

Bill 23

The Fisheries Act

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Submission from:

**The Public
Service
Alliance of
Canada,
Prairie Region**

To:

**The Legislative
Assembly
of Manitoba
Standing
Committee on
Social and
Economic
Development**



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My name is Marianne Hladun and I am here this evening on behalf of more than 8,000 Public Service Alliance of Canada members living and working in Manitoba. PSAC is the largest union in the federal public sector, representing over 180,000 members from coast to coast to coast. Our members at the Winnipeg processing facility are the engineers that maintain the plant's equipment.

We are concerned with the government's decision to introduce Bill 23, especially the decision to withdraw from its participation agreement under the Freshwater Fish Marketing Act. While we acknowledge that fishers will still have the option of selling their fish via the FFMC, PSAC believes that a fundamental link in the fishing economy will be severely damaged - hurting fishers, their communities, and undermining the workers at the processing centre here in Winnipeg.

PSAC believes that FFMC should remain a monopoly single-desk for the economic security and stability of all Manitoba fishers.

FFMC was created in 1969 and is located right here in Winnipeg. It was designed to give our small fishing communities strength and stability in terms of price and quality. The corporation purchases, processes and markets the catch of some 1,700 commercial fishers in Manitoba, Saskatchewan and the Northwest Territories. Its head office is in Winnipeg and it employs about 150 people.

Time and again, we have seen the ideological approach to "market freedom" has the same effects: small operators are cut out and wages are depressed.

In many ways, this feels like a re-play of the disastrous decision to dismantle the Canadian Wheat Board. As such, it may be instructive to look at the results of that ideological decision to attack a single-desk marketing body.

When the CWB was dismantled, many small producers went out of business. And that had several impacts - not all of which were anticipated at the time - at least not by the government of the day.

PSAC represents the workers at the Port of Churchill, through the UCTE component. Churchill has relied on the Wheat Board monopoly marketing system that focused on returning value to farmers, rather than to large distributors. With the destruction of that managed system we now have a community in crisis.

PSAC has consistently called on the federal government to bring the Port of Churchill and the rail line back as a national asset so that it can return to full operation in the short term, and remain so for generations to come.

And incredibly, that now appears to be the position of Omnitrax itself. Merv Tweed - who I think many people in this room might be familiar with - wrote a frankly incredible piece in the Free Press recently which I urge the members of this committee to read.

In it, he blames the state of the railroad and the Port on the decision to dismantle the Canadian Wheat Board, and then states that Omnitrax's position is, and I quote: "To be clear, we believe the HBR [Hudson Bay Railroad] has a future, but as a public utility and not a private enterprise." point in bringing up that situation is important to today's discussion. No one here knows what the next five to ten years will mean in international markets.

As of today over 80% of the fish caught and processed by FFMC is exported to markets outside Canada. And tomorrow?

I don't know what the results of Canada's NAFTA negotiations with Mexico and with the Trump administration will end up being. I don't think anyone here does.

I don't know what will happen when Brexit becomes a reality and our trade with our European partners is altered as a result.

I do know that now is not the time to introduce more risk and instability for small producers, and that is exactly what Bill 23 does to fishers, particularly in the North. Many northern communities rely on fishing for their income. The single-desk approach has meant there is at least a basic level economic security in these communities.

The small operators don't have the financial capacity to individually promote and process their products on a national and even international market in any consistent manner - especially given the uncertainty in international markets today.

This change to well-established relationships makes the suppliers of the product and their employees more vulnerable to even minor market shifts.

The economic sustainability of this entire supply chain is undermined by this uncertainty, creating downward pressure on product margins.

And at the same time, while fishers are still free to choose to go through FFMC, if its services need to be cut back and jobs are lost as a result, what will happen if a similar crisis hits fishing communities?

A weakened FFMC will not be in a position to offer the strength and stability it might once have been able to provide. It is also possible that - despite assurances made today - the marketing corporation may not be able to continue to exist without the participation of Manitoba.

While the corporation is technically a national organization, the bulk of the product comes from Manitoba. Has the provincial government consulted with the other jurisdictions that are part of the FFMC? If Manitoba goes, will they stay? If those provinces and territories follow Manitoba's lead, will the FFMC be able to exist in the manner that it does today? date, there has no been adequate explanation of what will be done to protect small fisheries and isolated communities if the FFMC should close its doors as a result of this decision.

The needs of the product suppliers - the small fishing operations - need to be factored into this shift, and potential collapse, of a well run and vibrant sector of the provincial economy.

I wonder if, at some point in the future that we hope does not come to pass, it will be the very private interests that have profited off of a weakened or disbanded FFMC that approach the government of that day to socialize the cost of the decisions made in Bill 23.

I just hope that it won't happen as a result of the same kind of economic devastation being faced by the people of Churchill, now, today.

Thank you for the opportunity to present my remarks.