

Fisheries and Aquaculture
July 14, 2009

Agreement Reached on Long-Term Development of Fishing Industry

The Provincial Government has reached a new agreement with the Fish Food and Allied Workers (FFAW) and Association of Seafood Producers (ASP) regarding the long-term development of the fishing industry in the province. The parties have agreed to a memorandum of understanding (MOU) that provides a plan for addressing the long-term structural issues in the province's fishing industry. The MOU will see working groups established to address key areas. It is estimated that the total cost to the Provincial Government of implementing the MOU will be up to \$800,000. This agreement has been instrumental in getting this year's shrimp fishery started. The industry was facing a crisis and the MOU has been critical in resolving that.

"Our government's commitment to the fishing industry has been continuous and unwavering," said the Honourable Tom Hedderson, Minister of Fisheries and Aquaculture. "This MOU builds significantly on the work that we started with the Fishing Industry Renewal Strategy. A great deal of work has already been done and a lot of investment has been made. A number of good policy initiatives have been put in place. However, we also need the Federal Government to step up and address fishing industry restructuring as much of this industry is in their area of jurisdiction."

The working groups will examine the financial state of the industry, develop a long term marketing strategy, and develop restructuring models for both the harvesting and processing sectors of the industry.

The process will be directed and overseen by a steering committee consisting of two representatives from each of the FFAW, ASP and the Department of Fisheries and Aquaculture. An independent chair will be appointed by the Provincial Government and the working groups will be assisted by a facilitator from the department.

The harvesting and processing sectors have already reached an agreement on the price of shrimp, which is a key component of being able to move forward with the MOU. The agreement was reached after the Provincial Government agreed to provide \$3.4 million in rebates and suspension of processing licensing fees for the 2008 and 2009 fishing seasons. This refund is being provided to address the fact that there are no subsidies available to the fishing industry and that the industry is facing a difficult year. Combined with the investment to implement the new MOU, the Provincial Government is investing approximately an additional \$4.2 million in this industry, in addition to the \$140 million provincial undertaking for the Fishing Industry Renewal Strategy.

Minister Hedderson has also written his federal counterpart, the Honourable Gail Shea, Minister of Fisheries and Oceans, and asked that the Federal Government forego fisheries licensing fees for the 2009 fishing season.

"There are two important aspects to these complex agreements," said Earl McCurdy, President of the Fish, Food and Allied Workers. "The shrimp price agreement was important to get harvesters and plant workers back to work. It is vital that we now make long-term structural improvements in key areas such as marketing."

"This agreement underscores once again the Provincial Government's commitment to restructuring our industry to make it more viable for all participants, to help the industry confront the challenges we face," said Derek Butler, Executive Director of the Association of Seafood Producers. "It goes hand in hand with the commitments made at the start of Fishing Industry Renewal and most notably the renewed processing policy last year. This next step gives us hope and confidence that we can have a renewed fishing industry which is of such importance to the province, for all participants and stakeholders."

“The resumption of the shrimp fishery will benefit all sectors of the industry in moving forward, including plant workers, deck hands, dockside graders, truckers and other service sector businesses,” said Minister Hedderson. “The fishing industry continues to be a priority for our government. We recognize that the fishery is a key employer in rural and coastal communities throughout the province. We look forward to working with the parties to ensure a better fishing industry for everyone that is depending on it.”

For a copy of the MOU please visit www.gov.nl.ca/releases/2009/fishaq/MOU_Fishing_Industry.pdf

- [Video of Minister's News Conference.](#)

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