

709NEWS

Product Summary:

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JOHN FURLONG: Well as I told you earlier Fisheries Minister Tom Rideout met with members of the Association of Seafood Producers today. Derek Butler is ASP's Executive Director. Well Derek Butler what's the message that you wanted to deliver to the Minister this morning?

DEREK BUTLER: Well I guess the first message was thanks for the consultation, we appreciate the opportunity to meet with the Minister and meet with the officials and to discuss the follow on from the Cashin report. So that was the first thing and we did that, we thanked him. We had of course to meet again to discuss what we might be prepared to say publicly but we were very happy with the consultation. I think we raised a number of points and I think the Minister heard us on those points. I mean he's I believe spoken to the media already and indicated a couple of things. For example you know we're inclined not to be in favor of the 3 price panel and I guess that's the biggest recommendation that we're wrestling with right now in terms of what the Cashin report looked at and considered. Our preference would be if there's going to be a mandatory compute resolution mechanism that we consider something along the lines of what industry already has worked with, which would for FOS, final offer selection.

JOHN FURLONG: Now the Minister kept talking about the industry and the union and the government all showing leadership, but as far as the industry showing leadership what do you think that means?

DEREK BUTLER: Well we've got to show leadership, we do have to work together, that's important and government has to show leadership and they've done that I believe. As they did in the past couple of years with the attempts to broker solutions for the industry. We've got to continue to show leadership and we appreciate that you know from the Minister. He's showing leadership. He has indicated that he's prepared to move towards solutions once he has done the consultation because he said he can't force the players to the table, he can't force people to find solutions

necessarily if the players aren't willing. It is a difficult, difficult business and the nature of the business is people can be on different sides and positions and have very heartfelt views on what's right and wrong and what needs to be done. Industry has to find solutions. Industry has got to have their discussions but government of course we accept has some responsibilities here and would be moving to put in place the legislative framework if we can't get our act together.

JOHN FURLONG:What about the problem of over capacity in the industry?

DEREK BUTLER:Well that's a huge problem John and that's been recognized not just on the processing side but on the fleet side and I believe the FFAW is working on that. We've got to wrestle with that as an industry as well for processors. We, as the Minister has indicated in previous comments he's made when the Cashin report was rolled out I believe the province could produce 4 to 5 times the world supply of snow crab, not just our supply. We've got some 120 plus processing facilities in our province and the resource is declining, not expanding. So that's a huge issue. So going forward we've got to wrestle with rationalization and how we can remove processing capacity from the industry. What we saw RMS was and I don't want to flog a dead horse here, but we thought RMS was the mechanism to give effect to rationalization in conjunction with the Dunn's report and recommendation in respect of regional processing. And we appreciate now that's behind us, but somehow we've got to find the mechanism and the Cashin report, Mr. Cashin acknowledged the problem and he's talked about it in the report of how there has to be something in terms of financing and some kind of plan to give effect to rationalization in the processing sector in our province. We can't have every fish plant working for just a few weeks and fish plant workers getting increasingly less work because of a declining resource. You've got to take some capacity out of the industry.

JOHN FURLONG:So you'd be in favor of seeing plants close?

DEREK BUTLER:At the end of the day that's what it's going to mean and there's two ways to give rise to that. You can let the free hand of the market run wild and then you'll have no public policy goal served, you'll have plants just by the force of the market collapse. Now that's fine for Tim Horton's or MacDonald's perhaps but we've got a fishery here overburdened I can say with all kinds of public policy goals and consideration in terms of its structure. We've made those choices for all kinds of reasons for the past 20-30 years. So it's one thing to say people want the free market which processors are not disinclined to favor but in this industry if the free market decides you could have one big fish plant somewhere and nobody wants that. So if we're going to look at it we need to look at the regionalization, we need to look at the number of plants in regions where fish harvesters have access to resource and make decisions on a rational basis, so some goals are served.

JOHN FURLONG:Given that this is the last week in January, next week we're into

February 1st, hopefully the season can start on time?

DEREK BUTLER:I am hopeful the season can start on time. We'll have to wait and see of course, that's been said before and it hasn't happened. I'm always optimistic, I'm not naive. Anything can happen but I'm optimistic the season will start on time this year.

JOHN FURLONG:Okay Derek Butler, well thanks so much for your time this afternoon.

DEREK BUTLER:Thank you John.

JOHN FURLONG:Bye now.

DEREK BUTLER:Bye, bye.

JOHN FURLONG:Derek Butler is Executive Director of the Association of Seafood Producers.