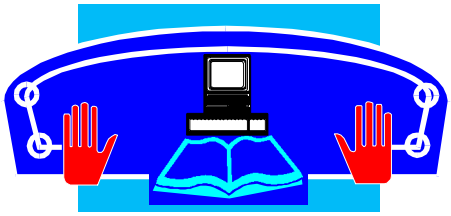

Approach To Nwt Fishery Development
Date of Report: 1990
Author: Kirwan, Syd
Catalogue Number: 3-14-15

3-14-15

BRIEFING NOTE

APPROACH TO NUT FISHERY DEVELOPMENT

Issue

As Wildlife Management Boards established under the provisions of land claims take on more responsibilities for fishery management and economic development, it will be increasingly important to ensure that the agencies together are able to articulate and co-ordinate a clearly defined plan and process for fishery development.

This note identifies the deficiency of a mutually agreed to process between resource users, DFO, EDT and other development funding agencies for planning fishery development projects. Past attempts to address this deficiency are reviewed and an approach is recommended for adoption.

Background

Both the territorial and federal governments have assigned high priority to the goal of maximizing the economic impacts from the development of the NWT's renewable resource sector. Through various programs, both governments provide funds for capital investment, as well as for operational and training support. DFO participates in the development of the fishery sector by providing services for fishery management, biological and scientific assessment, enforcement, inspection and economic planning.

Although subsistence harvesting is considered a priority, several commercial fishery projects have been undertaken for local, inter-settlement and export markets during the past 15 years, with varying results. In general, the results suggest that some of the issues related to fishery development in the NWT were not addressed and/or reconciled when some initiatives were being planned.

Fishery development has been constrained by the relatively slow growth, depressed productivity, and low abundance so characteristic of arctic fish resource; by remoteness of NWT producers from the major markets; by the availability of lower cost sources of supply, for most species; and by the absence of business management skills and technological know how in many northern residents. However, despite these constraints, continuing emphasis is being given to fishery development because of the limited economic base of many communities and the potential of the fishery to contribute to social and cultural objectives.

A fundamental public policy issue across Canada concerns the extent to which fishery development should proceed on both economic and social grounds. In the NWT, there is, therefore, the need to develop clear objectives for the fishery and to provide policy guidance on the extent to which trade-offs between economic efficiency goals and distributional and social goals will be made..

The GNWT strategy for developing the renewable resources sector Renewable Resources: Building on Tradition (May 1990) indicate that the objective and development targets of the strategy are to maximize employment and income benefits to northerners. The strategy, however, falls short of identifying in details the specific fishery development opportunities, selection criteria, planning actions, timetable and the inter-agency and resource user activities required to capitalize on identified opportunities.

DFO's draft Arctic Marine Fishery Strategy proposes to manage arctic fish and marine mammal resources in consultant with and between its clients, i.e. those who use the resources and those who will be affected by their use. The policy proposes that fishery management plans examine fishery development issues by incorporating information from test and commercial fishing.

DFO and EOT have consulted and collaborated on planning for the implementation of fishery projects since 1987, but they have yet to establish a mutually agreed to approach to fishery development.

Proposals have been made since 1986 to improve the planning and delivery of renewable resources economic development projects. A draft Planning Framework for Renewable Resources Development in the Northwest Territories prepared for EDT and DRR by Resource Initiatives (1986), recommended a network of social and economic indicators that reflect key territorial objectives be used as a basis for establishing priorities for development initiatives.

Don Ference and Associates (1987), recommended Decision Guidelines for the Natural Resources Development Subsidiary Agreement (EDA) that stressed the need to establish and follow a logical process of planning activities from pre-feasibility analysis, stock assessment, market analysis through to project implementation.

Another report by North/South Consultants, Commercial Fisheries of the Northwest Territories (1987), concluded that the economics of commercial fishing leaves little or no room for error, and recommended that DFO and EDT jointly formulate standard procedures to be implemented prior to the start of any new venture.

The 1989 Industry/Government Inshore Fishery Technology Transfer Workshop in Iqaluit recommended that measures be taken in sequence to minimize fishery development costs. These include compilation and analysis of available biological study data, specific area assessment in high opportunity areas to determine the best opportunity for an exploratory fishery, exploratory fishery to determine resource availability, and consideration of environmental constraints, economic realities and the special social needs of the north before large sums of capital are committed.

Arctic Biological Consultants recommended a logical sequence for fishery and development in its report, Beaufort Sea Fishery Strategy (1990). This sequence (Appendix I) involves i) literature reviews, discussions with local residents, biologists, economists, and others to learn what is known about the fishery resources, fishery economics and constraints to development in the area of interest; ii) resource assessment when existing information is insufficient to determine resource potential, and iii) economic evaluation when all the

information on sustainable annual harvest, project cost and earnings, markets and constraints to development are available. The report cautioned that pre-feasibility modelling should be used as a complement and not a substitute for biological assessment.

Conclusion

There are a number of factors to be considered in planning for fishery development regardless of who makes the decision on funding or where the choices are made. Any of the foregoing approaches, if applied, would represent a significant improvement over the status quo, though the approach recommended in the Beaufort Sea Strategy is the most comprehensive to date. Therefore, DFO recommends that this process be reviewed by the agencies and if acceptable, be adopted for co-operative planning of fishery development projects.

Such comprehensive project planning would provide an estimate of the potential benefits from development and could be the basis for interested parties to cooperate with participating federal and territorial agencies in determining priorities for stock assessment, physical infrastructure and logistical and market analysis.

Prepared by:

S. C. Kirwan
Senior Advisor,
Arctic Fishery Development
Department of Fisheries and Oceans

September 28, 1990

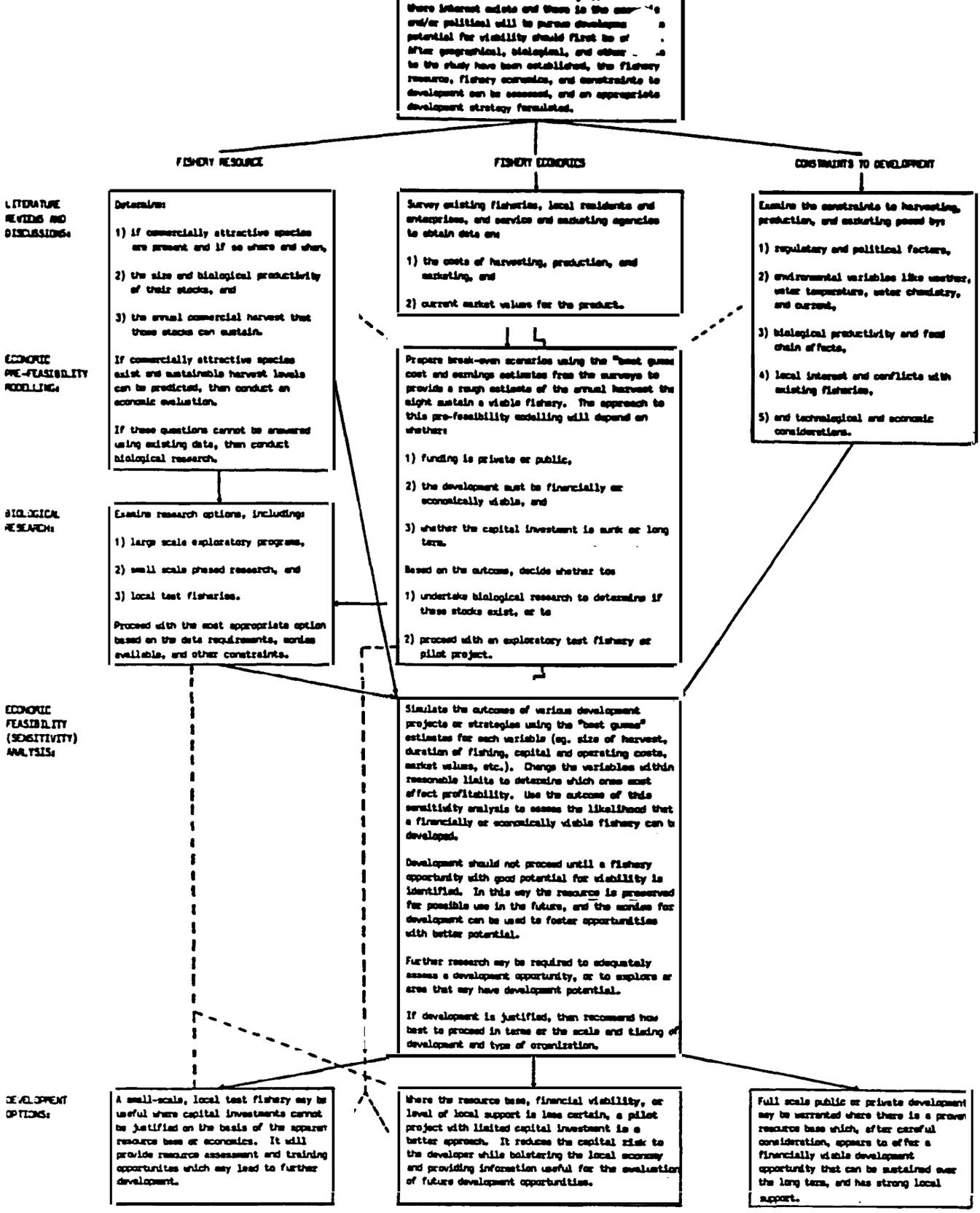

Figure 1. Recommended approach to fishery development. Solid lines indicate major, and dashed lines minor, pathways in the development process.