Report by the Newfoundland Inshore Shrimp Panel" in 2002, highlighted some concerns that exist in the inshore fleet. Included in this report were issues such as seasonality, overcapacity, the number and optimum size of enterprises.

- ▶ DFO Integrated Fisheries Management Plan

1997 TO PRESENT

- ▶ DFO expected to issue 150 temporary licences however more than double, 310, were issued
- ▶ This is where our problems started for all fishermen no matter what the size vessel
- ▶ It certainly eased the pain caused by the Cod Moratorium but lead us right down the same path of over capacity again
- ▶ Because of this volume the fishing/processing learning curve was much steeper than it should have been
- ▶ Harvesters and Processors had trouble meeting quality standards of the International markets .

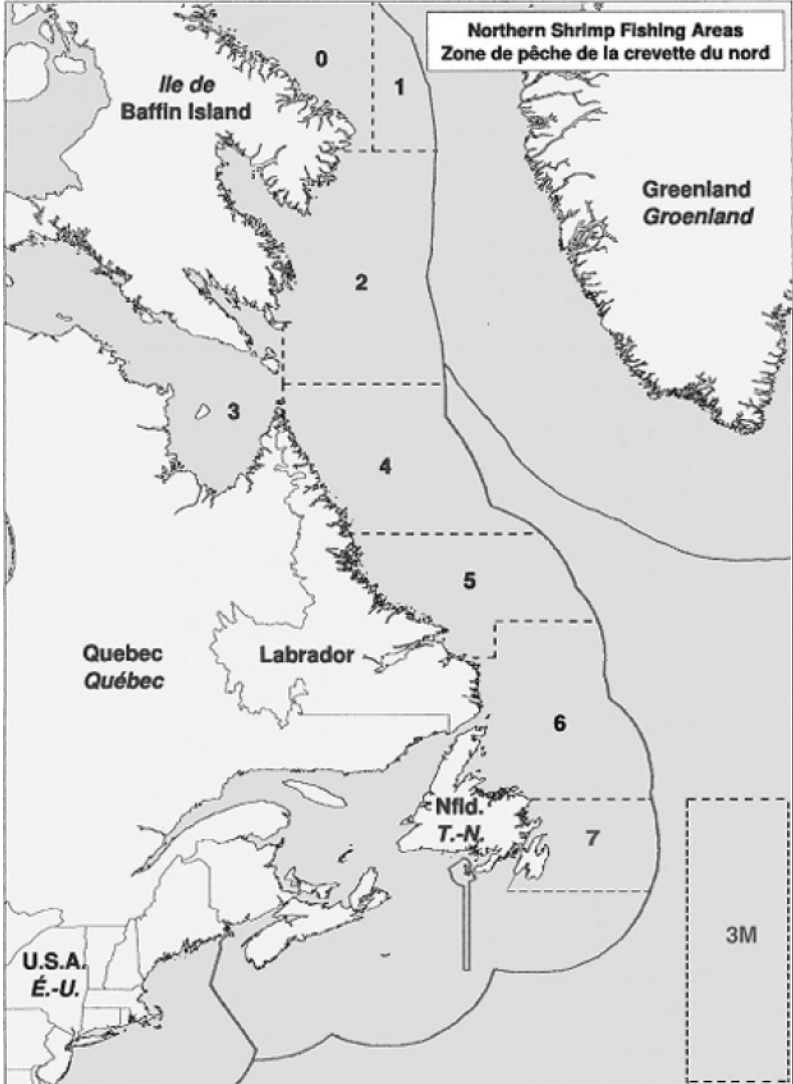
1997 TO PRESENT

- ▶ NL production quickly oversupplied the International Cooked and Peeled Market
- ▶ By 2001 market conditions were so bad that the < 100 foot fleet shut down for the season.
- ▶ When the Quotas were issued and Licences given out not a thought was given to what the market would stand
- ▶ Our Fishery was taken from being a quality driven high value fishery to a high volume low value fishery

1997 TO PRESENT

- ▶ Offshore crews were forced to make as many trips as they could to keep their heads above water
- ▶ Faroecan could not survive this and went bankrupt in 2006
- ▶ Shrimp sizes plummeted with ramp counts up into the 190s and 200s per kilo
- ▶ Although the Fishery was treated like a crazed Gold Rush the expected profits failed to appear

SHRIMP FISHING AREAS



PROVINCIAL TIES

- ▶ Nova Scotia was Newfoundland and Labradors present day Alberta from the days of the Salt Bank Schooners until the collapse of the ground fishery
- ▶ Fishing towns like Sydney , Louisburg , Canso , Port Bickerton , Halifax , Lunenburg , Liverpool , Lockport, Riverport and Shelburne were filled with hard working Newfoundlanders



PROVINCIAL TIES

- ▶ My children's Grandfather came here from Marystown as a 15 year old to fish scallops
- ▶ Most vessels would have over 50% Newfoundland crew and many them are still here today
- ▶ Many came in March and fished until Christmas then headed back to Newfoundland
- ▶ Dr. Murphy was courted by long standing Newfoundland Deputy Minister of Fisheries Les Dean to take over Ocean Harvesters in Harbour Grace . This did not happen but showed respect that the Newfoundland Government had for Dr.Murphy

PROVINCIAL TIES

- ▶ 2010-2015 saw 500 000 commercial vehicles travel via Marine Atlantic as well as 1.7 million passengers
- ▶ 23 400 containers travel yearly from the Port of Halifax to St John's.
- ▶ Almost all new cars sold in Newfoundland come through the Port of Halifax
- ▶ Newfoundland shrimp and crab are shipped Internationally from the Port of Halifax



PROVINCIAL TIES

- ▶ Clams caught off Nova Scotia are processed in Grand Bank Newfoundland
- ▶ A Newfoundland company owns a Scallop Vessel in Riverport
- ▶ A Newfoundland vessel fished on Georges Bank last year
- ▶ FFAW President Keith Sullivan proudly wears an X ring on his right hand! A school not 30 min away from Stormont !
- ▶ This is what Provincial Trade and being a Country is all about

FISHING GEAR COMPARRISON

<100 FEET

- ▶ SPREAD 160 FT = 50 METERS
- ▶ LIFT 22 FT = 7 METERS
- ▶ 256 BOATS = 256 TRAWLS
- ▶ FLEET SPREAD = 12 800 METERS
- ▶ FLEET SPREAD IN KM = 12.8
- ▶ TOTAL OPENING 12 800x 7
- ▶ TOTAL 89 600 m²

> 100 FEET

- ▶ SPREAD = 60 METERS
- ▶ LIFT = 10 METERS
- ▶ 10 BOATS = 18 TRAWLS
- ▶ FLEET SPREAD = 1,080 METER
- ▶ FLEET SPREAD IN KM = 1.08
- ▶ TOTAL OPENING 1,080 x 10
- ▶ TOTAL OPENING 10,800 m²

FISHING GEAR COMPARISON

- ▶ 256 < 100 VESSELS = THE CATCH CAPACITY OF 83 Offshore Trawlers
- ▶ BASED ON THE RATIO OF 10 >100 foot boats using 18 nets
- ▶ *WE HAVE 10*

CATCH CAPACITY COMPARISON

- ▶ TRIP LIMIT FOR < 100 IS 60 000 LBS = 27 TON
- ▶ 27 TON X 256 BOATS = 6912 TON = 1728 TON PER DAY
- ▶ It would take 34.6 Offshore trawlers at 50 ton/day to catch the same amount of time

OBSERVER

- ▶ The fishery is monitored by extensive at-sea-observer coverage paid for by crew and vessel. The offshore fleet carry 100% observer coverage resulting in approximately 2000 observer days annually. Observer coverage on the inshore fleet is based on 10% coverage resulting in approximately 600 days of coverage annually.
- ▶ At-sea observers monitor for compliance with management measures including by-catches, discarding and highgrading, gear restrictions, area and closed time provisions. Observers also collect valuable scientific information including size composition, catch, effort, by-catch composition etc.
- ▶ ***IF 600 days are 10% then 5400 fishing days go unmonitored***
- ▶ *DFO website*

OBSERVER DUTIES

- ▶ 90% of all tows observed
- ▶ Measure 2 samples per day minimum 200 shrimp, record egg bearing or not
- ▶ Observe minimum 60% of all production
- ▶ Advise on By-Catch and record actions if amounts exceed Licence protocol
- ▶ This service has a cost of \$404/day

BY-CATCH

- ▶ If after moving, the next haul exceeds the greater of 2.5 percent by weight or 100kg, the vessel must continue to move 10 nautical miles from any position of the previous tow to avoid by-catch. The licence holder/vessel operator must record in the logbook the active avoidance 5.2. If total by-catches of all groundfish species in any haul exceed the greater of 2.5 percent by weight of the catch of shrimp or 100 kg, the master of the vessel, licence holder/operator must immediately change fishing area by a minimum of ten (10) nautical miles from any position of the previous tow in order to avoid further by-catches of all groundfish measures taken in response to the first tow which contains excessive groundfish by-catch. The licence holder/vessel operator must also record in the logbook the position (latitude and longitude) at time of groundfish by-catch, as well as the quantity caught by weight in kilogram.
- ▶ Taken from 2016 Offshore Licence

BY-CATCH

- ▶ 5.3 When fishing for shrimp in the waters of management unit 5 or 6, if total by-catches of capelin in any haul exceed the greater of 5 tonnes or 10 percent by weight of the catch of shrimp, the licence holder/vessel operator shall employ active avoidance measures to reduce capelin by-catch. If a subsequent tow is made in the same area within 72 hours of the first tow and the subsequent haul contains by-catches of capelin exceeding the greater of 5 tonnes or 10 percent by weight of the catch of shrimp, the licence holder/vessel operator must change fishing location by a minimum of ten (10) nautical miles from any position of that tow. The licence holder/vessel operator must record in the logbook the active avoidance measures taken in response to the first haul which contains excessive capelin by-catch. The licence holder/vessel operator must also record in the logbook the position (latitude and longitude) at time of capelin by-catch, as well as the quantity caught by weight in kilograms.
- ▶ Taken from 2016 Offshore Licence

BENEFITS OF TWO TRAWLS

- ▶ This joint effort of the private and public sectors again demonstrated the cost effectiveness of this new approach to conducting such projects, in contrast to the past when fishing vessels were chartered and the projects completely funded by government.
- ▶ The results of this very successful project indicate that:
- ▶ The use of twin trawl systems could reduce the fuel consumption of shrimp trawlers in the order of one-third, compared to the present single trawl systems.
- ▶ If all shrimp trawlers in Canada used twin trawl systems, this could result in savings of up to 36 million litres of fuel annually. This is a maximum estimate, since it is unlikely that all of these vessels will use this new system.
- ▶ Savings in energy costs from the use of this technology could be in the order of 11¢ per kg of shrimp landed, and total savings to the shrimp fishing industry could reach about \$9.5 million per annum.
- ▶ The increased catch rates of twin trawl system is not a conservation concern since most shrimp fisheries are managed with individual vessel quotas. Rigid selectivity grids can also be used in the twin trawl system, which provides excellent gear selectivity and minimum by-catches.
- ▶ Higher catch rates will result in shorter trips and higher quality of landed shrimp, which is a growing priority in the industry.
- ▶ The twin trawl gear can be installed on shrimp vessels with minimal conversion costs. Learning to operate this new type of gear also does not appear to pose significant problems.
- ▶ Taken from a 1996 study by Crimond Enterprises on vessel Naomi Karen

CETA : ITS BENEFITS TO THE SHRIMP FISHERY

- ▶ When CETA comes into force, almost 96 percent of EU tariffs lines for fish and seafood products will be duty-free. Seven years later, 100 percent of these tariff lines will be duty-free, making these world-class products more competitive and creating the conditions for increased sales. This will directly benefit hard-working Canadians through more jobs, higher wages and greater long-term prosperity. For example, EU tariffs will be eliminated on:
 - ▶ frozen shrimp, from a rate of 12 percent;
 - ▶ cooked and peeled shrimp, from a rate of 20 percent
 - ▶ Snow crab from a rate of 8 percent
 - ▶ Removal of these Tariffs would allow Offshore caught shrimp to be processed in Rural Newfoundland Plants
 - ▶ The Raw Product would be possibly coming from all SFA areas instead of just 1 ,solid year round employment

FOREIGN INTEREST

- ▶ Sullivan has called the factory trawlers a "corporate offshore sector" run by interests outside Canada, and called on Ottawa to protect traditional harvesters who are adjacent to the resource.
- ▶ "Is somebody going to tell me that businessmen from Iceland or Denmark are the ones who should benefit from it? Is it a doctor from Nova Scotia who should get access to the resource?"
- ▶ ICELANDIC INTEREST IN FOGO CO-OP IS OK ?
- ▶ ROYAL GREENLAND OWNING MAJORITY CONTROL IN QUIN-SEA IS OK?
- ▶ WHAT ABOUT THE CORPORATE SO CALLED INSHORE ?

CORPORATIONS

- ▶ Are all the union vessels owned by individuals ?....I think not
- ▶ How many vessels actual ownership is hidden behind a single Fisherman
- ▶ Daley Brothers , Janes ,and Quin-Sea how many vessels do they actually own
- ▶ Quilon Brothers have 7 vessels
- ▶ Are these not Corporations

PHIL BARNES FOGO ISLAND CO-OP

- ▶ Stated that he knew all about the offshore as he was an offshore fisherman paying his way through school. That year was 1977 ! A lot has changed since then in both sectors
- ▶ Stated that he was very concerned about the shrimp stock and when is best to harvest it and not to interfere with the breeding cycle. Yet ignores the scientific data to when the shrimp are most vulnerable . His Co-op actually processes roe from Capelin , Lumpfish , and Herring!
- ▶ Continues to ask about SFA 1 and why it is not fished. Mr. Chapman gave the answer to this. Last year Mersey Phoenix spent a 5 day round trip ,at a cost of 20 000/day in expenses with no return for crew or vessel

FOOD FOR THOUGHT

- ▶ Cold Water Cowboys season 1 episode 7 at 5 : 33 sec , referring to a hydraulic leak and dumping shrimp overboard
- ▶ Cold Water Cowboys season 1 episode 5 at 13:30 sec reference to by catch and what some captains do
- ▶ Land and Sea episode on the Atlantic Charger ,Brad Watkins talks about quality issues and too many fishermen

FUTURE

- ▶ The Offshore frozen product is of a much higher quality than 5 day old iced shrimp
- ▶ The Offshore shrimp if sold to Newfoundland plants would produce a higher yield better quality product that could fetch a higher market price
- ▶ A more manageable inventory would reduce labour costs
- ▶ The need for foreign workers would be reduced and the money stay in Canada
- ▶ Year round production would be possible which in turn would improve efficiency and reduce per kilo cost of production
- ▶ Shrimp could come from more than 1 area adding stability to workers

FUTURE

- ▶ It is well documented that the <100 fleet is too large, rationalization must be done
- ▶ FFAW will sacrifice the fisheries long term viability in an attempt to gain more control
- ▶ This will not benefit anyone, membership in the FFAW must be an option
- ▶ Fishermen should not have to sue their own Union to get what is rightfully theirs
- ▶ Offshore vessels should not be removed from SFA 6
- ▶ < 100 fleet must have 100 % observer coverage

FUTURE

- ▶ The practice of the Union benefiting from the sale of over the limit shrimp must be stopped
 - ▶ Failure in upholding LIFO will set precedence to effect all fishing agreements
 - ▶ The Lenders will loose faith in our Industry as a whole
-
- ▶ We must stop looking over the stern and throwing rocks at each other. Lets look forward and navigate into the future