

Globalization, Fisheries and Recovery



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Key questions

- How is the fishing industry functioning in the post-moratorium period and what are its future prospects?
- How can we best understand the current situation of, and prospects for, communities that have been dependent on the fishery?
- What new opportunities are being pursued and what challenges exist, particularly in terms of labour and markets?

Research Locations

St. Anthony



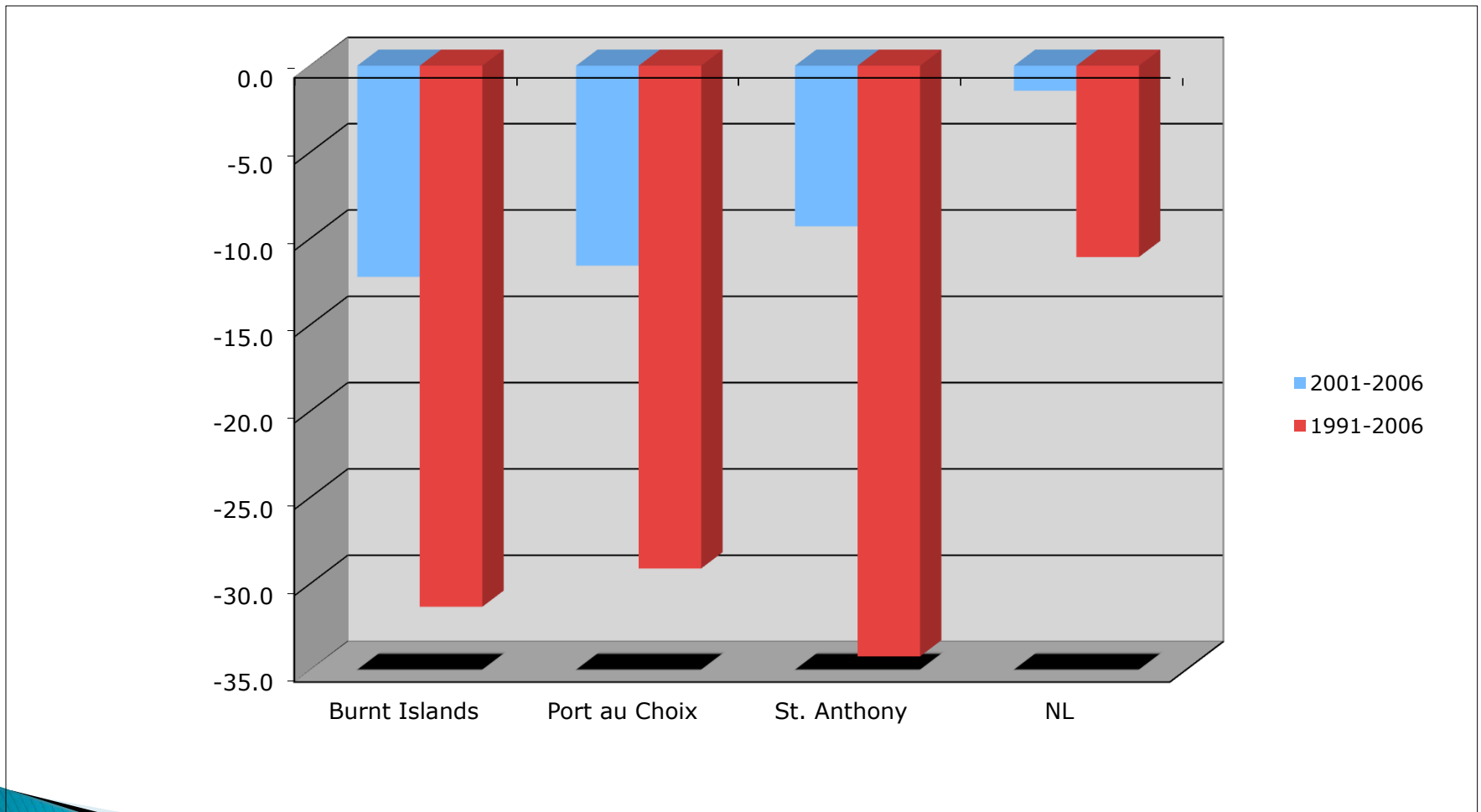
Burnt Islands



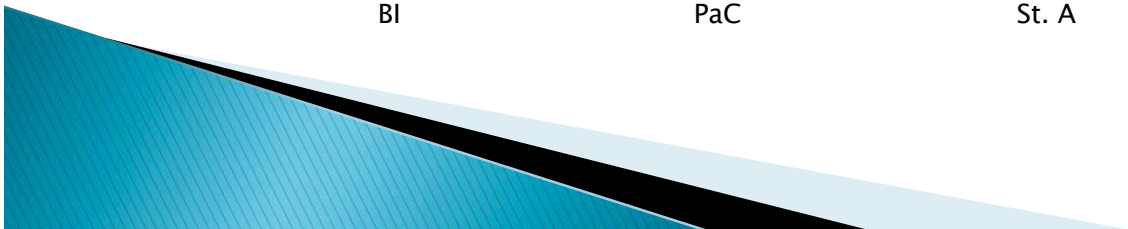
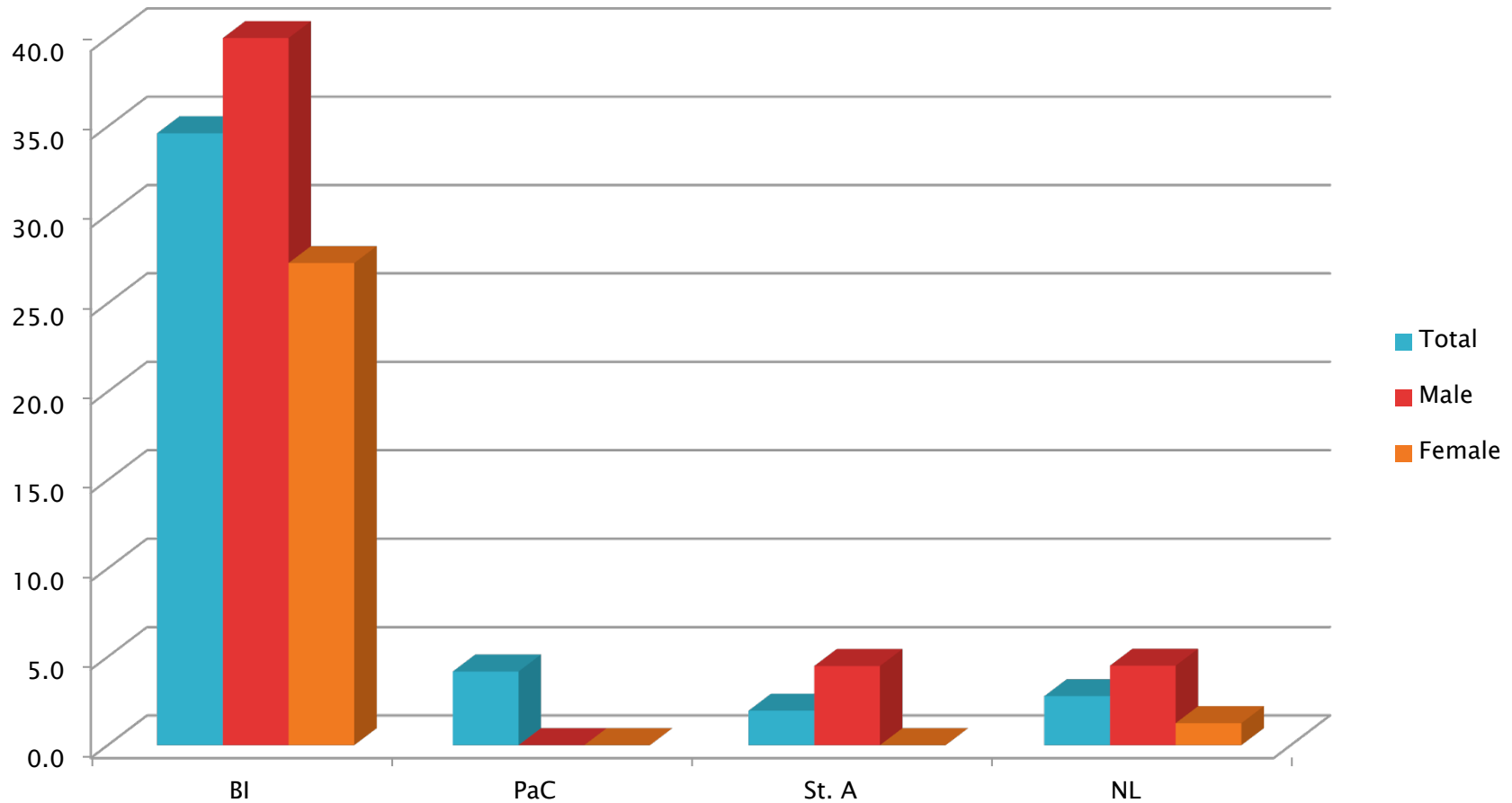
Port au Choix



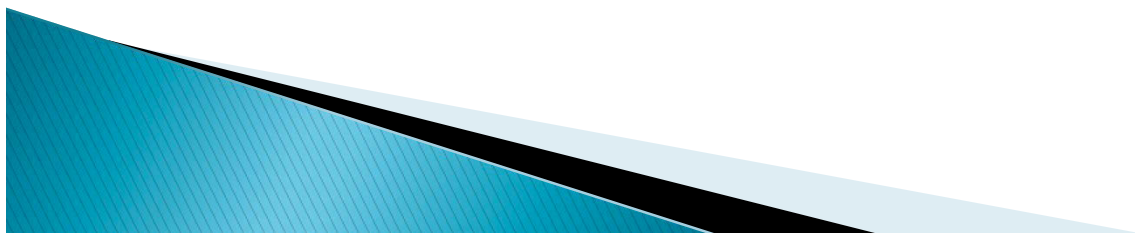
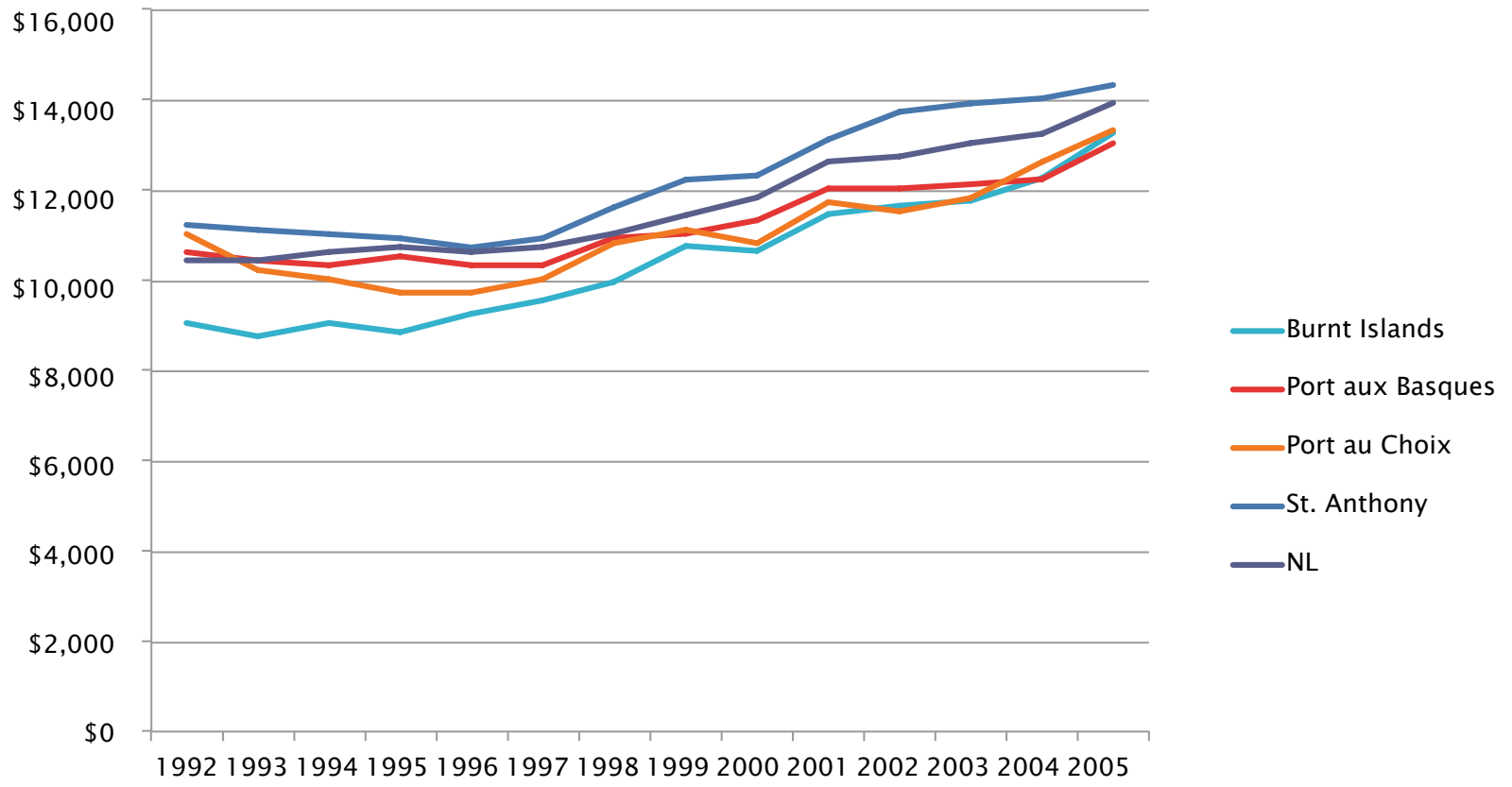
Population change



% Reporting Usual Place of Work as Out of Province



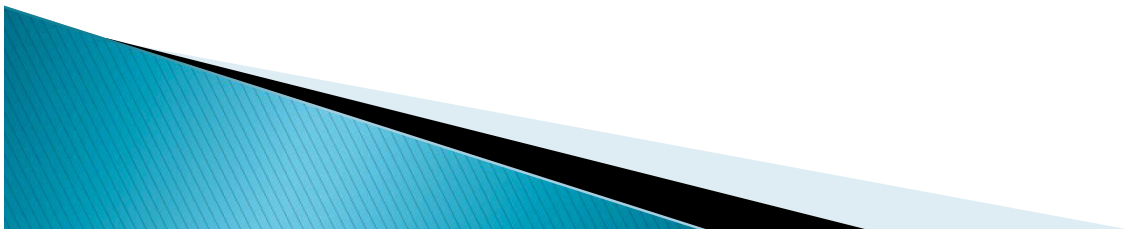
Real disposable income, in \$1992



Fisheries labour issues:

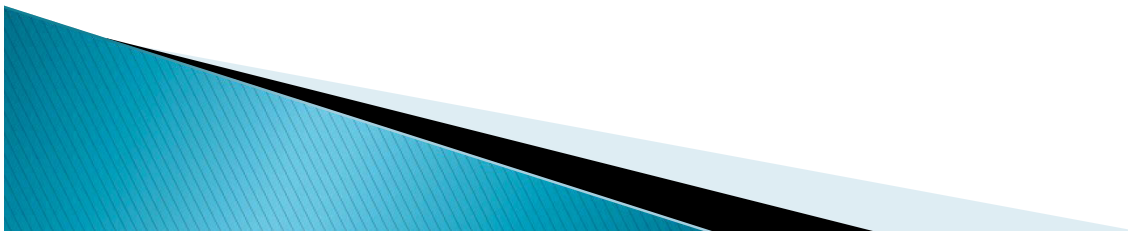
Declining labour demand

- ▶ Our key informant interviews and other statistical sources indicate a decrease in employment in the plants, the inshore and the <65' fleet (nearshore).
- ▶ This decline in employment was precipitated by changes on the demand side of the labour market, caused by resource collapse (cod), changes in regulations (licensing, quotas) and changes in species (shrimp vs. cod).
- ▶ The downward shift in labour demand has been accommodated partly by decreased employment and partly by falling earnings.



Efforts to increase earnings in harvesting

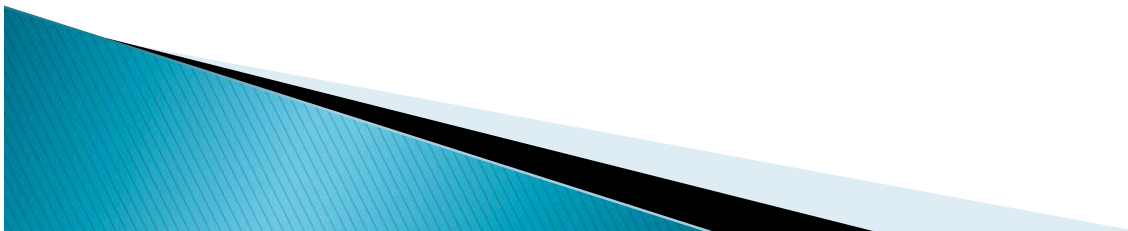
- ▶ Professionalization reduces labour supply and increases skill, putting upward pressure on earnings (for a reduced labour force).
- ▶ Fleet rationalization initiatives take different forms, involving adjustments to licence transfer regulations, quotas and vessel replacement rules. E.g., buddying up in lobster; consolidation of quotas in shrimp.
- ▶ Resource sustainability vs. earning enhancement.
- ▶ Attempt to find higher value market niches.



Emerging labour shortage?

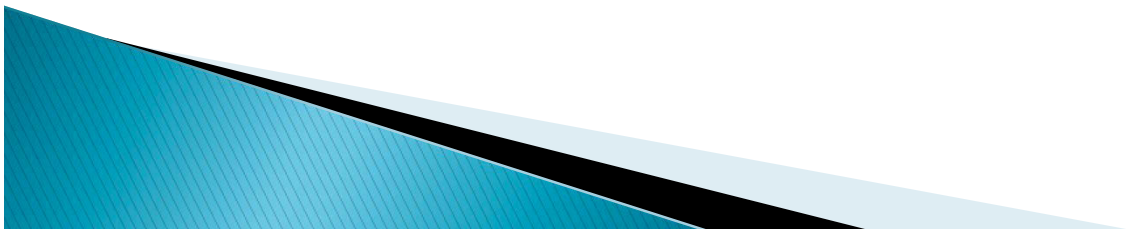
Harvesting

- ▶ Inshore fishers not looking for crew – not a labour shortage per se, but a shortage of enterprise earnings drives the desire to economize on labour.
- ▶ Self-financed rationalization is difficult in practice, especially in the inshore fleet.
- ▶ In the longer term, how will an aging group of harvesters be replaced?



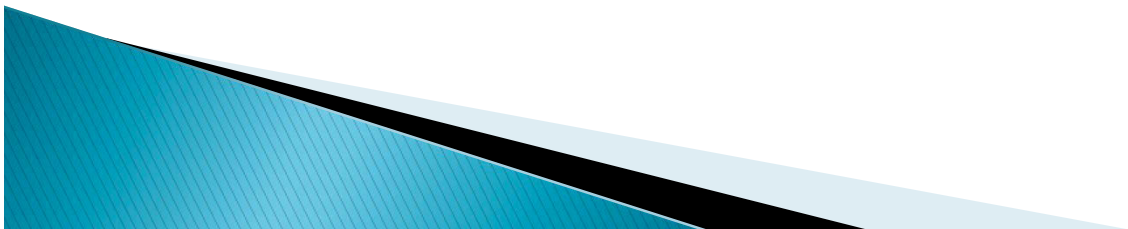
Processing labour

- ▶ An aging labour force with no one to replace them.
- ▶ The supply of people willing to work in the plants has declined as a reflection of (1) opportunities elsewhere and (2) of a generation that has been discouraged from seeing a future in the industry.
- ▶ From the point of view of the plants, the options are:
 - To increase earnings (perhaps in combination with technological changes and better capacity management)
 - Or to find an alternative supply of labour willing to work under current conditions – migrant workers?
- ▶ Higher prices for fish products are critical condition for attracting labour.



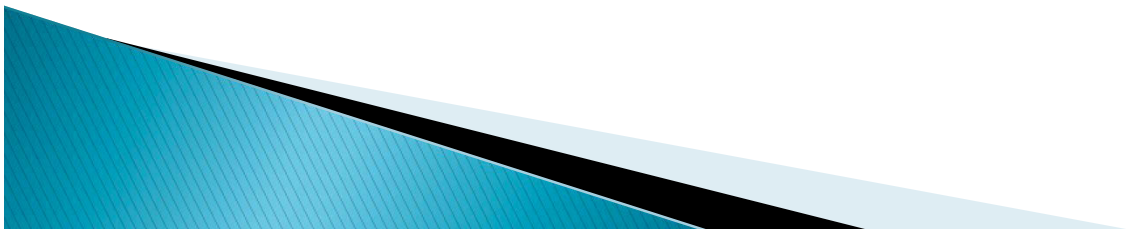
Fish marketing chains: Shrimp

- ▶ From the plant to market is a multi-dimensional process that involves arrangements with transporters and sometimes storage companies.
- ▶ Processors typically try to establish on-going contractual arrangements with large buyers. These are close to global in scope. Plant managers and the marketing managers of the largest companies typically work closely in establishing and maintaining contracts with suppliers.
- ▶ Producers can add relatively little value through processing shrimp beyond cooking it.



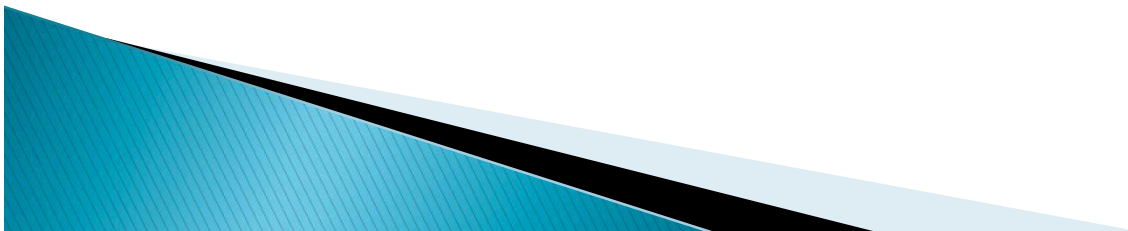
Shrimp Marketing (continued)

- ▶ Getting the shrimp to market is a complex process that requires co-ordination with land and sea transporters. This provides various opportunities for smaller businesses. For example, St. Anthony Cold Storage and offloading by Port Saunders Seafoods.
- ▶ Shrimp producers have also experienced pressure from the retailers in Europe to ensure that they follow ecologically sound management practices.
- ▶ Trucking problems.



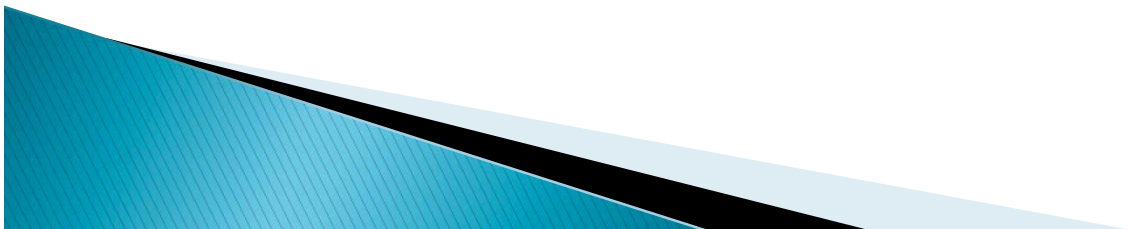
Lobster

- ▶ Prior to 2009, lobster provided core income for most fishers who did not work with nearshore vessels.
- ▶ Most lobster sold through Boston via brokers to other US and even European markets. Hard to sell directly into these markets.
- ▶ Transportation problems.
- ▶ Lobster Council of Canada – Sept. 2009.



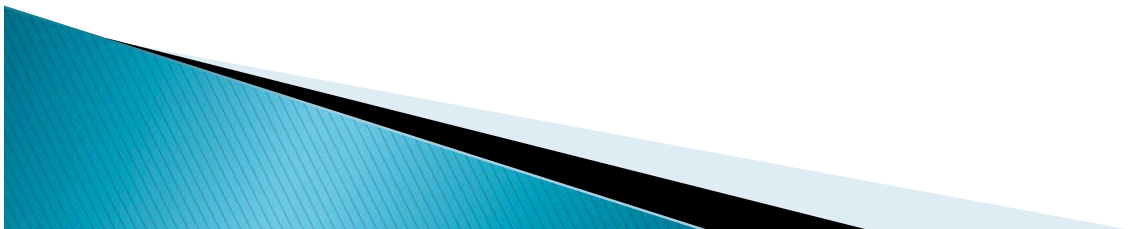
Processing and marketing regulations

- ▶ Unreasonably limit what can be done, according to interviewees. Examples:
 - Seasons for species are insensitive to local conditions
 - St. Anthony Cold Storage has no licence to freeze; it is limited to holding products prior to further shipment
 - On SW coast, a secondary processing plant is under construction but has no licence to buy fish directly from fishers. It is unclear who will supply this company.
 - The Burnt Islands plant is small and flexible, but cannot command a premium price for fish and is “boxed in” by regulations – used to have a multi-species license but now need species specific licenses; scallop license lapsed when fishers did not catch scallop for two years.
 - SABRI unable to develop cod-salting on boats for a niche market.



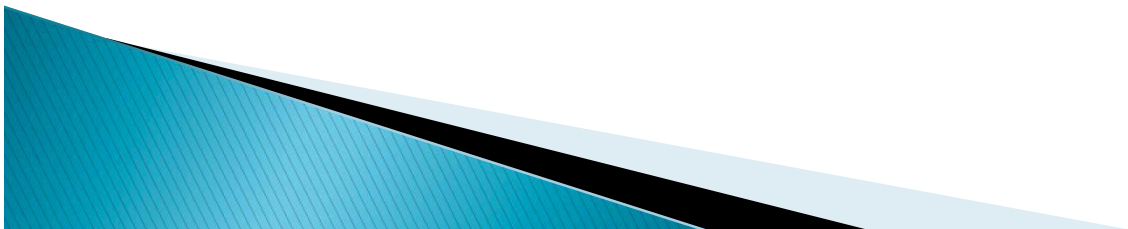
Migration, Labour and Education

- ▶ Those who were impacted by the moratorium have already left if that was their strategy; more recent changes push some to leave, depending on their circumstances. Many are attracted to Alberta.
- ▶ It is 'normal' for youth to leave – often after receiving occupational training locally.
- ▶ Some return migration occurs (young families)
- ▶ Trend toward temporary migration (home base)
- ▶ Locally, there are labour shortages in trades, services and professions. Various examples.



Diversification, stabilizing population

- ▶ Efforts underway in all areas studied. E.g., more stress on tourism & attempting to cope with labour shortage.
- ▶ Increased demand for specific skill training.
- ▶ Long-distance commuting – economic gains (community and family) but some negative impacts
- ▶ Challenge of maintaining services with declining (and aging) populations – regionalization?
- ▶ Significant variations in strengths by area – key employers, leadership, institutions...



What to try?

- ▶ Generic provincial seafood marketing organization.
- ▶ Ecological certification.
- ▶ New technologies –e.g. 1 person, hi-tech boats.
- ▶ Review regulations re flexibility & real benefits.
- ▶ Better tracking of employer & employee needs.
- ▶ Graduate registry to understand career choices & paths.
- ▶ Identify and protect local people's interests in regionalization processes.
- ▶ Institutional recognition & support for long-distance commuters & their families.

