

LEGISLATIVE ASSEMBLY OF THE
NORTHWEST TERRITORIES
8TH ASSEMBLY, 64TH SESSION

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Re: Commercial Fishing in the N.W.T.

As the director responsible for the Artic Coast, I am attempting to inform all fishermen in the N.W.T. of our activities concerning the commercial fisheries in the N.W.T. and also a short explanation of the organizations in the Gov't who are responsible for the fishing and an explanation of the Draft Paper enclosed.

The Freshwater Fish Marketing Corp. was formed in 1969 to buy all the fish from the fishermen in the N.W.T., Alberta, Saskatchewan, Manitoba, and Ontario. This meant that the Gov't appointed a board of Directors to run the marketing corporation for the fishermen. They did not put any fishermen on the board and did not hire any marketing experts to sell the fish. As a result of this, poor management has destroyed the fishing industry in Canadas provinces and N.W.T. There has been 9000 fishermen put out of work and 80% of these are natives, because fish prices are too low and they cannot, by Law, sell their own fish to any store or hotel, even though they could get a better price, they could only sell their fish to the Gov't Marketing Board.

The Inland Commercial Fishermens Association, of which I am your director, was formed in 1977 to get a strong voice for the fishermen to try and get the Gov't to change the Marketing Board.

1/ We proposed in our draft letter to change it to a producer co-op of which every fisherman in Canadas provinces and N.W.T. will be a member and the board of directors will be elected by the fishermen.

2/ To allow fishermen to sell their fish themselves to anyone in Canada and the Co-op called Inland Fish Pool, would just have a marketing office to sell all fish that are sold outside of Canada.

3/ All fish sold by the Inland Fish Pool would be sold at the best possible price for the fishermen in each area, and all profits would go directly back to the individual fisherman.

The Federal Minister of Fisheries, Mr Romeo LeBlanc is responsible for the N.W.T. as there is no Territorial Gov't Minister responsible for the N.W.T. Fisheries, he is also in charge of the Freshwater Fish Marketing Corporation.

Mr Le Blanc has asked the I.C.F.A. to write up a paper asking for changes to the F.F.M.C. He wants the fishermen and organizations interested in the fishing to write letters of support to their directors or the President of I.C.F.A. He has said that if there is enough support for our proposal he will implement it.

If you are in favor of having the Inland Fish Pool please send a letter of support from your organization.

Call or write me for any explanations at any time.

Thank You
Sincerely Yours

R.C. Merkley

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**INLAND COMMERCIAL
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January 17, 1978

The Honourable Allan Adair
The Honourable Ted Roweman
The Honourable Ken MacMaster

Dear Sirs:

Further to our correspondence of November 28, 1977, we would like to expand upon the principles set forth there. We believe a new marketing body should be created and that its constitution should reflect the following:

1. The new marketing body would be incorporated as a producers co-operative.
2. It's name would be the Inland Fish Pool (IFP).
3. Any producer that delivers fish to it would be a member and have one vote. Elected fishermen directors would comprise a majority on the Board.
4. The elected fishermen directors would be made up of one director elected at large by each participating provinces fishermen plus a number of other elected director positions which would be distributed on a district basis amongst the participating provinces on the basis of production. Elections would be held in a similar fashion to the agricultural pools.
5. Corporate, finance and marketing expertise would be available to the elected directors through appointing a number of outside directors.
6. The Board would adopt procedures to ensure that its membership has access to it throughout the year.
7. The IFP would operate under federal orderly marketing legislation which would make it the sole buyer and seller of fish and fish products destined for the export market.

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8. We believe that each participating province should be free to decide how trade within their province should be handled without reference to the other partners. ICFA encourages provinces to leave the marketing open in the hope that local entrepreneurs might develop markets for the lower priced species, or at least producers would have the opportunity to attempt to get higher prices themselves without having to deal with IFP.
9. The membership should have to reaffirm their support of the IFP on some regular basis. If the membership expressed no confidence in the IFP, it should be terminated.
10. The producers of each area would have the right to elect the manner in which they participated in the IFP in order that producers have the opportunity to attempt to minimize their handling costs themselves or to attempt to receive some additional return through producing products ready for the market.
11. The IFP would be obligated to make handling etc., arrangements anywhere the fishermen elected to have the IFP do so on their behalf.
12. Management would be answerable to the board and sales and marketing staff would be paid on a commission basis.
13. The IFP would recognize that quality is the single most important marketing factor and would adopt appropriate Quality Control procedures.
14. The IFP would be limited in the amount of fixed assets it could purchase and would not be permitted to own any processing or packing station facilities, in order that its membership would be assured that it would always be attempting to minimize costs through competitive negotiations.
15. A system of pool accounts would be established in the constitution and would have the status of trust accounts in the names of the producers who contributed products to them.
16. The pool accounts would bring back to each producer the revenues his product earned less only those costs his product incurred.
17. Seasonal fresh product pools would be established so producers could receive any benefits associated specifically with their lake or when they fish.
18. A system of initial and final payments would be set out which would ensure there never would be an overpayment and therefore cross-subsidization. B
19. IFP would have to carry on business on a self-sustaining business and would be limited to a specific line of credit. The provinces would have to guarantee the line of credit until at least such time as an adequate credit rating could be established.

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Obviously, we are proposing that the constitution set out in comprehensive detail exactly how the new agency would function and relate to producers and provinces, something which to this day does not even exist as Board policy with FFMC. Once a constitution was developed that reflected all the concerns of the provinces and the producers, the IEP would provide as part of the agreements with the provinces, the option for any province to withdraw its guarantee on the line of credit, should the IEP alter its constitution.

We trust this material assists you in appreciating our position and look forward to discussing it with you further.

Yours truly,

INLAND COMMERCIAL FISHERMEN'S ASSOCIATION

J. Chatfield
President

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