

Time to Fish or Cut Bait

I first saw Petty Harbour in 1986. Then, the outport community was home to just under 1,000 souls and four separate fish plants. Today, it boasts over 1,200 residents and, following a banner year for new home construction, there are more on the way. The fishery, however, hasn't done so well (at least, on the surface).

There is no trace of the former crab plant. It's gone, demolished. Likewise the salt fish plant. The 'red plant', as it's locally known, still stands but hasn't processed fish in ages. The CO-OP, established 26 years ago, has been reduced to little more than a holding facility for fish waiting to be processed elsewhere. Gone as well are the jobs that went with those plants, and the Town which once had enough seasonal work for all its residents to get their 'stamps' now sees most of its citizens commuting to St. John's for employment.

There are fewer boats too. When quotas fell following the 1992 cod moratorium, many fishermen merged operations. Captains became crew, and single boats became responsible for multiple quotas (a quota being the maximum amount each fisherman could harvest). Harvesters are, after all, independent business owners and the change in supply demanded that they consolidate operations and cut expenses. From what I hear, and this is far from a scientific assessment, Petty Harbour fishermen are wealthier than they've ever been before. True, the Town's industry is only two-thirds the size it once was, but the remaining portion is economically viable—and sustainable. The rest of the province is only now coming to the same realization.

Everyone (harvesters, processors and government) agrees that the fishery continues to be substantially 'overcapitalized'. Eighteen years after the moratorium, there are still too many harvesters and too many processors chasing a dwindling resource. Derek Butler, executive director of the Association of Seafood Producers, reports that crab catch rates are in a three-year decline and shrimp quotas are down 21 per cent over 2008 (and are expected to go lower again next year). Yet, there are enough crab plants in Newfoundland and Labrador to process five times the world's snow crab supply if they operated year-round, says Butler. Instead they are open mere months.

According to the provincial government's fishery *Year in Review 2009*, total production value declined 21.6 per cent over 2008, employment was down 6.1 per cent and total landings were down 8.5 per cent. Clearly, the historical view of the Newfoundland fishery as a social enterprise whose purpose was to employ as many people as possible, even if only for 14 weeks a year, is beyond misguided. To continue along this course would be downright demented.

The good news is that a coordinated effort is afoot to redesign the fishery as the business it truly is. As I write, professor Tom Clift of Memorial University is

overseeing negotiations between the Fish, Food and Allied Workers union, the Association of Seafood Producers and the provincial government, with input from the feds. Their purpose is to come to a collective agreement on ways and means of rationalizing the fishery, and to submit it to the provincial Fisheries minister this September.

Just think about how revolutionary this is: these often divergent interest groups are working collectively and cooperatively on a plan that will ultimately result in fewer participants for all concerned. They hope to significantly reduce the total number of harvesters and processors, probably by a third. In other words, we can realistically expect to see more than 7,500 people removed from this industry.

How that will happen, I don't know, but I expect that for fishers it will involve subsidized early retirements, possibly license buy-outs and potentially government regulation against license transfer. For processors, economics may force some closures (they can't stay open if there aren't any fish to process) and mergers will probably take care of the rest. Those who remain will, hopefully, be on solid financial footing.

Twenty-four years ago, this type of thinking would have been heresy but in

today's fishing environment, it's become a necessity. Either the players involved amputate, or they become extinct. This is more than a survivalist issue; It's also about building for the future.

Derek Butler says it best: "With reduced pressures on the resource stemming from overcapacity, we can finally put the fish first. Better fisheries management will result from a changed fisheries structure."

If a tired, stressed, overharvested Newfoundland fishery can still haul in production values of more than \$800-million annually, just imagine what a healthy fishery can accomplish. 1 ABM



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