

LEGISLATIVE ASSEMBLY OF THE
NORTHWEST TERRITORIES
6TH COUNCIL, 37TH SESSION

RECOMMENDATION TO
COUNCIL NO. 2-37

TABLED ON JUNE 27, 1968



May 13, 1968

CONFIDENTIAL -

Not for release before
tabling during the 37th
Session of Council.

RECOMMENDATION TO COUNCIL NO. 2

(Second Session, 1968)

INCLUSION OF THE NORTHWEST TERRITORIES
IN THE OPERATION OF A JOINT
FEDERAL - PROVINCIAL FRESHWATER
FISH MARKETING BOARD

DISPOSITION

Tabled	To Committee	Accepted as Read	Accepted as Amended	Deferred (to Session)	Rejected	Noted not Considered

INCLUSION OF THE NORTHWEST TERRITORIES IN THE OPERATION OF A
JOINT FEDERAL - PROVINCIAL FRESHWATER FISH MARKETING BOARD

The Prime Minister, following suggestions of the Federal - Provincial Prairie Fisheries Committee, appointed on July 9, 1965, a commission to enquire into a report upon the marketing problems of the freshwater fish industry in the provinces of Ontario, Manitoba, Saskatchewan and Alberta and the Northwest Territories. The Commissioner was Mr. George H. McIvor, C.M.G.

Commissioner McIvor found that there are too many Canadian exporters in relation to the few, well-organized United States importers and that this works to the disadvantage of the Canadian industry. The fisherman receives an unduly small share of the retail price as a consequence of his weak bargaining position and of certain inefficiencies in the organization of the present fish industry. "The majority of the nine thousand fishermen engaged in the commercial inland fishery have failed to obtain an income from fishing which supports an adequate standard of living. Many fishermen supplement their low income from fishing with other part-time employment. However, many freshwater fishermen are incapable of having or have no alternative employment opportunities and consequently are living at subsistence levels."

In order to relieve this situation, Mr. McIvor recommended the establishment of a freshwater fish marketing board under federal legislation with powers to be the sole buyer and seller of freshwater fish and fish products produced in Northwestern Ontario, Manitoba, Saskatchewan, Alberta and the Northwest Territories.

Mr. McIvor's report, which was tabled in October, 1966, was referred to the Federal - Provincial Prairie Fisheries Committee, on which the Commissioner for the Northwest Territories was represented, for further examination of the feasibility of a marketing agency. Subsequently, a flow model of a marketing agency was developed and evaluated. The Committee, in its Report to Ministers in April, 1967, concluded that a marketing board could be a feasible and economically viable operation, that it could operate without direct cost to government at any level, and that fishermen would appear to benefit substantially both from the rationalization and reorganization of the present trade and the monopoly position of a single selling desk.

An exchange of correspondence between provincial ministers and the Minister of Trade and Commerce, subsequently tabled in Parliament, records joint agreement on the intention to seek legislative authority to establish an effective freshwater fish marketing agency to operate under the joint responsibility of the federal and provincial governments. The designated area to be covered includes Alberta, Saskatchewan, Manitoba, and possibly the Northwest Territories and Northwestern Ontario.

At the last meeting of the Federal - Provincial Prairie Fisheries Committee on February 7-8, a working party including the N.W.T. representative prepared a memorandum outlining the suggested form of organization and procedures for operation of the proposed joint Federal - Provincial Freshwater Fish Marketing Board. This memorandum was to guide the request for approval in the preparation of necessary federal legislation.

Following the preparation of the legislation at the federal level, it will be necessary for the provinces and, where relevant, the N.W.T., to prepare mutually consistent enabling legislation.

It is doubtful that legislation at federal and provincial levels and action by the Commission could all be completed in time to allow introduction of the suggested scheme before 1969, even if this were the objective. If and when the proposed authority comes into existence, there will be need for a carefully planned change-over to the new marketing system. The trade is generally aware that no changes in marketing arrangements are in prospect for the 1968 summer season and that further advice will be given by July regarding the timing of any proposed changes.

Over the past year Mr. Hitchcock, Fisheries Superintendent, Northern Administration Branch, who represents the Northwest Territories at the marketing board discussions, consulted with the Northwest Territories fishing industry regarding their opinions concerning the operation and establishment of a freshwater fish marketing board. During late January of this year, Mr. Hitchcock visited twenty-eight fishing camps representing approximately one hundred and twenty-five of the one hundred and eighty-three fishermen then operating on Great Slave Lake. He explained to these fishermen in basic terms how the proposed board would operate in the provinces concerned and in the Northwest Territories. Among the fishermen contacted in these camps were a number of representatives of both the companies currently operating, Alaska Fisheries Ltd. and the Syndicate of Fifteen. Of the twenty-eight fishing camps contacted only two, representing eight per cent of the fishermen approached, expressed uncertainty. Although these two camps believed that a fish marketing board could be beneficial, they wished further time to consider the matter before expressing any firm opinions. All other camps expressed approval of a marketing board as outlined by Commissioner McIvor and further developed by the Federal - Provincial Prairie Fisheries Committee. Many of the fishermen, including key members of the recently formed Syndicate of Fifteen, expressed grave concern over present marketing patterns which they believed were responsible for the low fish prices they were receiving. Mr. Hitchcock discussed the marketing board with all commercial fishing companies active in the Great Slave Lake region, i.e., Alaska Fisheries Ltd., Kucher Brothers Ltd., Menzies Fish Co. Ltd. and the Great Slave Fisheries Co-operative Ltd., and they have all indicated general approval of the concept of the fish marketing board.

The previous Commissioner of the Northwest Territories, Mr. Sivertz, strongly supported the establishment of a fish marketing board. With minor reservations, the present Commissioner also supports the concept of a fish marketing board and urges that the Northwest Territories be included in the proposed board's operation. There is substantial evidence that the commercial fishing industry of the N.W.T. lacks economic stability. The number of hands through which the product must pass from source to market plus the unstable export market conditions have had the effect of restricting the input of capital that could have improved the industry. This in turn has contributed heavily to the conditions of hardship and uncertain return existing among many of the primary producers. Commissioner Hodgson feels that the board, in achieving its major objective of maximizing returns to the fishermen and the development of new markets, cannot fail to overcome this undesirable situation.

Commissioner Hodgson's minor reservations primarily concern the level of production, if such is to be on a quota basis, that would be allotted the Northwest Territories, and freedom from the board's control of fishing projects and related domestic sales in remote areas. However, the results of preliminary discussions have already indicated that these and any other such points can be satisfactorily concluded prior to the establishment of the board.

Recommendation

The Commissioner therefore recommends that the Territorial Council approve the inclusion of the Northwest Territories in the operation of the Joint Federal - Provincial Freshwater Fish Marketing Board as proposed by the Federal - Provincial Prairies Fisheries Committee.