

REAL CHANGE

For Canada's Independent Fisheries

Presentation to the Honourable Hunter Tootoo
Minister of Fisheries and Oceans
February 2016



Fédération des pêcheurs
indépendants du Canada

Canadian Independent
Fish Harvester's Federation



February 10, 2016

The Honourable Hunter Tootoo
Minister of Fisheries and Oceans Canada
200 Kent Street, ON
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Dear Minister Tootoo,

On behalf of Canada's independent commercial fishing fleets we would like to reiterate our congratulations on your being named Minister of Fisheries and Oceans. Your appointment and the Liberal Party of Canada's commitment to real change fill us with great hope and expectations for the future of our fisheries and fishing communities.

Our Federation represents independent fishermen's organizations, large and small, from communities in Atlantic Canada, Quebec and British Columbia. Our mandate is to engage in policy dialogue with the Government of Canada on the sustainable management of our fisheries from the perspective of the people who earn their living on the water.

We understand sustainable fisheries management as the pursuit of mutually supportive ecological, social and economic objectives. We believe this is the Government of Canada and Liberal Party's understanding as well. Much needs to change in our fisheries management to meet these objectives.

Our bias is clear. We believe that the benefits of Canada's fisheries should flow primarily to those who fish and live in Canada's coastal fishing areas. In many of our fisheries and in certain areas this is not happening. In the pages that follow we outline some initial steps to begin the change process and give better returns to Canada, to the Provinces and to our fishing communities from our fisheries.

We look forward to this dialogue with you.

Sincerely,

A handwritten signature in blue ink, appearing to read 'C. Brun', with a long horizontal flourish extending to the right.

Christian Brun
President

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Implementing existing policy and national policy consistency

The Liberal Party of Canada's commitment to real change fills us with great hope and expectations for the future of our independent fleets and fishing communities. The task ahead while challenging is not insurmountable as many of the fundamental changes we need in our fisheries management can be found in our existing policy.

The Policy Framework for the Management of Fisheries on Canada's Atlantic Coast adopted by the Honourable Geoff Regan, Liberal Minister of Fisheries and Oceans in 2004, remains the guiding policy document for our Atlantic fisheries. Its most important aspects - from the perspective of our fleets – have yet to be acted on.

We refer in particular to the following commitments to:

- Have the DFO work collaboratively with resources users to shape the social and economic objectives of their fisheries in addition to conservation; (p. 20)
- Propose regulation to make the independence of the inshore fleet more effective; (p. 22).
- Have the DFO work with legitimate organizations to provide resource users with a more direct say in the operational decision making of fisheries management; (p. 31)
- Build capacity to enable resource users to take on these new responsibilities. (p. 32)

Over the last 18 months our fleets, through the Federation, have been engaged in a highly productive policy dialogue with the Department's senior fish management officials on changes to our fisheries governance system and means to effectively preserve the independence of our fleets.

We believe we are nearing alignment with the Department on major questions which would allow us to make rapid and lasting change to significantly improve our fisheries management. We have made notable progress on the means to recognize legitimate organizations and their role in fisheries management and policy decision making and in tightening up the Policy to Preserve the independence of the inshore fleet in Canada's Atlantic fisheries (PIIFCAF).

Most of our discussions with the Department have been focussed on the Atlantic fisheries and been guided by the underlying co-management and shared responsibility principles of the AFPR policy framework. We believe these principles are grounded in sound fisheries management policy and should be guiding the Department nationally. This guidance is particularly important when it comes to the independence of fishermen in the Pacific fisheries. At present a double

standard exist when it comes to the independence of fishermen in our Pacific and Atlantic fisheries.

Our Federation is national in scope and united around the principle of the independence of fish harvesters from processing companies and other interests. Protecting the independence of harvesters will require different approaches in different regions because the regional contexts and histories are different.

In the recommendations that follow we seek to achieve national consistency in our fisheries policy around governing principles and look forward to working constructively with the Department to achieve that objective.

Legal entrenchment of owner-operator and fleet separation policies

In a letter from Liberal Party President Anna Gainey to Federation dated September 28, 2015 (see attached) the Liberal Party of Canada promised to respect the policies that protect the independence of fishermen in Atlantic Canada (Fleet Separation, Owner-Operator and PIIFCAF),

While these policies can be validly implemented under existing regulations they are not mandatory and do not directly have the force of law.

In 2004 the Government of Canada recognized this weakness and promised to develop regulations to make the independence of the inshore fleet more effective (Policy Framework for the Management of Fisheries on Canada's Atlantic Coast p. 22). This promise has not yet been acted upon despite it being a consistent request of our fleets.

We believe that regulatory entrenchment of the underlying principles of the Fleet Separation, Owner-Operator and PIIFCAF policies is the key public policy decision to be made regarding the Atlantic fishery.

The legal entrenchment of fleet-separation is all the more urgent given the surreptitious control being exercised over fishing licences by investors who are not entitled to them including foreign interests.

Our Federation recommends that:

- Department of Justice officials immediately initiate a consideration of how the fundamental principles of the Commercial Fisheries Licensing Policy for Eastern Canada relating to owner-operators, fleet separation and the Preservation of the Independence of the Inshore Fleet in Canada's Atlantic Fisheries (PIIFCAF) could be incorporated into the General Regulations of the Fisheries Act; and
- DoJ officials, in particular, examine provisions that would make the legal title to a fishing licence and the related beneficial interest of the fishing licence inseparable; in other words that the beneficial interest of the licence remains with the Independent-core licence holder.

The Federation recognizes and respects the legitimacy of associations of independent core harvesters to hold licences, and or allocations, to provide collective benefits for their membership, providing the harvesting of the resources from these instruments remains with independent core harvesters.

Firm PIIFCAF enforcement

The Liberal Party of Canada is committed to firmly enforcing PIIFCAF and ensuring that any remaining controlling agreements are thoroughly investigated and violators brought to account (Gainey). While legal entrenchment in the Regulations is being pursued, it is still essential that the existing Policy be fully enforced.

To achieve the Liberal Party's commitment to our fleets the Federation recommends that:

- The Minister assign the DFO's Conservation and Protection branch special investigation units to investigate PIIFCAF violations in the Maritimes and Newfoundland regions with the mandate to seek judicial authorizations to search the premises and seize documents and other records related to Controlling Agreements (which violate the Policy and the Act) for eventual prosecutions under the Fisheries Act and other statutes;
- The Department require, in the future, that all requests for the issuance of replacement licences (licence transfer requests) be accompanied by documents indicating the financing arrangements for the transfer;

- The Minister “bank” fishing licences that have been cancelled or will be cancelled as a result of PIIFCAF enforcement and solicit recommendations from recognized Independent Core fleet organizations on how the licences could be re-issued to new entrants to support the Liberal Party commitment to job creation in coastal communities;
- The Minister seek nominations from recognized organizations representing Independent Core fleets of qualified applicants to fill vacancies on the Atlantic Fishing Licence Appeal Board with a view to balanced provincial representation.

Restoring economic viability to BC’s small boat fleet

The Liberal party is committed to the economic viability of independent fish harvesters and coastal communities and to ensuring that critical decisions do not increase inequality in the fishery (letter from Anna Gainey). There is a glaring double standard in our fisheries policy when it comes to promoting the economy viability of independent fishermen and coastal communities. British Columbia’s small boat fleet and independent fishermen lack the policy protections that ensure the independence of fish harvesters in Atlantic Canada (owner-operator, fleet separation and PIIFCAF) a situation which has undermined their economic viability and created great inequality in the BC fishery.

The absence of policies to protect the independence of fishermen is bankrupting BC fishermen, undermining fishing as a career choice for qualified young people, and disconnecting rural coastal BC from fisheries.

BC fishermen and BC fishing communities deserve equal treatment when it comes to protecting their independence and access to fisheries and the Government of Canada should have consistent national policies in this regard while recognizing that the policies for BC must be tailor made by BC fishermen to fit their distinct reality and history.

Our Federation recommends that:

The Minister appoint an independent panel of experts in fisheries, policy, management and law to review Canada’s Pacific commercial fishing licencing policies and make recommendations on measures to restore the independence and economic viability of fishermen, reconnect rural coastal communities with fisheries and provide consistency in the Government of Canada’s

licencing policies for fish harvesters in the Atlantic and Pacific fisheries. Sufficient funds should also be allocated to allow this panel to fulfill its mandate including ample consultation.

Timelines: report presented to Minister 6 months after appointment.

Recommended panelists:

- Craig Darling, Independent Panel Chair, Facilitation expertise;
- Phillip Saunders, QC (Dalhousie Law School) Legal expertise;
- Dr Rick Williams, former Deputy Minister Policy & Planning Government of Nova Scotia, Policy Expertise:
- Dr. Carl Walters (UBC), Science and Management expertise:
- Dr. Rashid Sumaila (UBC), Economic expertise.

Intergenerational transfers within independent fleets

All our fleets are concerned about the costs for young people wanting to enter the fishery and have been discussing a range of means (licence banks, social finance etc.) to facilitate licence transfers that would keep owner-operator enterprises in fishing communities and make independent fishing an attractive career options for young people. This is especially concerning given the demographics of the fishery, the cohort of baby boomers who are retiring from the owner-operator fishery and the predatory practises of processing companies and other investors.

The single most significant thing the Government of Canada could do to make owner-operator fishing licences affordable for young people and make fishing an attractive career option for them is to firmly apply the Fleet Separation policy in Atlantic Canada and institute measures in British Columbia to restore independence to BC fishermen as recommended above.

That being said the ongoing viability and sustainability of Canada's independent fleets is a question that all governments should be concerned about.

We therefore recommend that the intergenerational transfer of fishing licences in the independent fleets be a priority topic for discussion between our fleets, the Department and the Provinces and that resources be allocated to research a range of options to facilitate access to fishing licences for a new generation of independent owner-operators.

Decentralizing operational decision making for our fisheries

The Liberal Party is committed to giving coastal communities and fishermen more say in managing the resources around them and empowering coastal communities to manage their resources and ensure smarter co-management of our oceans (Gainey). This commitment must extend to recognized fishermen's associations to make it consistent with the AFPR commitments to give resource users more direct say in collaborative operational decision making (Policy Framework for the Management of Fisheries on Canada's Atlantic Coast p. 31).

We believe that fish harvester associations working closely with communities and fisheries managers are those that should be shaping the rules that govern their fisheries on a day to day and a fishery by fishery basis.

We believe this is an area where alignment with the Department can delivery quickly on real change. We want to move forward with the Department to define the scope of fish harvester organization involvement in operational decision making and the policy and other changes that would be required to make this happen.

Our Federation recommends that:

- The Minister establish a Joint Fisheries Governance Working Group made up of the DFO Regional Directors of fish management (Pacific, Quebec, Gulf, Maritimes and Newfoundland Regions) and the Federation's Board of Directors to generate recommendations on means to strengthen the stewardship capacity and authority of recognized independent fish harvester organizations in fisheries management decision making. (NB: We believe that a consensus already exists with the Department on this recommendation as a result of our May 8th, 2015 Workshop in Halifax.); and
- Planning for the Working Group begin immediately and that it report to the Minister by December 1, 2016.

Collaborative research to address climate change, improve decision making and promote innovation

The Liberal Party believes the Government of Canada must be a more active partner in research and scientific activities and is committed to restoring \$40 million in cuts to ocean science and monitoring (Gainey). We agree and support this especially if the funds are targeted for stock assessments.

However, we need much more than stock assessment to manage our fisheries sustainably. DFO has little capacity to understand and monitor the socio-economic impacts of its fish-management decisions on our fishing communities and rural areas.

Our members want to collaborate closely with the Department to deliver on the essential knowledge and information needed to ensure that our fisheries are ecologically, socially and economically sustainable especially in the context of climate change.

The scope and scale of climate changes and their impacts on our fisheries, communities and coastal economies needs to be better understood to inform management decision making.

We want to address the challenge of climate change by embarking on a national collaborative research partnerships with DFO Science and Management and the huge reservoir of research expertise that exists in our universities based on the very successful experience of the Canadian Fisheries Research Network; particularly the Lobster Node.

Our Federation therefore recommends that:

- Building on the success of the Canadian Fisheries Research Network and the Lobster Node that the Government of Canada invest the necessary funds to support new national research collaborations between the fishing industry, the Department of Fisheries and Oceans and Canadian universities to address management adaptation to rapid ecological change. Furthermore that the research initiatives be multi-disciplinary (social and natural sciences) and include sufficient resources to significantly enhance the capacity of harvester organizations to participate in these collaborations.
- that a specific percentage of the \$200 million the Liberal Party is committed to investing in sector-specific strategies to support innovation and clean technologies be reserved for the fishing industry for research into innovation in hull and engine design to reduce CO2

emissions, research into alternative forms of bait to reduce ecological footprint to meet eco-certification needs etc.

Regulations relating to Section 10 – Use of Fish

The previous government amended the Fisheries Act to allow fisheries resources to be used for fisheries management and science purposes. Many of our fleets requested these changes. We have yet to see how the Department intends to use these new powers. We would not want to see this new instrument used to compensate for years of cuts to the Department's core science capacity. These cuts to DFO science capacity must be addressed by new funding allocations to DFO and as mentioned above we strongly support this. We therefore recommend that:

- The Department organize a series of briefings for the fishing industry on their draft regulations governing the use of fish before these regulations are Gazetted, and;
- The regulations governing the use of fish make explicit that these resources will not be used to fund core DFO science capacity.

Investing in Community infrastructure

A major program is required to re-establish and restore infrastructure (wharves, wharf infrastructure, dredging) in our coastal communities for both economic, public safety and security reasons.

Our Federation recommends that:

- A priority be placed on the infrastructure restoration needs identified by the community Harbour Authorities in conjunction with DFO's Small Craft Harbour Branch.

International trade and policy

Canada exports 85% of the fish we produce making seafood our second largest food export after wheat and our independent fleets produce most of this value. Yet our fleets have been mostly ignored by the Government of Canada when it comes to discussing international trade in fish and international fisheries policy related to our community based fleets.

We would like this to change. We therefore recommend:

- An immediate briefing for Federation Executive Committee members on the fisheries components of the new Trans Pacific Partnership treaty and inclusion of the Federation in any future briefings on trade initiatives involving national producer organizations and other stakeholders.
- That Federation representatives be included in the official Canadian delegations to the annual meetings of the FAO Committee on Fisheries (COFI) and any other meetings where fisheries policies are discussed.
- That the DFO join our Federation and organizations representing aboriginal fisheries in the organization of a national workshop with the Fisheries and Aquaculture Department of the UN's Food and Agriculture Organization on the application to Canada of the FAO's new international guidelines on sustainable small-scale fisheries.

Marine protection

Our fisheries depend on a healthy marine environment and our fleets want to work closely with the Department on fully integrated approaches to marine protection. Done right marine protection can enhance our fisheries socio-economic systems.

- We strongly recommend that the Department brief the Federation Executive Committee on any new marine protection proposals and that support be made available to coordinate and engage representatives of the fishing industry on the issue of marine protection.

Marine protection involves much more than protected areas.

We are deeply concerned about the changes made to the mandates of the DFO and Environment Canada related to research into contaminants in the marine environment and the oversight of aquaculture activities.

- We recommend that DFO and Environment Canada responsibilities for research into the effects of contaminants, particularly pesticides, on the marine environment, be restored.
- We also recommend that restrictions on DFO scientists collaboration on contaminants research with academics and/or industry be removed including the possibility of collaborating or supporting research in the field (by sharing knowledge, helping with infrastructures, and/or costly chemical analysis).

- We also recommend that the Minister revise the recently adopted Aquaculture Activities Regulations to restore DFO and Environment Canada responsibility for risk assessment of chemical use by the aquaculture industry including risks to the environment and commercial fisheries.

Annex A – Letter from Liberal Party President Anna Gainey



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September 28 2015

MARC ALLAIN
EXECUTIVE SECRETARY
CANADIAN INDEPENDENT FISH HARVESTER'S
FEDERATION
408 MAIN ST
SHEDIAC, NB, E4P 5W5

Dear Mr. Allain,

Enclosed, please find the Liberal Party of Canada's formal response to your questionnaire.

For more information on the Liberal Party of Canada's vision for Canada, please take a moment to review our policies online at RealChange.ca. This site provides details on a Liberal government's policies, goals, and priorities.

On behalf of our Leader, Justin Trudeau, and the entire Liberal team, thank you for writing to identify the major concerns of your membership.

We appreciate your interest in the Liberal Party of Canada's policies as they relate to the issues which affect you.

Sincerely,

Anna Gainey, President
Liberal Party of Canada



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Canadian Independent Fish Harvesters' Federation

Do you support fishermen and fishing communities, including First Nations, regaining and retaining their fishing rights, now and in the future?

Effective management of our fisheries is essential for the long term, sustainable success of our marine food supply and the seafood industry, and the health of coastal communities where fishing operations are based. The Liberal Party is committed to ensuring all management decisions are made in full consultation with the industry, Aboriginal groups, and all stakeholders such as the Canadian Independent Fish Harvesters' Federation, while respecting environmental sustainability, and the economic viability of independent fish harvesters and coastal communities. The Liberal Party is committed to making access, allocation and sharing arrangement decisions more open, transparent, stable and predictable to strengthen consultation with all stakeholders and resource users.

We will ensure a stable and predictable access and allocation process, giving priority to those who are closest to the resource. These critical decisions will also be made in a fair and consistent manner in a way that does not increase inequality, inter-personal or inter-regional disparities, and has conservation, economic viability, and the future of the resource as vital considerations.

Do you support having fishing licenses and quotas held primarily by those who fish and their communities, and prevent them from becoming a speculative asset?

We believe that the benefits of our shared resources must primarily flow to the fishers and coastal communities that depend on the resource and decisions on management and allocation must be made in full consultation and collaboration with stakeholders, First Nations and coastal communities.

As MP would you encourage the growth, investment in, and regeneration of small boat fleets and coastal communities throughout Canada?

A Trudeau-led government will support the fisheries sector and protect the resource for the future; this will include partnering with the industry and provinces to review income support programs to ensure the success of the inshore fishery.

We will use scientific evidence and the precautionary principle and take into account climate change when making decisions effecting fish stocks and ecosystem management and we will reverse the \$40 million that Harper cut from the federal government's ocean science and monitoring programs.

We will also invest \$200 million annually to create sector-specific strategies that support innovation and clean technologies in the forestry, fisheries, mining, energy, and agricultural sectors.

Does your party support such measures?

Yes.

If elected do you promise to work to ensure a stronger regulatory framework to protect fishermen, small boat fleets and rural fishing communities?

The Liberal Party of Canada is committed to representing the fishermen, small boat fleets and fishing and coastal communities who must be fully involved in fisheries management and allocation decisions which affect so many livelihoods and communities on our coast.



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Do you support strengthening the owner-operator and fleet-separation policies by enacting regulations to give these policies the force of law?

A Liberal Government will support the independence of our Atlantic inshore fisheries by committing to the fleet separation and owner-operator policies under the Policy for Preserving the Independence of the Inshore Fleet in Canada's Atlantic Fisheries (PIIFCAF), and ensure that any remaining controlling agreements are investigated thoroughly to bring to account any who may be undermining the principles of PIIFCAF. We will ensure that small boat independent owner-operators remain the backbone of the fisheries and coastal communities on Canada's east coast and that the benefits of fishing licenses flow to fish harvesters and coastal communities.

Does your party support such measures?

Yes.

If elected do you promise to work to ensure that the owner-operator and fleet-separation policies are strengthened and given the force of law?

A Liberal government will support the independence of our Atlantic inshore fisheries by committing to the fleet separation and owner-operator policies under the Policy for Preserving the Independence of the Inshore Fleet in Canada's Atlantic Fisheries (PIIFCAF) and ensure that any remaining controlling agreements are investigated thoroughly to bring to account anyone who may be undermining the principles of PIIFCAF. We will ensure that small boat independent owner-operators remain the backbone of the fisheries and coastal communities on Canada's east coast, and that the benefits of fishing licenses flow to fish harvesters and coastal communities.

Are you in favour of adopting new initiatives to provide loan guarantees for young people to finance licence transfers from retiring fish harvesters?

We commit to smarter co-management of our fisheries and oceans, by working with the provinces, Indigenous Peoples and other important stakeholders such as the Canadian Independent Fish Harvesters' Federation. We will develop plans that not only make the best use of our marine resources, but give coastal communities and the industry more say in managing the resources around them.

If elected will you work to ensure Canada's fisheries resources remain a publicly owned resource, managed sustainably in the best interests of coastal communities, while keeping current and future generations of fishermen in mind?

The government of Canada must be a more active partner in research and scientific activities regarding fisheries and our ocean and freshwater environments. To that end, The Liberal Party has already made several important commitments in this regard. We will:

- Invest \$200 million annually to create sector-specific strategies that support innovation and clean technologies in the forestry, fisheries, mining, energy, and agricultural sectors.
- Conduct a wholesale review of the Conservatives' changes to the Fisheries Act and the elimination of the Navigable Waters Act, to re-establish lost protections and incorporate more modern safeguards.
- Increase the amount of Canada's protected marine and coastal areas from 1.3 percent to 5 percent by 2017, and 10 percent by 2020.
- Reverse the \$40 million that Harper cut from the federal government's ocean science and monitoring programs.

- Work with the provinces, Indigenous Peoples, and other stakeholders to use our marine resources efficiently. We will empower coastal communities to manage their resources and ensure smarter co-management of our oceans.
- Deepen our commitment to work with other governments to protect Canada’s freshwater through education, geo-mapping, watershed protection, and infrastructure investments in the best waste water treatment technologies.
- Restore \$1.5 million in federal funding for freshwater research, cut by the Conservatives, and make new investments in Canada’s world-leading IISD Experimental Lakes Area.