

The Impact of Northern Shrimp on Plants

In 2014, there were 10 plants that processed shrimp in Newfoundland & Labrador. This product was provided to the plants by the <65' inshore fleet. The 2014 inshore Northern Shrimp quota was 73 million lbs, down by more than 24 million lbs from the 2013 quota. These reductions were the result of the continued unfair application of quota cuts and the disregarding of the long standing principle of adjacency in fisheries management. The figure to the right traces the Northern Shrimp inshore quota since 2000, showing the steep quota cuts of the past five years.

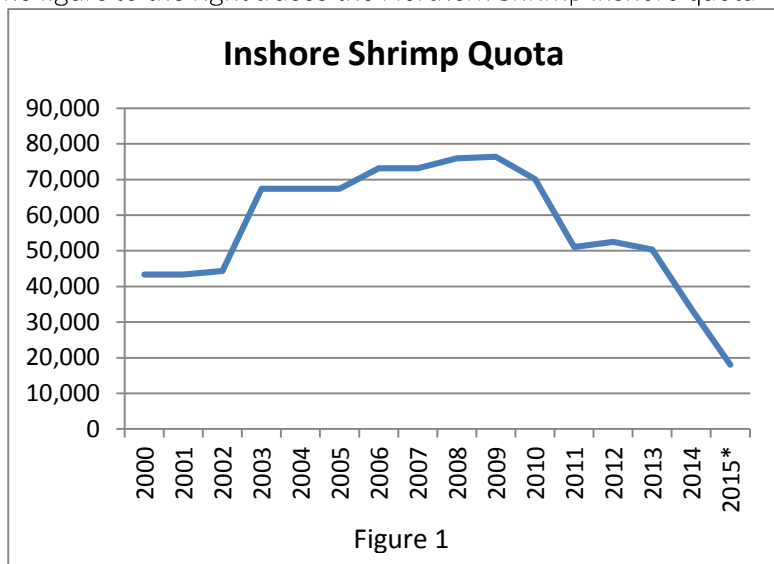
The closing of Shrimp Fishing Area (SFA) 7 will result in a 3.5 million lbs inshore quota cut for 2015. There is a real possibility that, if the Northern Shrimp Science for SFA 6 in 2014 is the same as 2013, the inshore Northern Shrimp quota for 2015 will be reduced to less than 40 million lbs.

In the 2006 report, *Profile of the Atlantic Shrimp Industry*¹ by Gardner Pinfold, the average shrimp plant in Newfoundland & Labrador is listed as processing 10 million lbs per year. If the anticipated 2015 quota becomes reality, it is very likely that half of the shrimp plants in Newfoundland & Labrador will have to close their doors and go out of business. This looming crisis can be avoided if the federal government gives more consideration to adjacency and the viability of the communities in rural Newfoundland & Labrador.

Each processing plant working with Northern Shrimp employ between 100 and 150 workers. The looming quota cuts to the inshore northern shrimp quota makes it possible that plants will close or operate at a reduced level. This would mean either fewer hours or unemployment for the plant worker.

The fishing industry is a fundamental part of the economy in rural Newfoundland & Labrador. For every job in the fish harvesting and processing industry, an additional 1.3 jobs are created.² Therefore, 100 jobs in the harvesting and processing sector generate an additional 130 jobs within the region.

If the expected quota cuts of 2015 do occur, there is a real possibility that between 500 and 750 jobs could disappear in the provinces processing sector, imperiling as many as 975 positions.



¹ Report available from: http://www.dfo-mpo.gc.ca/fm-gp/peches-fisheries/reports-rapports/acfam-cmpaa/sr-rc_e.pdf

² Report available from: https://novascotia.ca/econ/docs/2005_Ocean_Sector_Study_NS.pdf