

A Proposal to Lift the Current Freeze on Commercial Seal Licences, and Implement a New Commercial Seal Licencing Structure

Submitted to:

Fisheries and Oceans Canada (DFO) - Newfoundland and Labrador Region

Submitted by:

Canadian Sealers Association (CSA)

With the support of:

Fish Food and Allied Workers (FFAW/Unifor)
Professional Fish Harvesters Certification Board (PFHCB)
Carino Processing Ltd. – Processor of Seal Products
Phocalux International Inc. – Processor of Seal Products
Department of Fisheries and Land Resources (DFLR)
The Fur Institute of Canada (FIC)

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1. Introduction

In July 2004 Fisheries and Oceans Canada (DFO) implemented a freeze on Commercial Seal Licences. With few exceptions, this licencing freeze included a freeze on the issuing of any new Commercial Assistant Seal Licences, as well as a freeze on the upgrading of any Commercial Assistant Seal Licence holder to Commercial Professional. This freeze, which began as a one year trial in 2005, was subsequently extended two years to 2007, and has remained in place to this day.

Prior to this commercial seal licencing freeze being implemented, there were some 12,000+ Commercial Seal Licence holders in Newfoundland and Labrador (8,000+ Professional and 4,000+ Assistant). There were no restrictions on the issuing of new Commercial Assistant Seal Licences, and following two years, Assistants were eligible to upgrade to Commercial Professional.

This freeze on the issuing (of new) and upgrading (of existing) Commercial Seal Licences was implemented by DFO at the request of the Canadian Sealers Association (CSA) with the support of industry stakeholders. The freeze came at a time when seal prices (oil and pelts in particular) were well above market/industry norms, and the full annual harp seal harvest allocations were being taken. As a result of rapid increased participation in the annual harvest, individual earnings were significantly diluted, and market prices ultimately crashed.

The proposed licencing freeze was intended to limit the number of Commercial Seal Licence holders, allow time to develop measures to better structure the Commercial Seal Licence system, and to support the longer-term sustainability of the industry. However, though the CSA proposed and supported the 2005 licencing freeze, and subsequent extension, the Association and its supporting stakeholders never intended for the freeze to be permanent.

This proposal presents a formal request to lift the current licencing freeze on commercial seal licences in Newfoundland and Labrador, and a recommended way forward – one which allows DFO to lift the current commercial seal licencing freeze, while ensuring the labour force structure and stability necessary to support the long-term sustainability of the resource.

2. Industry Stakeholders & Proposal Proponents

The Canadian Sealers Association (CSA) – The CSA was formed in 1982 in response to negative publicity directed against the Canadian sealing industry by some animal rights groups/activists. It is designed to speak on behalf of commercial sealers, primarily in Newfoundland and Labrador. Its principal focus is to develop an educational and public awareness campaign to counter act the animal rights groups/activists, and promote the professional interests of commercial sealers. The CSA represents approximately 7,000 commercial sealers who are licensed by the Government of Canada, and has been a strong proponent of a better training and more professional sealing industry. Since 2009, the Association has worked closely with the FIC, PFHCB, FFAW, DFFA, and other industry stakeholders on the delivery of information workshops to sealers (Humane Harvesting and Quality/Handling/Health), and on the development of a long-term professionalization model for the sealing industry.

Fish Food and Allied Workers (FFAW/Unifor) – FFAW/Unifor is the Newfoundland and Labrador’s largest private sector union, and represents over 12,000 workers throughout the province. The majority of their membership is comprised of commercial fish harvesters, thousands of whom are also commercial seal licence holders. They have been champions of a stable and viable sealing industry, and a strong supporter of the CSA in its ongoing efforts to promote commercial sealers and their industry. The FFAW has always promoted a well-trained, safe and professional fisheries labour force. They have a long history in the development and delivery of fisheries training initiatives, and were the driving force (along with provincial and federal governments) of establishing the current professional fish harvester’s certification system in Newfoundland and Labrador. They have fully endorsed the training/licencing requirements in Humane Harvesting set by DFO, and support the move toward the professional certification of all commercial sealers.

Professional Fish Harvesters Certification Board (PFHCB) – The PFHCB is the provincially legislated Board responsible for professional certification of all commercial fish harvesters in Newfoundland & Labrador. Since its inception in 1997, strong linkages have been established between professional certification and DFO licencing policy in the NL region. Most notably, only Level II certified fish harvesters are eligible to hold federal species licences in the NL region. However, commercial seal licence holders have not been required to be professionally certified. Since 2010, in partnership with the CSA and DFFA, the PFHCB has been delivering Quality/Handling/Health and Humane Harvesting of Seals workshops to commercial sealers throughout the province – with more than 8,000 commercial sealers trained. During that period, the PFHCB has built a commercial sealer training database, and has worked directly with DFO on determining what sealers have fulfilled their Human Harvesting workshop requirement for the purpose of renewing their Commercial Seal Licences.

Carino Processing Limited (CPL) – Carino is Newfoundland and Labrador’s largest seal processor, and have been in operation for more than 50 years. They purchase the majority of seal product landed by Newfoundland and Labrador commercial sealers, and from their facility in South Dildo they process, produce and export quality garment-ready and food products for domestic and international markets. Carino has been a strong supporter and promoter of a humanely conducted and sustainable sealing industry, and has been a vocal proponent of professionally certified sealers for nearly a decade. The company has demonstrated their commitment to this initiative by implementing corporate policy of only purchasing seal product from commercial sealers who have completed the required Humane Harvesting and Quality/Handling/Health workshops. They support the lifting of the current licencing freeze, and are committed to recognizing the proposed professional certification system for commercial sealers.

Phocalux International Inc. – Phocalux is Newfoundland and Labrador’s newest licenced commercial seal processor. Though the company itself is relatively new, its owners have a lengthy history and extensive experience in seal product production and distribution. Operating out of Fleur de Lys on the province’s Baie Verte Peninsula, Phocalux has made considerable investment in their seal operations in recent years, and has demonstrated its commitment to the province’s sealing industry and commercial sealers through the purchase and full-utilization of seals. The company recognizes the need to lift the current licencing freeze, allowing new entrants to enter the industry, and has publicly stated their support for implementing and respecting proper protocols to ensure the resource remains sustainable, and responsibly/humanely harvested by professionally certified commercial sealers.

Department of Fisheries and Land Resources (DFLR) – The DFLR promotes the development of the province's seafood industries, including the commercial sealing industry. The Department works with industry and other partners to ensure the sealing industry is economically viable, internationally competitive, and ecologically sustainable over the long term. To that end, DFLR is the provincial department responsible for issuing seafood processing licences (including seal), implementing and enforcing a seafood quality assurance program, as well as providing marketing support services to the industry. The Department has contributed significantly to the professionalization of sealers in recent years, through the delivery of Quality/Handling/Health workshops to commercial sealers, in partnership with the PFHCB. In addition to its support for the CSA and its commercial seal harvester members, DFLR has demonstrated unwavering support for the professional certification of commercial fish harvesters generally. The Department was responsible for introducing the *Professional Fish Harvesters Act* in 1996, which resulted in the establishment of the PFHCB in 1997.

Fur Institute of Canada (FIC) – The Fur Institute of Canada is the country's lead expert on humane trap research and furbearer conservation and is the official trap-testing agency for the Government of Canada and all provincial/territorial governments. The FIC manages Canada's humane trap research and testing program through the Alberta Research Centre and in accordance with *The Agreement on International Humane Trapping Standards* within Canada. The FIC is mandated to providing accurate and credible information relating to the economic, social, cultural and environmental issues surrounding the harvesting and farming of fur in Canada. It represents the interests of Canadians actively involved in fur use and wildlife conservation, including commercial sealers. The FIC was a leader in initiating the work to deliver humane harvesting of seals information workshops, and worked directly with the CSA in 2009 to delivery workshops in sealing regions of Newfoundland and Labrador.

3. The Proposal in Summary

The CSA, with the support of key industry stakeholders, requests that ***DFO lift the current freeze on Commercial Seal Licences, and implement a new Professional Certification and Commercial Seal Licence system that provides: 1) an opportunity for existing Commercial Assistant Seal Licence holder to upgrade to Commercial Professional; 2) a gateway for New Entrants to enter the industry and progress to Commercial Assistant and Commercial Professional; and 3) achieve the longer-term industry goal of having all Commercial Seal Licence holders professionally certified.***

What follows is the rationale for this request to lift the current licencing freeze on commercial seal licences, as well as a detailed description of a proposed new professional certification and licencing system for Commercial Seal Licence holders, with recommended implementation priorities and timelines.

4. Rationale

In the 12 years since the DFO licencing freeze was implemented, much change has taken place in the commercial sealing industry. No doubt, the industry has experienced some challenges and setbacks during that period, including the 2009 European Union ban on the importation of seal products.

However, as outlined below, many of those significant changes stand as strong indicators that it is time to lift the current Commercial Seal Licence freeze, and introduce a new licencing system that is linked to professional certification. It is widely believed, and supported by industry stakeholders, that a professional certification system, properly linked to DFO licencing policy, will be a key contributor to the long-term stability, sustainability and viability of the industry.

The introduction of the “Three Step Process” – Acting on a recommendation from the International Veterinarians’ Working Group, in 2009 DFO introduced a new protocol for the humane harvesting of seals. The Three Step Process was introduced as a condition of licence in 2009 in an effort to mitigate unnecessary pain and/or suffering for the animal, and sealers participating in the commercial hunt were expected to follow the protocol. That same year, the CSA, in partnership with the Fur Institute of Canada (FIC) and DFO, commenced the delivery of community meetings to inform Newfoundland and Labrador commercial sealers of new protocol. The Three Step Process was subsequently added in an amendment to the Marine Mammal Regulations, and the requirement remains in place to this date. It has been accepted by sealers as effective and appropriate for its intended purpose.

Mandatory Training Requirements Set – In 2010, building on previous work of the CSA and FIC, and with assistance from the Canadian Council of Professional Fish Harvesters (CCPFH), a formal training curriculum was developed for the purposes of educating sealers on the procedures and rationale of the new Three Step Process. The training module was approved by DFO, and the PFHCB (in partnership with CSA, DFFA and other stakeholders) began delivering workshops to sealers throughout Newfoundland and Labrador. This approved information workshop was established as a mandatory licencing requirement by DFO, with an initial deadline was set for December 31st, 2015 – If commercial sealers did not attend the required workshop they would not be eligible for licence renewal. That deadline was subsequently moved to November 31st, 2016.

All Licenced Sealers Committed to Humane Harvesting & Quality – From 2010 to 2016, commercial sealers demonstrated their commitment to following the Three Step Process, and humane harvesting of seals generally, by attending community workshops delivered by the PFHCB. The response from sealers attending the workshops, both in terms of the number of attendees as well as the positive feedback received, is indicative of that commitment. In total, 177 workshops were delivered, and 8,262 commercial sealers attended. In addition to the 177 Human Harvesting workshops delivered by the PFHCB, there were Quality/Handling/Health workshops delivered at 154 of those 177 locations between 2011 and 2016. These workshops were delivered by DFFA officers, and coordinated by the PFHCB. In total, 5,932 sealers attended these Quality/Handling/Health workshops.

Development of a Registry for Trained Commercial Sealers – All sealers who have attended an approved Humane Harvesting Workshop and/or Quality/Handling/Health workshop have been issued an official certificate of attendance from the PFHCB. Workshop attendance has been tracked, and all attendees have been entered into a database at the PFHCB office. This registry of trained sealers is an important component and first step in establishing a professional certification system for commercial sealers. It has also formed an important linkage between training/certification and DFO licencing policy, as DFO has used the PFHCB registry of trained sealers to confirm that commercial seal licence holders have attended the required Humane Harvesting workshop and to determine their eligible for commercial seal licence renewal. Additionally, the registry of sealers who have completed the Quality/Handling/Health workshop has been utilized by seal processors to ensure they are purchasing seal product from sealers trained in seal quality, health identification and handling practices.

42% Reduction in the Number of Licenced Sealers – DFO licencing statistics indicate that in 2005 (when the current licencing freeze was implemented) there were 12,096 licenced commercial sealers in Newfoundland and Labrador – 8,014 Commercial Professional, and 4,082 Commercial Assistant. Currently, twelve years following the introduction of the 2005 licencing freeze, the number of licenced commercial sealers stands at 7,037 – 5,485 Commercial Professional, and 1,552 Commercial Assistant. The overall decrease of 5,059 sealers represents a 42% reduction in the total number of licenced commercial sealers in this province. Perhaps more notable is the 62% reduction in the number of Commercial Assistant licence holders, the group from which Commercial Professional licence holders historically depended on to assemble a crew for sealing.

An Ageing Commercial Sealer Demographic – The exact age demographic of current licenced sealers in Newfoundland and Labrador isn't known, but it stands to reason that the current 7,037 commercial licence holders are twelve years older than they were in 2005 when the freeze was implemented, and (except for annual Temporary Assistants) no New Entrants have entered the industry since that time. Based on commercial fishing industry averages in this province, it is estimated that current commercial seal licence holders are between 55-60 years of age, with Commercial Professional licence holders estimated to be 5-10 years older than Commercial Assistant licence holders. Clearly, this aging demographic does not bode well for the future sealing industry labour force. In fact, coupled with the current freeze on New Entrants, it essentially represents the death knell for the industry, in terms of any potential future economic benefit to the province from the sustainable utilization of this valuable renewable resource.

The Growth of a Strong Sustainable Resource –The current estimated Atlantic seal population is in the 8,000,000-9,000,000 range, which is nearly double the estimate from 20 years ago in 1996, and more than four times the estimated population in 1975. While there has been some concern regarding birth and mortality rates in recent years, the TAC remains at a 50 year high (400,000), and annual landings have been consistently low (compared to historical average landings) since 2009, at well under 100,000 animals harvested annually. Even with low annual landings, the industry remains a valuable contributor to the rural Newfoundland and Labrador economy, with annual landed values well into the millions of dollars. Income from commercial sealing has been documented to represent as much as 1/3 of the total income for some commercial sealers/fish harvesters. If harvested in a professional and sustainable way, a well-managed commercial sealing industry has much potential to contribute to the long-term economic viability of coastal communities, as well as a well-balance marine ecosystem.

Processors Committed to a Professionalized Industry – Since the introduction of the Three Step Process by DFO in 2009, and the formal delivery of the Humane Harvesting Workshop in 2010, the major licenced seal processors in Newfoundland and Labrador have been supportive of a better trained, professionally certified labour force. For example, in the case of Carino, their level of commitment to meeting this goal was demonstrated by a company policy to only purchase seal products from commercial sealers who had attended the required Humane Harvesting workshop. This policy was subsequently extended to include the Quality/Health/Handling workshop as well. Though relatively new to the industry, Phocalux has indicated its support for professional certification of commercial sealers as well. Both companies accept that effective training and professional certification will form the foundation on which the industry will rebuild its international reputation and markets.

Strengthening of “Professionalization” in all Fisheries –Over the past two decades there has been a growing acceptance of the need and benefits of professional certification in commercial fisheries in Canada, including their linkages to DFO licencing policies. Since 1997, DFO licencing policy in the Newfoundland and Labrador region has been directly linked to professional certification with the PFHCB. Currently, all federal species licence holders in this province, with the exception of commercial seal licence holders, are required to demonstrate certification with the PFHCB in order to renew their species licences annually with DFO. A professional certification regime is also well established in Quebec, and discussions are currently underway to establish similar systems in the Maritimes. At multi-stakeholder sealing industry meetings (2007-2016) there has been consensus that professionalization is a key step to ensuring that commercial sealing activity is conducted in a way that ensures safety, competency and professionalism.

Existence of a Well Established Professional Certification Board – The PFHCB has been in place since 1997, following the proclamation of the *Professional Fish Harvesters Act* by the Government of Newfoundland and Labrador in 1996. The PFHCB is a self-supporting (operating on certification fees paid by professional fish harvesters) provincial Category III Public Entity, reporting to the Minister of DFFA, and captured by the *Transparency and Accountability Act* as well as the *Access to Information and Protection of Privacy Act*. The Board operates under the direction of a 15 member Board of Directors, all appointed by the Minister of DFFA. The PFHCB administers a comprehensive secure database of professional fish harvesters in Newfoundland and Labrador, including owner/operators and crew members, as well as a registry of all commercial sealers who have completed the Humane Harvesting and Quality/Handling/Health workshops. The Board has a proven ability to deliver on certification and professional development initiatives, and has the capacity, resources, experience and expertise to administer a professional certification system for commercial sealers with linkages to DFO licencing

5. Short-term and Longer-term Priorities

While the overall objective is to establish a commercial sealing industry labour force that is professionally certified, and to establish linkages between professional certification and DFO Commercial Seal licencing, we have broken the proposed approach into short-term and longer-term priorities.

Short-term (2017) – Establish upgrading criteria and an application process, and allow qualifying Commercial Assistant Sealers to upgrade to Commercial Professional. Commercial Assistant Sealers would register with the PFHCB, and have their credentials assessed. Commercial Assistants that meet the qualifying criteria will be eligible to apply to DFO for upgrade to Commercial Professional. (See “Proposed Certification & Licencing Structure” for additional details.)

Longer-term (2018 & beyond) – As is currently the case for other commercial species licences, all DFO licenced Commercial Sealers (Assistant and Professional) will be required to register with the PFHCB in order to renew their 2018 Commercial Seal Licence. Additionally, commencing in 2018, New Entrants can register with the PFHCB as an Apprentice Sealer, and be eligible for upgrade to Assistant Sealer and Professional Sealer upon meeting the prescribed certification/upgrading criteria. (See “Proposed Certification & Licencing Structure” for additional details.)

6. Proposed Certification & Licencing Structure

STRUCTURE FOR EXISTING COMMERCIAL SEAL LICENCE HOLDERS

EXISTING COMMERCIAL PROFESSIONAL SEAL LICENCE HOLDERS

- Commencing in 2018, all Commercial Professional Licence holders will be required to be certified as a “Professional Sealer” with the PFHCB in order to renew their Commercial Professional Seal Licence with DFO annually.
- All current Commercial Professional Licence holders will be grandfathered as “Professional Sealer” with the PFHCB, with no additional education requirements or sealing activity requirements at this time.
- All Professional Sealers will be required to pay the annual \$75 certification fee to the PFHCB, and will be required to be members in good standing with the Canadian Sealers Association (CSA) in order to renew their annual PFHCB certification.

EXISTING COMMERCIAL ASSISTANT SEAL LICENCE HOLDERS

- Commencing in 2017, Commercial Assistant Licence holders will be eligible for upgrade by DFO to Commercial Professional Seal Licence if they hold a “Professional Sealer” certification with the PFHCB.
- In order to hold a “Professional Sealer” certification with the PFHCB, an existing Commercial Assistant Licence holder must meet the following criteria:
 1. Submit a completed PFHCB application for Professional Sealer assessment
 2. Demonstrate completion of the following training/workshops:
 - a. Humane Harvesting of Seals workshop
 - b. Seal Quality/Handling/Health workshop
 - c. Basic Safety Course (MED A3 or equivalent)
 - d. Hunter Safety Course
 - e. Operator Proficiency (Pleasure Craft Operator Card or equivalent/greater)
 3. Demonstrate two years of sealing activity since 2009
- All Assistant Sealers will be required to pay the annual \$75 certification fee to the PFHCB, and will be required to be members in good standing with the Canadian Sealers Association (CSA) in order to renew their annual PFHCB certification.

STRUCTURE FOR NEW ENTRANT COMMERCIAL SEALERS

NEW ENTRANT/APPRENTICE SEALER

- Commencing in 2018, the PFHCB will accept applications from new entrants for certification as an Apprentice Sealer. The criteria for certification as Apprentice Sealer is:
 1. Payment of the annual PFHCB certification fee of \$75
 2. Completion of the Humane Harvesting of Seals workshop
 3. Demonstrate membership in good standing with the CSA
- A PFHCB certified Apprentice Sealer is eligible to hold a Temporary Commercial Assistant licence with DFO.

UPGRADE FROM APPRENTICE SEALER TO ASSISTANT SEALER

- An Apprentice Sealer is eligible for upgrade to Assistant Sealer upon meeting the following criteria:
 1. Payment of the annual PFHCB certification fee of \$75
 2. Demonstrate completion of the following training/workshops:
 - Seal Quality/Handling/Health workshop
 - Basic Safety Course (MED A3 or equivalent)
 3. Demonstrate two years of sealing activity (in the most recent 4 years)
 4. Demonstrate membership in good standing with the CSA
- A PFHCB certified Assistant Sealer is eligible to hold a Commercial Assistant Seal Licence with DFO.

UPGRADE FROM ASSISTANT SEALER TO PROFESSIONAL SEALER

- An Assistant Sealer is eligible for upgrade to Professional Sealer upon meeting the following criteria:
 1. Payment of the annual PFHCB certification fee of \$75
 2. Demonstrate completion of the following training/workshops:
 - Hunter Safety Course
 - Operator Proficiency (Pleasure Craft Operator Card or greater)
 3. Demonstrate four years of sealing activity (in the most recent 8 years)
 4. Demonstrate membership in good standing with the CSA
- A PFHCB certified Professional Sealer is eligible to hold a Commercial Professional Seal Licence with DFO.

7. Conclusion

An industry cannot survive without a trained/skilled labour force that can adequately meet its long-term human resource needs. While the current DFO licencing freeze remains in place, there is no future for the Atlantic sealing industry.

However, despite continued efforts from animal rights groups to vilify the commercial sealing industry and the commercial sealers that depend on it for their livelihood, the Atlantic seal resource remains strong, well-managed, and commercial sealers have demonstrated that it can be conducted in a humane, professional and sustainable way. As such, while annual landings have been relatively low in recent years, and market conditions somewhat marginal, this resource continues to represent an enormous economic opportunity for commercial sealers in Eastern Canada.

The 7,000+ commercial sealers currently licenced by DFO in Newfoundland and Labrador have demonstrated their commitment to the long-term survival and viability of the industry by completing the required training, and conducting their sealing activities with competence and professionalism. However, as outlined in the proposal, our current group of licenced sealers, as dedicated as they have been, are an aging workforce that is rapidly declining in numbers.

As a result, the CSA has been receiving an increasing number of requests from sealers to lobby DFO to lift the licencing freeze. These requests are from both Commercial Assistant licence holders wishing to upgrade to Commercial Professional, as well as Commercial Professional licence holders wishing to access New Entrants/Assistants to aid in meeting crew requirements. It is clear, that the industry needs an influx of new, well trained, professionally certified, commercial sealers.

For the reasons outlined in this proposal, the CSA and its supporting stakeholders, feel that this is an appropriate and opportune time for DFO to lift the freeze and implement a licencing system that supports the stability and professionalization required for the long-term sustainability and viability of the industry. The number of trained eligible licenced sealers has been determined, a registry of all trained sealers has been established, and the PFHCB has the capacity to administer the new professional certification system. Perhaps most importantly, there is strong industry-wide support for this initiative.

We are confident that this proposed certification and licencing system will bring the necessary structure and stability to the industry, and will significantly increase the likelihood that commercial sealers will conduct their activity with skill and professionalism, and seals will be harvested in such a way to ensure the highest possible quality and the minimum avoidable pain, distress, or suffering for the animal; thus, producing top quality seal products, while establishing an acceptably humane and sustainable sealing industry for the benefit of future generations of Canadians.