



association of  
seafood producers

## **MEDIA RELEASE**

# **ASP responds to FFAW release on SABRI decision**

**For Immediate Release**

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**NOTE: FFAW prior release extracts in gray, ASP responses in italicized inserts.**

St. John's, NL - FFAW/CAW President Earle McCurdy said he was "flabbergasted" to hear that Newfoundland shrimp processors are advocating that a 3,000 m.t. shrimp allocation be limited to offshore shrimp vessels only.

*The question must be asked, does the FFAW think the inshore quota should be restricted to inshore vessels or should offshore vessels catch it when the inshore fails to do so?*

The quota in question belongs to St. Anthony Basin Resources Inc., a community-based group on the tip of the Northern Peninsula, which for the past 14 years has engaged Clearwater Seafoods to catch the quota using an offshore vessel. Clearwater and SABRI are partners in the operations of St. Anthony Seafoods, which processes shrimp in the town.

*SABRI and Clearwater made a business partnership based on catching the SABRI quota in the offshore fishery, as per DFO policy; now they want to lease inshore vessels to catch offshore quota while the inshore fleet is not permitted to lease vessels and the inshore shrimp quota remains uncaught. The choice is simple: let the inshore fleet lease vessels in their own fleet to catch inshore shrimp for the entire inshore processing sector or catch offshore shrimp for Clearwater? What's it going to be?*

This year SABRI asked DFO Minister Keith Ashfield for approval to have the quota caught by inshore vessels and processed at the plant in St. Anthony. Ashfield approved the request, which means extra fishing opportunities for inshore shrimpers *[attached only to St. Anthony]* and extra work for St. Anthony plant workers. *[which they could have anyway by processing the shrimp landed from offshore vessels.]*

Mr. McCurdy said the backlash from processors has been "over the top...Inshore quotas have been cut by 68 million pounds since 2009, but we didn't hear a squeak about that from processors or their association. Now they're going haywire over a 3,000 m.t. allocation that would provide badly-needed work for a hard-pressed area. This is a dog in the manger attitude."

*The quota was cut but less than what has been left in the water in the past two years. Yet the FFAW decries quota cuts while steadfastly refusing to reallocate uncaught portions of inshore quota in recent years leaving tens of millions of pounds in the water uncaught (25 million pounds in 2010, 85 million in 2009, and 6.5 million in 2008). Why is the FFAW so adamant to have inshore boats catch 6 millions pounds of offshore quota when inshore vessels are denied leases and are prevented from catching the inshore quota?*

FFAW/CAW has recommended to Mr. Ashfield that the harvesting of this allocation by the inshore sector continue, and that fishing opportunities be expanded within the inshore fleet to benefit as many enterprises as possible.

***To be consistent, Minister Ashfield must now decide if all producers will be granted the similar privilege of leasing inshore vessels and the end of fleet separation. If DFO is to grant St. Anthony leverage in violation of DFO policies then Minister Ashfield should treat other producers equally.***

He pointed out that even with this 3,000 m.t. re-allocation, the percentage of northern shrimp available to the inshore fleets will still be the lowest in more than a decade.

***Then someone should ask the FFAW, as well as DFA and DFO, why no body bothered to fight to reallocate inshore quotas among the same inshore fleet, but are now prepared to essentially reallocate offshore quota to one company.***

***DFO announced Friday that a large portion of the inshore fleet will be shutdown as of tonight, but we have 25 million lbs of inshore shrimp left in the water and the FFAW is saying that it is fine to lease inshore vessels to an offshore company to fish offshore quota?***

Initially, the Minister limited the fishing of this quota to vessels who normally sell to St. Anthony Seafoods. The Union has recommended that other inshore shrimp enterprises be given a chance to participate in the fishing of this allocation by means of a random draw.

***The written lease agreements that must be signed by inshore fishermen to secure access to this SABRI quota should be given the light of day. Who is getting the royalty fees? Who is controlling the fishermen? Whatever happened to the independence of the inshore fleet?***

“The other companies have claimed that this allocation would enable St. Anthony Seafoods to gain leverage to entice shrimp enterprises from other companies. A DFO-administered draw would remove any potential leverage.”

***This is ridiculous. It only extends the leverage issue to encompass the entire fleet. This would be the worst possible outcome.***

At a DFO consultation last week, the Union took a strong position that the allocation be managed in such a manner as to prevent St. Anthony Seafoods from gaining leverage over inshore enterprises.

In the meantime, he said some of the companies who are complaining about this issue “could give Lehman Brothers lessons in leverage.”

***The FFAW is now supporting the violation of DFO policy and undermining the fleet separation policy. Who is controlling the inshore fleet now? It is an historic day: the FFAW is opposed to PIFCAF.***

He said the processors' position would result in shrimp being processed in Iceland or Greenland instead of St. Anthony.

***The FFAW's position in recent years has ensured over 100 million lbs of inshore quota has been left uncaught. They are however quite eager to achieve any policy change that see this 6 million lbs of offshore quota caught while at the same time inshore quotas remain unharvested. It is time for someone to come clean. What is going on here?***