

News

Passed up

By Alisha Morrissey (St. John's)
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The association representing the province's fish processors spent less than 10 per cent of a \$359,000 federal grant for marketing shrimp in international markets last year, The Independent has learned.

As a result, the federal government has cut this year's grant to the \$30,000 spent last year.

Fishing industry representatives in the province are outraged, accusing the association of wasting an opportunity and falling down on the job.

Loyola Hearn, MP for St. John's west and Fisheries critic for the federal Conservatives, says he's sure there's an explanation for why the funds weren't spent, but doesn't understand why an industry that's suffering would pass up an opportunity.

"Our problem has always been marketing ... and when somebody gives us free money to do that and they leave it sitting on the table, to me it's certainly irresponsible unless there was an awfully good excuse," Hearn tells The Independent.

The association's executive director, Derek Butler, was on vacation and didn't return The Independent's messages. Neither did the vice-chair of the board of directors or the association's second in command.

Earle McCurdy, president of the Fish, Food and Allied Workers' (FFAW) union, says the shrimp industry has been trying to come up with a way to market shrimp to international markets — particularly in the European Union, where a 20 per cent tariff on Canadian-caught shrimp prevents profitable export — and the association has, in his mind, squandered an opportunity.

"We're blessed with a wonderful resource and we haven't succeeded in getting a return that makes it worthwhile for people. They really just fell down on the job."

While McCurdy says the money couldn't buy a tariff reduction in Europe, there were inroads that could only have been made with money — like lobbying the EU to improve the tariff situation. "That could have been spent to at least increase our profile in the market or explore new opportunities.

"They get it and they waste it. I think that's inexcusable. It's too frustrating to talk about. It's just a wasted opportunity that we desperately need."



Hearn says tariff issues in the EU have been the biggest barrier to shrimp markets and Denmark, in particular, has opposed lowering the 20 per cent tax.

“Where does their shrimp come from? Off the Flemish Cap on our coasts and not only are they catching shrimp that’s been allocated to them, but they are the country who is catching 10 times the quota.”

Officials with the federal Aquaculture Department refused to release information on what the association spent last year’s \$30,000 on and the reason the larger chunk of funds weren’t spent.

Sandi Greyell, acting director of the Canadian Agriculture and Food International Program secretariat, the two-year old program offering funding to 35 different industry groups, says it wasn’t surprising all the money wasn’t spent.

“There were some inferences in the market they were targeting and what happened was that it didn’t make sense any longer to spend the money for the promotion when the Canadian product was going to have some difficulty perhaps being competitive or getting access to the market,” Greyell says.

“Basically without referencing specifically what happened in this case a lot of the support from this program goes to market Canadian products and you have to have access to the markets and sometimes access can change. You know it could be affected by such things as tariff barriers.”

Greyell says the money couldn’t have been used to lobby the EU to reduce tariffs.

“I could say that the program supports some — I’ll say advocacy efforts, in terms of improving access to markets — but we don’t support lobbying foreign governments.

“We won’t pay industry to go and lobby other governments.”

Greyell says the association wasn’t the only one whose funding was changed. The positive side, she says, is the money won’t have to be paid back as it was handed out on an as-needed basis and those funds can be reallocated to other groups.

“In a lot of ways I think it’s more prudent to not spend the money and then reallocate it to better projects where we’re going to get better bang for their bucks.”