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TELEGRAM FORUM

Fish processors agree overcapacity still a problem

BY DEREK BUTLER

In May 2006, a summit of stakeholders in the fishery gathered in a fancy ballroom in the Newfoundland Fairmont hotel. The outcome was remarkable, in the sense of the agreement on the major issues facing the industry.

And chief among them, overcapacity. Too many plants with too few product and insufficient work for plants around the province.

For too long, we have spread the wealth of the fishery too thin, among too many participants. The year 2006 marked a turning point following the Dunne report of 2004, and saw industry and government together acknowledge the problem. In the words of a backgrounder note that summarized where things stood, "... (the) meeting achieved general consensus on the immediate need for policy renewal and industry restructuring, as well as a specific need for capacity reduction in the harvesting and processing sectors."

Industry could not agree more, and for the past four years, the Association of Seafood Producers has opposed all new plant processing licences that would increase capacity. It is as simple as that. We have opposed members and non-members alike.

The solutions in the fishery are not easy, but some things are still simple. We have too many plants, whatever the compelling case in an individual circumstance. As they say in the courts, exceptions do not make good law. Good public policy in this instance would be to confirm the government's stated position,

which is overcapacity remains the problem.

It will not do to add new plants and capacity to this industry — and to tell the current workers across the province there's "less work for you, because it will now be going to X, Y and Z."

That will not do, especially if we end up in a few years hiring another consultant to write yet another report saying what the problems are in the industry, and the solution will

be identified: overcapacity — too many plants, with too few workers, working too few hours, processing too few fish.

Government has put in place a fish licensing board on processing matters. That

board, we are told, has made recommendations on the new applications for plants submitted to it. Those recommendations now sit with the minister of Fisheries and Aquaculture, who makes the final decision.

Tony Blair said it best: "The art of leadership is saying no, not yes. It is very easy to say yes."

Plant workers, producers, communities and mayors across this province remain confident we have a government capable of the art of leadership, with the capacity to make the right decision.

If not, let me write the next report, and here it is: "Too many plants, with too few workers, making too little income, processing too few fish." Make the cheque out to Air Canada for two flights West. And more will follow.

Derek Butler is executive director of the Association of Seafood Producers.

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