



Government of Newfoundland and Labrador
Department of Fisheries and Aquaculture
(Office of the Minister)

PW-76372

FEB - 4 2015

Ms. Sandra Barnes
Clerk of the House of Assembly
House of Assembly
Main Floor, East Block
Confederation Building
St. John's, NL A1B 4J6

Dear Ms. Barnes:

Subject: Retabling the 2013 Annual Activity Report of the Professional Fish Harvesters Certification Board

I wish to retable the 2013 Annual Activity Report of the Professional Fish Harvesters Certification Board, which was originally tabled on June 30, 2014. The only change to this report is the removal of Appendix B, which is not required, and the addition of the audited financial statements of the Board as Appendix A, as required by the *Transparency and Accountability Act*.

I trust this is satisfactory.

Sincerely,

VAUGHN GRANTER, MHA
Humber West
Minister

Enclosures



2013

Annual Performance Report

for

**The Professional Fish Harvesters
Certification Board**

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Appendix ‘A’ – Professional Fish Harvesters Certification Board, Financial Statements, Year Ended December 31, 2013

1.0 Message from the Chairperson

On behalf of the Board of Directors of the Professional Fish Harvesters Certification Board (PFHCB), I am pleased to present the Board's Annual Performance Report for 2013. The Board of Directors of the PFHCB remains committed to fulfilling the Board's obligations as a category three public entity under the provincial *Transparency and Accountability Act*. We are accountable for the preparation of this report, for the results reported herein, and for ensuring that the information presented is a thorough and accurate representation of the Board's operations and activities in this 2013 reporting period.

Again in 2013, as it has since 1997, the Board continued to serve the professional fish harvesters of Newfoundland and Labrador, through the implementation of Canada's first professional certification program for commercial fish harvesters. In 2013, the Board was successful in fulfilling its primary mandate and objectives as outlined in the *Professional Fish Harvesters Act*, and had another successful year in carrying out a variety of related activities and initiatives.

The Professional Fish Harvesters Certification Board operates on a regular calendar year, thus this report presents the work of the Board from January 1, 2013 to December 31, 2013, and includes the achievements and outcomes of the Board's stated objectives. The Board of Directors and staff of the PFHCB take great pride in the Board's accomplishments throughout 2013, and on their behalf I pledge our dedication to the fish harvesters of Newfoundland and Labrador and our continued commitment to meeting the Board's goals and objectives.

Finally, as Chairperson of the PFHCB, I accept responsibility for ensuring that the Board continues to meet its planning and reporting obligations under the *Transparency and Accountability Act*.

Sincerely,



William Broderick
Chairperson, PFHCB

2.0 Overview

The Professional Fish Harvesters Certification Board (PFHCB) became operational in 1997 following proclamation of the *Professional Fish Harvesters Act* by the Newfoundland and Labrador House of Assembly. This legislation, the first of its kind in Canada, recognizes fish harvesting as a professional occupation. The PFHCB is mandated to register and certify commercial fish harvesters in Newfoundland and Labrador.

In addition to this primary mandate, the Board is engaged in a wide variety of strategic activities aimed at enhancing the profession of commercial fish harvesting, as outlined in this report.

2.1 Board of Directors, Sub-Committees and Staff

The Professional Fish Harvesters Certification Board operates under the direction of a 15 member Board of Directors, in accordance with the *Professional Fish Harvesters Act*. Members of the Board of Directors are appointed by the Minister of Fisheries and Aquaculture upon recommendation from the respective organizations identified in Section 5 of the Act. A complete list of current members of the Board of Directors can be found on the PFHCB website at www.pfhcb.com.

The Board has three sub-committees that convene, as required, to address specific PFHCB business and issues. They are an Executive Committee, an Education Committee, and a Public Relations Committee.

The Board currently has a full-time office staff of three persons, consisting of an Executive Director, Coordinator of Registration and Certification, and a Coordinator of Finance and Administration. In addition to permanent staff members, the PFHCB draws upon a large group of trained fish harvester instructors, assessors and facilitators to assist in the delivery of its programs and initiatives.

2.2 Vision

The PFHCB vision is a viable Newfoundland and Labrador commercial fishery, sustained by independent professional fish harvesters committed to demonstrating appropriate knowledge, skills and commitment to safely and successfully meet the human resources needs of their industry, from which they can maintain their livelihood with respect and dignity.

The PFHCB also shares the vision of the Newfoundland and Labrador Department of Fisheries and Aquaculture (DFA), as it pertains to the harvesting sector of the industry, through its mandate to enhance professionalism in the commercial fishery. The DFA Vision can be found on its website at <http://www.fishaq.gov.nl.ca/> or in its 2012-2013 Annual Report.

2.3 Mission

While the Board's primary objectives are related to the annual registration and certification of Newfoundland and Labrador commercial fish harvesters, the mission statement of the PFHCB represents the key long-term results that the PFHCB works toward in fulfilling its objectives, as outlined in the *Professional Fish Harvesters Act*.

By 2016, the PFHCB will have continued to make advancements in the areas of fisheries training and public awareness of professional fish harvesters and their occupation.

2.4 Objectives

The objectives of the PFHCB are clearly defined in Section 4 of the Act. All activities of the Board are related, either directly or indirectly, to these objectives:

- (a) to promote the interest of fish harvesters as a professional group;
- (b) to be responsible for defining the standards for professionalization;
- (c) to provide an advisory role to the federal and provincial governments in the formation of fisheries policies consistent with the common good of fish harvesters, namely in the areas of resource conservation, fish quality improvements, a reasonable return to participants, optimizing product value, and the safety of fish harvesters and the public;
- (d) to operate and maintain a fish harvester registration system;
- (e) to develop, evaluate and recommend courses under the professionalization program;
- (f) to issue certificates of accreditation to qualifying fish harvesters; and,
- (g) to develop, maintain and monitor compliance of a Code of Ethics.

2.5 Primary Lines of Business

I. Registration and Certification of Newfoundland and Labrador Commercial Fish Harvesters

The PFHCB has been responsible for registering and certifying all commercial fish harvesters in Newfoundland and Labrador since 1997. Fish harvesters are required to submit a certification renewal application annually and pay the annual registration fee of \$50.00. New entrants are required to file a new entrant application and pay the annual registration fee of \$50.00.

Upon approval of their application for certification, fish harvesters are issued a certification card inscribed with their name, Professional Fish Harvester number, and certification level. The entire application/certification process is conducted in accordance with the *Professional Fish Harvesters Act*, the PFHCB certification criteria, and the PFHCB by-laws.

The collection of annual registration fees is the PFHCB's primary source of operating revenue. Nearly 10,000 fish harvesters were registered with the PFHCB in 2013.

II. Delivery of Basic Safety Training

Apprentice fish harvesters are required by Board criteria to complete a basic safety training course prior to commencing their second fishing season. In 2002, the Board developed and introduced a basic safety training (Marine Emergency Duties [MED] A3) course for apprentice fish harvesters and new entrants to the fishing industry.

The five-day course includes two days of General Seamanship and Stability, one day of MED A3, and two days of Marine Basic First Aid. This course also meets the Transport Canada (TC) mandatory MED requirement for harvesters on vessels fishing inside 25 miles (less than 150 Gross Registered Tonnage [GRT]). As a result, many Level I and Level II fish harvesters also complete the course in (or near) their communities in order to fulfill this federal requirement.

Harvesters preferring to complete the MED A1 course (or other equivalent safety training) at the Fisheries and Marine Institute of Memorial University (MI) will be exempt, but the course must be completed prior to beginning their second fishing season.

III. Assisting Fish Harvesters with Certification Upgrading and Skills Development

Fish harvesters who wish to upgrade their certification level from Apprentice to Level I, or from Level I to Level II, must complete a minimum number of education credits and full-time fishing years, as per PFHCB criteria. Fish harvesters pursuing certification upgrading and skills development receive a range of information, guidance and advice from PFHCB staff. Board staff members also assess education information provided by harvesters and award credit toward certification upgrading.

While the vast majority of fisheries training is delivered by the Marine Institute, the Board does deliver a Prior Learning Assessment & Recognition (PLAR) program, which enables fish harvesters to acquire credits toward certification upgrading. More information on the PFHCB's PLAR program can be found on the Board's website at www.pfhcb.com.

Since 2010, the PFHCB has also been involved in assisting the sealing industry with industry-related skills development and certification. With its sealing industry partners, the PFHCB has successfully delivered information workshops in Humane Harvesting to nearly 4,000 commercial sealers, and this activity has now become a primary activity (line of business) for the Board.

IV. Public Relations and Advocacy Initiatives

Through its Executive and Public Relations Committees, and in partnership with other key industry groups such as the Canadian Council of Professional Fish Harvesters (CCPFH), the Board is continually engaged in a variety of activities related to public relations and advocacy on behalf of the professional fish harvesters of Newfoundland and Labrador.

Promoting commercial fish harvesting as a professional occupation, including raising awareness about the skill requirements, technological advancements, and economic value of the industry, is central to the Board's overall activity plan. This is achieved through ongoing initiatives utilizing a variety of media sources.

Additionally, the Board plays an advisory role to the federal and provincial governments in an effort to achieve public policy that is consistent with the overall good of fish harvesters and their industry. Key areas that the Board is currently working on in this regard are safety, fisheries licencing, federal training requirements, and skills development.

2.6 Values

The staff of the PFHCB work directly for, and on behalf of, certified professional fish harvesters and their industry. Board activities, including the work of Board members, staff and sub-committee members, are focused on improving the lot of certified professional fish harvesters - as individuals and as a collective group. For these reasons, the values of the PFHCB are focused on the fish harvesters it represents, as follows:

Respect – Representatives of the PFHCB will endeavour to increase their understanding and appreciation of the commercial fishery, the significant contribution it makes to our local, provincial and national economies, and the high degree of skill and knowledge required to be successful in the fish harvesting profession.

Confidentiality – Representatives of the PFHCB will treat all personal information provided to the Board by certified fish harvesters in strict confidence. Personal information of certified fish harvesters will be used only for the purpose of determining certification status, and shall not be shared without written permission.

Impartiality – Representatives of the PFHCB will remain unbiased in implementing and administering Board criteria, activities and programs. No individual's needs shall compromise, or take precedence over, the collective interests of all professional fish harvesters.

Service and Quality – The long-term success of the PFHCB in meeting its objectives depends on its ability to provide value to certified fish harvesters. This will be achieved by establishing and maintaining an office staff that demonstrates professionalism, courtesy and competence when dealing with clients. The Board members and staff will also demonstrate fiscal responsibility, by way of an annual external audit.

2.7 Location and Contact Information

To inquire or comment on the contents of this report or for additional information about the PFHCB please contact:

Professional Fish Harvesters Certification Board
368 Hamilton Avenue
P.O. Box 8541
St. John's, NL A1B 3P2
709-722-8170 (phone)
709-722-8201 (fax)
pfh@pfhcb.com
www.pfhcb.com

2.8 Finances

The PFHCB is a non-profit self-supporting organization created by and operating for the benefit of all Newfoundland and Labrador commercial fish harvesters. The Board's primary revenue is generated from fees paid by fish harvesters. Additionally, from time to time the PFHCB receives financial assistance from industry partners (such as CCPFH and DFA) for the delivery of special projects. A full external audit is conducted annually, and the Board's audited financial statements are submitted to the Minister of Fisheries and Aquaculture. The Board's audited Statement of Operations for 2013 can be found in Appendix 'A'.

The following is a summary of revenue and expenses for the year ending December 31, 2013.

Total Revenue	\$ 650,635
Total Expenses	\$ 633,108
Excess of Revenue over Expenses	\$ 17,527

3.0 Highlights and Accomplishments

In 2013, the PFHCB offered a variety of programs and services to commercial fish harvesters, primarily geared toward fulfilling the Board's objectives as defined in the *Professional Fish Harvesters Act*, and addressing the issues outlined in the 2011-2013 Activity Plan.

For this reporting period the Board was successful in carrying out all stated lines of business, and made significant progress toward meeting its short-term and long-term objectives. The specifics of many of the Board's activities throughout 2013 are described in detail in section 5.0 (I. Outcomes of Objectives); however, a few highlights are included below.

- 9,530 commercial fish harvesters were registered with the PFHCB in 2013*. This number is consistent with predicted downward trends in harvester certification. These downward trends are attributed to a variety of factors, including licence buy-back programs, licence combining opportunities, and licence buddy-up arrangements.

New Entrant	Apprentice	Northern Lab. Core	Level I	Level II	TOTAL
303	2,512	12	516	6,187	9,530

Total 2013 registrations received as of April 24, 2014.

*

- In 2013, approximately 375 Newfoundland and Labrador fish harvesters received fisheries training from MI. An additional 90 harvesters completed training delivered by the PFHCB. This training was comprised primarily of MED (A1 and A3), Radio Operation (ROC-MC), Marine First Aid, and Fishing Masters. If we were to include the one-day Humane Harvesting sessions delivered to commercial sealers, as outlined in section 5.0 (Activities), the number of harvesters who received training would be near 1,000.

- In total, 61 fish harvesters had their certification level upgraded in 2013; 22 upgraded to Level I, and 39 upgraded to Level II. This number represents a slight decrease from 2012, but it is consistent when compared to the overall number of registered harvesters. It remains a positive indication that, despite a downward trend of in the overall number of certified fish harvesters in the industry, there remains a dedicated group of young fish harvesters interested in certification upgrading and accessing federal species licences.
- The PFHCB continued its support of the province's sealing industry, through its financial support of the Canadian Sealers Association (CSA), the delivery of sealer information workshops in the Humane Harvesting of Seals, and consultations with industry stakeholders on formalizing a professional certification system for commercial sealers. The PFHCB activities related to the sealing industry are outlined in detail in sections 4.0 and 5.0.
- As reported in previous years, the PFHCB played a key role in securing provincial government support and approval to establish the Newfoundland and Labrador Fish Harvesting Safety Association (NL-FHSA). In March 2013, the NL-FHSA officially opened its office at 368 Hamilton Avenue. The PFHCB is providing administrative support for the NL-FHSA, and worked closely with NL-FHSA staff throughout 2013 on safety-related initiatives, including the development of a detailed industry needs assessment.

4.0 Shared Commitments

Since its inception in 1997, the PFHCB has partnered with outside agencies on initiatives that are consistent with the goals and objectives of fish harvester professionalization. In 2013, the PFHCB collaborated on five noteworthy initiatives related to the advancement of fish harvester professionalization and skills development.

I. Newfoundland and Labrador Fish Harvesting Safety Association (NL-FHSA)

In 2013, the PFHCB continued to play the lead industry role in establishing the Newfoundland and Labrador Fish Harvesting Safety Association (NL-FHSA). We are pleased to report that the NL-FHSA officially opened its office at 368 Hamilton Avenue, St. John's, in March of 2013.

The NL-FHSA office is located in the larger offices of the PFHCB, and the PFHCB is providing administrative support to the NL-FHSA and its two employees. The PFHCB remains committed to the long-term success of the NL-FHSA, and will work closely with NL-FHSA staff to develop and implement meaningful safety initiatives, and to promote a safer fishing industry for all fish harvesters.

It is also worth noting that the PFHCB has committed to providing \$283,000 in direct financial support to the NL-FHSA in years 4 and 5 of its 5-year plan. The PFHCB also holds one of thirteen voting board member positions on the NL-FHSA Board of Directors.

II. Canadian Council of Professional Fish Harvesters (CCPFH) – Human Resource Initiatives

Throughout 2013, the PFHCB worked closely with the CCPFH on three noteworthy national initiatives related to fish harvester training and certification.

In November 2012, the CCPFH formally launched the Stability E-Simulator, which the PFHCB had supported for several years, both financially and through participation on the project's technical advisory committee. This learning tool is now available for download from the CCPFH website (free of charge to Canadian fish harvesters), and throughout 2013 the PFHCB assisted the CCPFH in promoting this newly launched simulation product. To date nearly 1,000 copies have been successful downloaded from the CCPFH website.

In October 2013, the PFHCB hosted the third and final provincial round table on fish harvester training and certification, which was completed as part of a national project that was initiated by the Canadian Council of Professional Fish Harvesters (CCPFH) in 2009. The round table sessions brought together representatives of provincial agencies responsible for training and education with fishing industry representatives and representatives of the federal regulatory agencies. The main purpose of this session was to discuss the present and future training needs of Newfoundland and Labrador fish harvesters and to facilitate the development and delivery of that training

The CCPFH continues to be engaged with seal industry stakeholders in the Atlantic region and Quebec, in an effort to move toward formal professionalization of commercial sealers. The PFHCB has been working closely with the CCPFH since 2010 on this initiative, and has been an active participant on their Sealer Professionalization working group. As reported in section 5.0, the PFHCB continues to work with the CCPFH on this shared commitment, and will continue to assist the sealing industry achieve a professional certification program.

III. Fish Food and Allied Workers Union (FFAW) – Support for the CSA

In 2010, the CSA accepted a joint offer of financial support from the PFHCB and FFAW. This offer of financial support was a three year offer of \$45,000 per year, including office space at 368 Hamilton Avenue, administrative & secretarial support, as well as a cash contribution of \$20,000 per year. Additionally, both the PFHCB and FFAW offered support to assist the CSA achieve organizational stability and long-term financial independence.

In November 2013, members of the PFHCB Board of Directors met with the CSA Executive Director and reviewed the association's utilization of the year-one and year-two contributions. Subsequently, the PFHCB (and FFAW) approved a third year of financial support of the CSA. The CSA has indicated that this support has been a tremendous help to the association, as it has enabled them to leverage additional assistance and commence a rebuilding process.

Finally, it is worth noting that the PFHCB's financial support for the CSA is part of a much broader contribution that the PFHCB has committed to the sealing industry generally, and commercial sealers specifically. More details can be found in section 5.0.

IV. *Transport Canada– Dissemination/clarification of information on TC’s federal training/certification requirements.*

Since the coming into force of the new Marine Personnel Regulation of the Canada Shipping Act in 2007, the PFHCB worked closely with Transport Canada (TC) to determine the impact of the new regulations on Newfoundland and Labrador’s fish harvesters, disseminate information regarding the new regulations to the province’s fish harvesters, and assist harvesters in attaining regulatory compliance.

These efforts, which consume a considerable amount of the available time and resources of the PFHCB staff, continued throughout 2013. As reported in more detail in section 5.0, the PFHCB continues to work closely with both TC and Newfoundland and Labrador fish harvesters in their respective efforts to achieve maximum federal regulatory compliance. In addition to circulating information to harvesters on the regulatory requirements, in 2013 Board staff provided an invaluable service to fish harvesters in: deciphering the regulatory requirements of their particular situation; acquiring required mandatory training; and/or filing the proper documentation with Transport Canada for Certificates of Service and Declarations of Seven Fishing Seasons.

V. *Fisheries & Marine Institute – Promotion and Delivery of Fisheries Training*

In 2011, the MI established a new centre for Community Based Education Delivery (CBED) under the School of Fisheries. A large part of the mandate of CBED is the promotion, coordination and delivery of community based fisheries training. The PFHCB has always worked closely with MI in promoting their fisheries training programs, but since the creation of CBED this relationship has been expanded and improved.

Throughout 2013, the PFHCB staff worked closely with CBED staff on a number of initiatives related to promoting and supporting community based fisheries training – both for the purpose of meeting the new federal regulatory requirements and meeting the PFHCB requirements for certification upgrading. These initiatives included strategic planning on how to improve and increase community based training, distributing information on MI training opportunities, and supporting fish harvesters in the registration process.

This shared commitment with MI has proven to be a positive step toward enhancing levels of training and professionalism amongst the province’s fish harvesters.

5.0 Activities

I. Outcomes of Objectives

In its 2011-2013 Activity Plan, the PFHCB identified three issues which reflect the challenges that continue to face our commercial fishery as a result of many factors, including public perception of fish harvesters and their industry and a greater emphasis on fisheries training by the federal and provincial governments. Objectives were set to address each issue, and each objective was accompanied by measures and indicators to assist in monitoring success.

Throughout 2013, the Board worked on a range of activities in fulfillment of its short-term and long-term goals and objectives, several of which have been highlighted in the previous two sections. What follows is a more detailed account of the outcomes of the Board's stated 2013 objectives, and how they were successfully achieved.

Issue #1 – Mandatory Training and Certification

The new revised Marine Personnel Regulations of the *Canada Shipping Act* came into force on July 1, 2007, and have had a significant impact on the province's fishing crews. These new regulations, being phased in over an eight year period (2007-2015), will significantly increase the level of training and certification required by Canadian fishing crews. For example, in 2012 certified Masters and Officers of the Watch, previously only required on vessels >60 GRT, became mandatory on all vessels >15 GRT. Additionally, by November 7, 2015, operators of vessels <15GRT will also require Small Vessel Operator Proficiency (SVOP) training.

These added federal training and certification requirements, coupled with an existing shortage of certified fishing masters and mates, will make it increasingly difficult for owner/operators to acquire the required certification, and find and retain certified crewmembers.

Objective #3: By December 31, 2013, the PFHCB will have continued its support of fish harvesters in understanding and fulfilling their Transport Canada mandatory training and certification requirements.

Measure #1: Continued its support of fish harvesters in understanding Transport Canada mandatory training and certification requirements.

Indicators: Attended Transport Canada's Canadian Marine Advisory Council meetings, and other meetings and sessions as required, in order to attain detailed information on federal training and certification requirements.

Disseminated information regarding mandatory federal training and certification requirements.

Measure #2: Continued its support of fish harvesters fulfilling their Transport Canada mandatory training and certification requirements.

Indicators: Delivered MED A3 training courses to fish harvesters.

Assisted the Marine Institute with registration and delivery of MED A1 training, Fishing Master training, Officer of the Watch training, and ROC-MC training.

Assisted fish harvesters in securing financial support for tuition fees related to mandatory training requirements.

Outcomes for Issue #1

The new revised Marine Personnel Regulations (MPR) of the *Canada Shipping Act* came into force in July 2007. Since that time, the Board has played an active role in making Newfoundland and Labrador fish harvesters aware of these new federal training requirements, as well as encouraging and assisting them to achieve full compliance. The new requirements for masters and watchkeepers on vessels greater than 15 GRT became fully into force on November 7, 2012, so the primary focus of the PFHCB's efforts on this issue shifted to assisting vessel owners and crew members in the less than 15 GT fleet. The new regulatory requirements for masters and watchkeepers in this fleet continue to be phased in through November of 2015 and November of 2016.

Indicators for Measure #1

TC's Canadian Marine Advisory Council (CMAC) sessions, held twice per year in Ottawa, remain the most effective way for fishing industry representatives to receive details regarding the federal regulatory requirements, including regulatory interpretations and amendments. The national CMAC sessions represent a valuable opportunity to network with TC officials and other fishing industry representatives, allowing further opportunities to better understand the MPR, their impact on the industry, and how best to communicate the pertinent information to fish harvesters.

In 2013, the Board had representatives attend all CMAC sessions. These information/consultation sessions took place regionally in St. John's (November 19th) and nationally in Ottawa (April 23rd-25th and November 5th-7th). PFHCB representatives at these CMAC sessions included one staff member, two Board members, and two fish harvesters. It is worth noting that Mark Dolomount, PFHCB Executive Director, currently sits as industry co-chair of the National CMAC Standing Committee on Fishing Vessel Safety. This is his third consecutive 3-year term in this elected position. Having Mr. Dolomount in this position enables the Board to maintain a direct line of contact for input into the new Marine Personnel Regulations and their impact on fish harvesters.

The main issues than the PFHCB representatives were monitoring at the 2013 CMAC consultation sessions were related to the continued phasing in of the mandatory certification requirements for vessels less than 15GRT/12M (mainly related to Small Vessel Operator Proficiency training, and equivalencies) as well as some ongoing amendments to the MPR related to Fishing Master training requirements, curriculum, and validities.

The PFHCB maintains a strong and cooperative relationship with TC and, in addition to attending the 2013 CMAC meetings, throughout the year PFHCB representatives continued to work directly with TC representatives at the regional and federal level. In 2013, PFHCB representatives met directly with the TC Manager of Nautical Certification on two occasions, the TC Regional Director of Atlantic Region on two occasions, and also had numerous meetings with staff of the NL Regional TC office in St. John's. All meetings were for the purpose of discussing TC certification requirements, and the matter of assisting NL harvesters achieve compliance with the MPR

Finally, with regard to acquiring information on the federal regulatory requirements, the PFHCB remains on the email distribution list for all TC correspondence, and the Board has assembled a thorough file of all information relevant to fish harvester training/certification under the MPR. Finally, it is worth noting that PFHCB staff members have acquired a comprehensive understanding of the regulations and their applicability to NL fish harvesters, and the PFHCB office has become the main point source information for fish harvesters inquiring about federal training requirements.

Since the coming into force of the new MPR in 2007, the PFHCB has been actively acquiring and distributing information to fish harvesters on the regulatory requirements. This activity and commitment continued throughout 2013, as the information gathered by the PFHCB (as indicated above) was disseminated to harvesters in a variety of ways. The overall emphasis of this activity is to inform harvesters of the most immediate federal training requirements, and TC's plans for phasing in the new requirements through the end of the MPR phase-in period in November 2016. In 2013, the PFHCB utilized its database of licenced fish harvesters to reach fish harvesters who would be impacted by the 2015 and 2016 phase-in deadlines, and to assist them with understanding and complying with the regulatory requirements of the MPR.

Information was also distributed to harvesters by email regularly throughout 2013. The PFHCB also communicated the federal MPR requirements to fish harvesters in the form of information articles published in industry publications such as the *Union Forum*, and by utilizing media outlets like the CBC's Fisheries Broadcast. Broad dissemination of TC regulatory related information was also achieved by utilizing PFHCB MED instructors, first aid instructors, seal workshop facilitators and PLAR assessors, who met face-to-face with hundreds of fish harvesters, owner/operators and crew members, throughout the province in 2013.

Through these various means, the PFHCB reached thousands of fish harvesters with valuable TC regulatory information again in 2013. Based on the feedback received from TC and harvesters themselves, the Board is confident that fish harvesters are becoming increasingly aware of the new federal training requirements and how they apply to their specific fishing operations. The high compliance rate of Newfoundland and Labrador fish harvesters with the federal MPR, and the role that the PFHCB played in this success, was evidenced by a report of the CCPFH, released in 2013. The consultant that prepared the "Transport Canada Regulatory Training Needs Assessment" concluded that NL harvesters were the most compliant in the nation, and commended the PFHCB for its contribution to assisting NL harvesters in achieving federal regulatory compliance.

Indicators for Measure #2

In addition to information gathering and dissemination on the new TC training requirements, in 2013 the PFHCB also continued its support of fish harvesters in fulfilling their TC mandatory training and certification requirements.

Since 2002, the Board has been an accredited provider of TC MED A3 training, which is now required by Canadian fish harvesters fishing on vessels operating inside 25 nautical miles. The Board is also an authorized provider of Canadian Red Cross Marine Basic First Aid, which meets the TC and provincial occupational health and safety first aid requirements for fishing vessels fishing in Canadian domestic waters.

During Spring 2013, 65 harvesters in 6 different communities received MED A3 training from the PFHCB, and approximately 100 received Marine Basic First Aid training. In 2013, the PFHCB also continued to enforce its certification criteria requirement that all new entrants to the fishery complete a MED course (MED A1, A3 or equivalent) prior to being eligible to register with the Board for their second fishing season. This requirement of the PFHCB also acts as an added level of enforcement for TC's MED requirements under the MPR, and continues to support Newfoundland and Labrador's compliance with the TC's federal MPR. It is worth noting that since 2002, the PFHCB has delivered this training to nearly 8,500 fish harvesters.

Throughout 2013, Board staff continued to assist harvesters with the registration process for fisheries training at MI, including the distribution of MED A1 applications on behalf of MI. Staff also assisted MI in compiling lists of fish harvesters interested in arranging mandatory training courses (MED, ROC-MC, Fishing Masters) in their respective regional areas. The Board continues to maintain a strong working relationship with the Marine Institute School of Fisheries, including the new Lewisporte campus of MI and the Community Based Education Delivery (CBED) unit, as part of the Boards shared commitment with MI to promote and deliver fisheries training.

Throughout the year, the PFHCB utilized its communication network and tools to promote fisheries training and to notify harvesters of MI training opportunities, schedules, registration process, tuition fees, and to provide fish harvesters with the most up to date training information. For example, on numerous occasions in 2013, the PFHCB staff utilized its email database to forward electronic training information brochures to fish harvesters. The PFHCB also displays and distributes MI course information at its office at 368 Hamilton Avenue, St. John's, where hundreds of fish harvesters visit each month throughout the year. With the assistance of the PFHCB, MI was successful in delivering fisheries training (Fishing Masters, MED, ROC-MC), both at the main campus and through community-based delivery, to approximately 400 fish harvesters 2013. Additionally, with assistance (support and promotion) from the PFHCB, the new Fishing Masters distance learning program at MI had another successful year, with more than 50 students participating in the program, either in part or in full.

The ability to access financial assistance, including tuition assistance, and the continuation of Employment Insurance (EI) benefits while attending training continues to be a determining factor when fish harvesters decide whether or not to enroll in training. Even in the case of mandatory training, such as the training required under TC's MPR, harvesters often chose not to attend training for financial reasons. Consequently, the inability to secure financial support for tuition fees has long been recognized as a barrier to harvesters completing their mandatory training requirements, particularly in the case of longer and more expensive courses such as Fishing Masters training.

For these reasons, and in fulfillment of our legislated objectives, the PFHCB has made annual appeals to the appropriate federal and provincial government departments to make financial support of fisheries training a priority of government. This was again the case in 2013.

Representatives of the PFHCB, MI and FFAW met with officials of the Department of Advanced Education and Skills in early 2013. This meeting was intended to determine the level of assistance available to fish harvesters during the 2013-2014 training season, to determine the application process, any application deadlines and/or eligibility criteria. The outcome of this meeting was very positive and, even though eligibility for assistance is determined on a case-by-case basis, the provincial government representatives were very supportive, and confirmed that there was funding available in 2013 for eligible fish harvesters.

As previously mentioned, the high cost of tuition fees can result in a dependency on government assistance and, in many cases, fish harvesters are unable to complete training for financial reasons. For this reason, it is worth reporting that tuition fees at MI and PFHCB remained frozen for 2013, and the Fishing Master IV tuition of \$690 is (due to a fee reduction in 2011) the lowest tuition since the program was introduced, and remains the lowest Fishing Masters tuition in the country. The low tuition on Fishing Masters training is significant in eliminating financial barriers to fisheries training, and the PFHCB believes it will result in higher compliance with regulatory requirements.

Throughout 2013 PFHCB staff assisted individual fish harvesters in securing tuition assistance. This activity took a variety of forms, from providing harvesters with the appropriate contact information for MI registration and for local outreach offices, to guiding them through the appropriate paperwork. PFHCB staff also provided letters for harvesters outlining the federal regulatory requirements as they apply to their individual case. Since financial assistance for training is approved on a case-by-case basis, harvesters are required to demonstrate a justifiable need/rationale for the training being pursued. The letters provided by the PFHCB are used by harvesters to demonstrate the mandatory nature of the training being sought, and were valuable to harvesters in securing tuition assistance.

In 2013, we are again pleased to report that the vast majority of fish harvesters who enrolled in mandatory TC training, both at PFHCB and MI, received tuition assistance of up to 100 percent, and were eligible for the continuation of EI benefits while enrolled in training. Finally, it is worth noting that Newfoundland and Labrador continues to lead the country in compliance with the new federal training requirements of the MPR; a direct result of our collective efforts with MI and both levels of government.

Issue #2 – Strategic Direction for Communications

In recent years there has been a growing sense of negativity surrounding the harvesting sector of the province's commercial fishery. This negativity has been recognized as an issue that jeopardizes the future of our inshore fishery and an issue that must be addressed.

The PFHCB has a mandate around communication and public relations that includes the promotion of fish harvesting as a professional occupation, and the province's fishing industry as a valuable contributor to our local and provincial economies. Since 2008, in an effort to address a number of issues, including the issue of negativity surrounding the fishing industry, the PFHCB has been working on the development and implementation of a strategic communications plan which identifies key messages, target audiences, and specific communications activities.

Objective #3: By December 31, 2013, the PFHCB will have continued implementing elements of its strategic communications plan aimed primarily at improving the image of professional inshore fish harvesters in Newfoundland and Labrador and their industry.

Measure: Continued to implement elements of its strategic communications plan aimed primarily at improving the image of professional inshore fish harvesters in Newfoundland and Labrador and their industry.

Indicators: Continued the creation and distribution a variety of multi-media materials, as directed by the Communications Committee and/or Executive Committee, aimed specifically at improving the image of professional inshore fish harvesters and their industry.

Outcomes for Issue #2

With guidance from the Board's Executive Committee and Public Relations Committee, the PFHCB continued to implement elements of its strategic communications plan throughout 2013. The primary purpose of these activities was to create a more positive image of professional inshore fish harvesters among five target audiences identified in the Board's strategic communications plan – fish harvesters, the public, youth, government and the media.

Indicators for Measure #1

As indicated by the activities outlined below, in 2013 this issue was addressed by the PFHCB, and the objective met. This was achieved through a variety of initiatives that either directly or indirectly contributed to the Board's long term goal of improving the image of fish harvesters and their industry.

Support for communications: In the 2013 operating budget, the PFHCB Board of Directors approved a total combined budget of \$25,000 for activities related to communications, public relations and advertising/promotional materials. \$15,000 of that budgeted amount was invested directly into implementing elements of the Board's Strategic Communications Plan. This is a clear indication that the PFHCB remains committed to its strategic direction on communications, and to fulfilling its objective to "promote the interests of fish harvesters as a professional group", as outline in section 4(a) of the *Professional Fish Harvesters Act*.

Development and Distribution of a new PFHCB promotional "postcard": In 2013, the PFHCB developed a new "postcard style" promotional tool. This 2-sided postcard advertises the PFHCB's *CrewFinder* service on one side, and has an ad promoting the skills and professionalism of fish harvesters on the reverse. This postcard was used as an information and promotional tool, and was distributed to fish harvesters and to the public (including youth and schoolchildren) at speaking engagements and presentations attended by PFHCB staff throughout the year. This tool was also used to direct fish harvesters and the public to the PFHCB website at www.pfhcb.com. To date, more than 2,000 copies have been distributed.

Presentations on professional certification: Throughout 2013, the PFHCB Executive Director, Mark Dolomount, made presentations to a wide variety of groups. Among other key messages, these presentations always concentrated on the professionalism of fish harvesters, the economic contribution they make to our communities and our province, the level of training and certification required to be a Level II professional fish harvester, and the fact that Newfoundland and Labrador's fish harvesters lead the country in the amount and level of fisheries training. In 2013, such presentations, appropriately adapted to changing audiences, were delivered to school children, fish harvesters (inside and outside the province), provincial and federal government representatives, and several other marine-related conferences and "public" gatherings. It is also worth noting that in 2013 the PFHCB made presentations to the Harbour Authority Conference, which attended by more than 200 participants from fishing communities throughout the province.

Media Activity: On numerous occasions in 2013, the PFHCB Executive Director was in the local media speaking on issues related to fish harvester professionalization, training and certification. The purpose, either primary or secondary, of all PFHCB media correspondence is the promotion of fish harvesters, their profession, and the valuable contribution they make to our province.

Expansion and utilization of an email data-base: With email now recognized as perhaps the most effective and cost efficient way to communicate with registered fish harvesters, in 2013 the PFHCB continued its efforts to expand its email database. The 2013 PFHCB renewal applications included a request to provide (voluntarily) an email address, in addition to all other required personal information. Additionally, throughout the year, as fish harvesters called or visited the PFHCB office, staff requested that harvesters provide an email address.

As a result of these activities, the Board maintains an email database of approximately 2,600 email addresses, with an estimated reach of 5,000 households in the province. Utilizing this valuable communication tool, in 2013 the PFHCB regularly disseminated information pertinent to the fish harvesting sector and profession, including information on fisheries training (at MI and PFHCB), PLAR, PFHCB promotional materials, DFO licencing policy, sealer information workshops, Transport Canada regulations, information on the newly established Fish Harvesting Safety Association, and other general fisheries-related information.

Advertising: The Board continued its advertising presence in a variety of industry publications in 2013, including *The Navigator*, *The Union Forum*, and *The Skipper's Log*. The Board continued to utilize its "Salt of the Earth" promotional print ads created, with the main themes being that fish harvesters are highly skilled professionals who make an enormous social and economic contribution to our province. The PFHCB continues to display a variety of promotional print ads, and information/promotional videos in its office at 368 Hamilton Avenue, St. John's, and on its webpage at www.pfhcb.com. It is also worth noting that in 2013, the PFHCB purchased a new pop-up banner for quick and easy displays at industry events, presentations, and other public events attended by PFHCB staff.

CrewFinder: CrewFinder is a free web-based crew database service provided through the PFHCB webpage at www.pfhcb.com. It assists vessel owners in finding available professional crewmembers, and helps available crewmembers find positions. This service has been particularly valuable to enterprise owners who are now required to find crewmembers with the required TC certification/training. In that regard, *CrewFinder* has proven to be a great success. It has contributed to an improved level of certification among our fishing crews, and has assisted enterprise owners in reaching regulatory compliance with Transport Canada. As noted above, the PFHCB has enhanced its advertising efforts to promote this service. In 2013, 120 fish harvesters utilized the *CrewFinder* service.

CCPFH Stability E-Simulator: In November 2012, the CCPFH formally launched the Stability E-Simulator at the 2012 Fish & Workboat Show in St. John's. The goal of this initiative is to create an effective simulation "video game style" E-learning tool that can help fish harvesters better understand the fundamental principles of fishing vessel stability, and subsequently contribute to an industry-wide strategy to reduce stability related accidents and fatalities.

The E-Simulator learning tool is now available for download from the CCPFH website, free of charge, to all Canadian fish harvesters. Throughout 2013 the PFHCB, as part of its commitment as a project partner, assisted the CCPFH with promoting and distributing the download link to commercial fish harvesters in Newfoundland and Labrador. This was achieved through the PFHCB webpage, and with a Stability E-Simulator advertisement and link attached to the bottom of outgoing emails from PFHCB staff.

2013 PFHCB Scholarship: In November 2013, the PFHCB Scholarship was presented at MI's annual fall scholarship ceremony. The PFHCB Scholarship is \$1000 award, presented annually to a fish harvester (or a dependent of a fish harvester) enrolled in a marine-related program at MI. The scholarship is one of many ways the Board promotes public awareness of the PFHCB, and the fact that our fish harvesters are professionally certified. The 2013 scholarship recipient was Brandon Gaudet, a 4th year Nautical Science student.

The PFHCB Board of Directors and staff are confident that the work of the Board on this issue has had a positive impact on the image of professional fish harvesters and has emphasized the social and economic importance of their industry.

Issue #3 – Certification and Training of Commercial Sealers

It has become widely accepted among sealing industry stakeholders that effective training is key to achieving the most humane, viable and professional hunt possible. Such training will form the foundation on which the industry begins to rebuild its international reputation and markets. Furthermore, there has also been strong support for sealers, who currently have no formal training or certification requirements/options, to move toward professional certification.

In 2010, the PFHCB, acting on a mandate received from sealing industry stakeholders, has begun working with sealing industry representatives on the development of a training and certification model for Newfoundland and Labrador sealers. This work will continue throughout this planning period.

Objective #3: By December 31, 2013, the PFHCB will have continued assisting the sealing industry in the development and delivery of essential training for commercial sealers, and the development of a professional certification program for sealers.

Measure #1: Continued assisting the sealing industry with the development and delivery of essential training for commercial sealers.

Indicators: Continued to participate, with the support of key sealing industry representatives, in the development and updating, where necessary, of training materials for commercial sealers.

Continued to participate, with the support of key sealing industry representatives, in the delivery of essential training to commercial sealers.

Measure #2: Continued to assist the sealing industry with the development of a professional certification program for sealers.

Indicators: Continued consultations with sealing industry stakeholders on the development of a professional certification system for commercial sealers.

Worked with key sealing industry representatives to develop and implement an industry-wide sealer consultation process on sealer certification, including the development of a formal consultation document.

Outcomes for Issue #3

The Board first got involved in discussions related to sealer certification in 2009 at a meeting in Montreal, Quebec. At that time, there was consensus from the industry that it should move forward with efforts to promote training and certification for commercial sealers.

Subsequently, in 2010 and 2011, the PFHCB worked on the development and refinement of a *Humane Harvesting of Seals Workshop Module*, developed in partnership with the CCPFH. During that same period, the PFHCB selected and trained 12 qualified professional sealers in preparation for the mass delivery of this essential training to commercial sealers. Between 2009 and 2012, more than 3,800 sealers participated in information workshops. The response has been overwhelmingly positive, and there was strong government and industry support for a continuation of the sessions in 2013.

Indicators for Measure #1

In 2013, the PFHCB continued its direct and indirect involvement, with key industry stakeholders, in the development of required training materials for commercial sealers. The work of the Board in 2013 focused primarily on the updating of the current Humane Harvesting of Seals workshop module developed by the Canadian Council of Professional Fish Harvesters (CCPFH) - the training module used by the PFHCB to deliver humane harvesting workshops to sealers since 2010. The PFHCB, in partnership with the CCPFH, and in consultation with DFO, made updates and improvements to the workshop model, in preparation for submission to DFO for review and approval. This exercise was necessary, as the PFHCB and CCPFH needed to ensure that the current workshop module would satisfy DFO's mandatory humane harvesting requirement, which was anticipated to come into force for the 2014 season. An updated version of the module was submitted to DFO in Ottawa in the fall of 2013, and was subsequently approved as meeting the DFO requirements for humane harvesting of seals training.

The PFHCB was also involved in discussions and meetings related to the further refinement of instructional materials and curriculum related to sealer training in Quality/Health/Handling. In 2011 the Government of Canada announced an agreement with the Government of China to allow importation of Canadian seal products into China. Additionally, NL seal processors have identified other international markets for edible seal products. As a result of these food export opportunities, the Canadian Food Inspection Agency (CFIA) has been developing a *Code of Practice for the Harvest, Transport, Processing, and Export of Seal Products Intended for Human Consumption*. This new Code of Practice will have significant implications for commercial sealers, as the way in which they are required to handle and transport seals and seal products will change substantially. For this reason, sealing industry stakeholders, particularly seal processors, have recommended that a formal training program be developed and delivered to all commercial sealers.

Throughout 2013, the PFHCB participated in meetings with seal processors, DFA, CFIA, Dr. Pierre Yves Daoust of The Atlantic Veterinary College, and other sealing industry stakeholders. These discussions centered on the need and process for developing a more effective and formal training curriculum on quality, health and handling practices – a module similar in design to the workshop module being used to deliver the Humane Harvesting of Seals training. While DFA took the lead on developing this training material, the PFHCB has committed to assisting in the delivery of this training prior to the start of the 2014 seal harvest.

The PFHCB also continued its involvement in the delivery of essential training for sealers in 2013. Early in 2013, at the Atlantic Seal Advisory Committee (ASAC) meeting, there was consensus from sealing industry stakeholder that DFO should make the Humane Harvesting of Seals information workshops a regulatory requirement or condition of licence for all commercial sealers. While there was no formal commitment from DFO at that time, it was suggested that the department was moving in that direction for the 2014 season. At that meeting, as it had at each of the previous three ACAC meetings, the PFHCB made a commitment to continue the delivery of Humane Harvesting of seals workshops to sealers throughout Newfoundland and Labrador.

The PFHCB subsequently prepared a work plan and budget, and a proposal that would see the 2013 Humane Harvesting of Seals workshop delivery cost-shared between DFA, DFO and PFHCB. This proposal was approved and, subsequently, 18 workshops were delivered between March 20-28, and 445 sealers attended – an average of 25 sealers per session.

Since 2009, 3,828 Newfoundland and Labrador commercial sealers have now participated in information workshops on the Humane Harvesting of Seals. All participants have received a Certificate of Attendance from the PFHCB. Feedback has been very positive, and the PFHCB remains committed to continuing the delivery of these workshops in future. It is anticipated that if DFO makes Humane Harvesting of Seals workshops mandatory for the 2014 season, the demand for workshops will be very high in 2014.

Indicators for Measure #2

While training (in Humane Harvesting and Quality/Health/Handling) continues to be a priority for the Canadian sealing industry by key industry stakeholders, in Newfoundland and Labrador the ultimate goal of these industry training efforts is to develop a more formal “professional certification” program for sealers - a program similar to the one established by the PFHCB for commercial fish harvesters. At the 2013 ASAC meetings, and again at the annual meeting of the CSA, Newfoundland and Labrador commercial sealers expressed broad support for establishing a more professional sealing work force, including professional certification for all commercial sealers.

As a direct response to this industry-driven support for establishing a professional certification system for sealers, the PFHCB remains engaged with sealing industry stakeholders on the development of an appropriate and acceptable professional certification program for sealers. This important work of the PFHCB continued throughout 2013.

Since 2010, the PFHCB was an active member of the CCPFH steering committee on the development of a professional certification model for the sealing industry. This steering committee included representation from all sealing provinces/regions, including industry and government stakeholders. Participation on this committee allowed the PFHCB to continue consultation with sealers and sealer representatives on a broad scale, and to better understand the professional certification needs and expectations of sealing industry stakeholders. Over a three year period, this CCPFH lead committee completed a national occupational standards and profiles document for the sealing industry, entitled “National Occupational Standards and Profiles for Professional Seal Harvesters”. The work of this committee concluded following the ACAC meetings in January 2013.

Throughout the remainder of 2013, PFHCB staff held a variety of consultative meetings with sealing industry stakeholders on the matter of formalizing sealers certification and professionalization in Newfoundland and Labrador. These meetings included consultation with the CSA, FFAW, DFA, DFO, seal processors and the CFIA. These consultative meetings focused on the three main pillars of a formal certification system: (1) What would be the specific criteria for certification, (2) how would the certification system be administered, and (3) what mechanism(s) can be used to ensure compliance with the certification process.

While the PFHCB remains committed to housing and administering a professional certification system (should one be established), much of the work on this initiative rests with sealing industry representatives. This work includes the ratification of industry support, the refinement of certification criteria, and the establishment of a mechanism for requiring and enforcing the professional certification of commercial sealers.

To this end, the PFHCB continues to assist the sealing industry, in all ways possible, to achieve their desired goals around professionalization. In 2013, the PFHCB worked with the CSA in their efforts to consult with sealers. The 18 sealer workshops delivered by the PFHCB in March 2013 enable CSA representatives (the Executive Director, President, and three CSA Board members) to consult with commercial sealers on their support for professional certification, and the details of the certification process and criteria.

Additionally, with financial support provided by the PFHCB and FFAW (as outlined in section 4.0), in 2013 the CSA was able to hold series of community meetings with commercial sealers, which also served as an opportunity to conduct formal consultations with industry. While no additional work was completed on a formal consultation document in 2013, the national consultation document, “National Occupational Standards and Profiles for Professional Seal Harvesters”, developed by the CCPFH, continues to be the guiding document for leading discussions and consultations pertaining to the professional certification of sealers.

Feedback from the CSA, based on their consultations with sealers during 2013, indicates that there is strong support for moving forward with professional certification for commercial sealers in this province. It should be noted that the CSA remains the primary organization representing commercial sealers in this province, and the leading force behind the push toward professional certification. As such, the CSA has assumed the task of conducting industry-wide consultations with sealers, including the development of any required formal consultation documents required for industry ratification, and it was not necessary for the PFHCB to develop a formal consultation document.

The Board of Directors of the PFHCB remains fully committed to supporting the sealing industry in developing and implementing an appropriate certification system for commercial sealers. However, as it has in the past, the PFHCB wants to stress that it is not the Board’s intention to force such a system on commercial sealers without their support and approval. On the contrary, such a certification system will only be implemented by the PFHCB, and will only be successful, if and when the sealing industry has been fully consulted and support for such a program can be demonstrated. The PFHCB will continue to work with its sealing industry partners to achieve this goal.

6.0 Opportunities and Challenges Ahead

As reported in previous years, many of the opportunities and challenges of the PFHCB change very little from year to year. We anticipate that 2014 will bring several new opportunities for the Board, as noted below. The ongoing trends of reduced numbers of fish harvesters and Core fishing enterprises, as well as continued low per unit/lb prices on many species, have created many economic and demographic challenges for our province's fishing industry, including challenges for the PFHCB. However, the industry remains one of vital importance to hundreds of coastal communities, to tens of thousands of individuals, and to our provincial economy as a whole. As it has since 1997, the PFHCB will continue to explore and maximize all available new opportunities, while dealing with the ongoing challenges of the industry and their impact on PFHCB operations.

The PFHCB identifies the following opportunities and challenges for 2014.

- Opportunities:
- The newly established NL-FHSA, as outlined in section 4.0, with the assistance and support of the PFHCB, became fully operational in March 2013. This new association, with a sole mandate of addressing safety issues in the harvesting sector, presents a significant opportunity for the PFHCB to partner on initiatives aimed at addressing safety-related issues in the industry, to improve safety awareness and safety conditions, promote safety culture, and ultimately reduce occupational injuries and fatalities in the harvesting sector of the fishery. The PFHCB is committed to assisting the NL-FHSA achieve these desired results.
 - DFO's decision in late 2013, to make training in the humane harvesting of seals mandatory for all commercial sealers for the 2014 season, represents an opportunity for the PFHCB to support the skills development of all commercial sealers. Coupled with the sealing industry's support for enhanced training and professional certification, this mandatory requirement provides the PFHCB with an added opportunity to assist commercial sealers through the development of training materials, delivering information/training workshops, and developing a professional certification system on their behalf. The PFHCB is fully engaged on this activity, and will continue to assist and support the sealing industry throughout the current planning period.
 - Transport Canada's requirements under the new Marine Personnel Regulations (MPR) of the Canada Shipping Act, particularly those impacting smaller fishing vessels <12 meters/15 gross tons, will continue to provide an opportunity for the PFHCB in the area of fisheries training, certification and regulatory compliance. These MPR requirements are being phased in through November 2015 and November 2016, and provide an opportunity for the PFHCB to continue informing fish harvesters of their training/certification requirements, and assist them in achieving regulatory compliance. It is also an opportunity for Newfoundland and Labrador to continue as the national leader in fisheries training and MPR regulatory compliance.

Challenges:

Many factors contribute to a continuing decline in the number of fish harvesters and licence holders in the Newfoundland and Labrador commercial fishery. These include the ongoing lobster licence buy-back program, as well as changes to DFO regional licencing policy (re: licence combining opportunities and buddy-up arrangements). These factors combine to contribute to a decline in the number of fish harvesters registered with the PFHCB. For example, in 2013, the number of harvesters registered with the PFHCB dropped below 10,000 for the first time since the Board's inception in 1997. This creates a significant reduction in annual operating revenue; it represents a challenge for the Board to deliver programs and activities in an effective and efficient manner, and makes it difficult to achieve a balanced annual budget.

With less harvesters entering the industry, and fewer young harvesters taking over the ownership of Core enterprises, the age of existing core enterprise owners continuing to rise (currently over 55 years of age). Considering many of the ongoing challenges in the industry, including raw material price challenges and quota cuts in crab and shrimp, the current viability of many Core and Non-core enterprises is marginal, at best. Subsequently, it is a challenge for the PFHCB to attract young fish harvesters, and to maintain an adequate number of Level II harvesters to receive the transfer of Core enterprises. The current uncertainty surrounding enterprise viability also makes it challenging to attract and retain certified fish harvesters to fill vacant crew positions.

The new training/certification requirements of TC's MPR (which will require certified masters on all Canadian fishing vessels regardless of length or tonnage) was reported as an opportunity to establish a better trained and safer work force. However, these new requirements also represent a significant challenge, as they make it increasingly difficult for owner operators to adequately crew their vessels with harvesters holding the required certification. This poses significant challenges and concerns for owners, as they do not want to risk the possible liability or legal ramifications of operating in violation of the federal regulations. This challenge for owner operators is also a challenge for the PFHCB as it strives to assist harvesters in attaining the required training and achieve regulatory compliance. As outlined in Sections 4 and 5, the short-term challenge for the PFHCB is assisting owner operators in the less than 12 metre/15 gross ton fleet in meeting the looming master certification deadlines of November 2015 and November 2016.

Since 1997, PFHCB certification has been directly linked to DFO licencing policy in the Newfoundland and Labrador region. In April 2013, DFO licencing offices in the NL region terminated public counter-services for fish harvesters, reducing the number of licencing officers, and moving to an on-line licencing system. While the long-term impact of this significant change remains largely unknown, it may challenge the Board in maintaining its strong linkages with regional DFO licencing offices and licencing policies.

The PFHCB remains well positioned to make a significant contribution to addressing these challenges, and seizing these stated opportunities, in the Newfoundland and Labrador commercial fishery. The Board of Directors and staff of the PFHCB remain committed to dealing with these and other issues as outlined in the Board's new 2014-2016 Activity Plan, and continuing to meet the stated goals and objectives of the Board.

Appendix ‘A’

Professional Fish Harvesters Certification Board
Financial Statements
Year Ended December 31, 2013

PROFESSIONAL FISH HARVESTERS CERTIFICATION BOARD

Financial Statements

Year Ended December 31, 2013

QUINLAN & TAYLOR
PROFESSIONAL CHARTERED ACCOUNTANTS CORPORATION

QUINLAN & TAYLOR

PROFESSIONAL CHARTERED ACCOUNTANTS CORPORATION

INDEPENDENT AUDITOR'S REPORT

To the Members of Professional Fish Harvesters Certification Board

We have audited the accompanying financial statements of Professional Fish Harvesters Certification Board, which comprise the statement of financial position as at December 31, 2013 and the statements of revenues and expenditures, changes in net assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Professional Fish Harvesters Certification Board as at December 31, 2013 and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

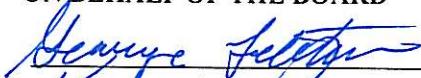
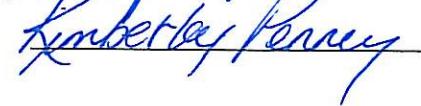
Quinlan & Taylor Professional C.A. Corporation

St. John's, Newfoundland and Labrador
April 2, 2014

PROFESSIONAL FISH HARVESTERS CERTIFICATION BOARD
Statement of Financial Position
December 31, 2013

	2013	2012
ASSETS		
Current		
Cash	\$ 39,062	\$ 70,931
Term deposits	1,354,999	1,338,751
Accounts receivable	63,226	46,004
Prepaid expenses	15,224	7,731
	1,472,511	1,463,417
<u>Capital assets (Note 3)</u>	<u>1,630,091</u>	<u>1,680,457</u>
	\$ 3,102,602	\$ 3,143,874
LIABILITIES AND NET ASSETS		
Current		
Accounts payable and accrued liabilities	\$ 83,128	\$ 156,875
Unearned revenue	14,300	15,950
Current portion of long term debt (Note 4)	49,900	47,800
	147,328	220,625
<u>Long term debt (Note 4)</u>	<u>712,830</u>	<u>762,701</u>
<u>Accrued severance pay</u>	<u>57,271</u>	<u>52,661</u>
	917,429	1,035,987
Net Assets		
Unrestricted fund	570,230	441,036
Invested in capital assets	1,614,943	1,666,851
	2,185,173	2,107,887
	\$ 3,102,602	\$ 3,143,874

ON BEHALF OF THE BOARD

Director

Director

See notes to financial statements

**QUINLAN
& TAYLOR**

PROFESSIONAL FISH HARVESTERS CERTIFICATION BOARD

Statement of Revenues and Expenditures

Year Ended December 31, 2013

	2013	2012
Revenue		
Registration fees	\$ 490,950	\$ 527,500
Interest income	45,363	57,579
Other revenue	26,353	1,224
Prior learning assessment and recognition	8,800	5,350
Basic safety training	19,740	36,940
Sealer workshop funding	9,929	9,699
Rental revenue	49,500	49,500
	650,635	687,792
Expenses		
Advertising and promotional material	5,607	10,582
Amortization	51,742	55,032
Appeals	10,615	8,699
Building operations	51,601	60,915
Business tax	11,206	12,412
Communications	8,779	10,854
Insurance	5,018	4,991
Interest and bank charges	5,624	6,785
Interest on long term debt	33,387	35,564
Meetings - board and other	31,757	37,293
Membership fees	48,995	50,220
Office and computer supplies	12,782	9,383
Postage	19,119	32,556
Printing	-	158
Prior learning assessment and recognition project	10,044	9,247
Professional fees	26,377	21,046
Public relations initiatives	5,737	12,884
Safety training	23,728	39,139
Sealing	24,351	14,249
Wages and employee benefits	246,639	252,489
	633,108	684,498
Excess of revenue over expenses	17,527	3,294
Other income (expenses)		
Loss on disposal of assets	(166)	-
Reversal of prior years payable	59,925	-
	59,759	-
Excess of revenue over expenses	\$ 77,286	\$ 3,294

See notes to financial statements

**QUINLAN
& TAYLOR**

PROFESSIONAL FISH HARVESTERS CERTIFICATION BOARD

Statement of Changes in Net Assets

Year Ended December 31, 2013

	Unrestricted Fund	Invested in Capital Assets	2013	2012
Net assets - beginning of year	\$ 441,036	\$ 1,666,851	\$ 2,107,887	\$ 2,104,593
Excess of revenue over expenses	129,194	(51,908)	77,286	3,294
Net assets - end of year	\$ 570,230	\$ 1,614,943	\$ 2,185,173	\$ 2,107,887

See notes to financial statements

**QUINLAN
& TAYLOR**

PROFESSIONAL FISH HARVESTERS CERTIFICATION BOARD

Statement of Cash Flows

Year Ended December 31, 2013

	2013	2012
Operating activities		
Excess of revenue over expenses	\$ 77,286	\$ 3,294
Items not affecting cash:		
Amortization of property, plant and equipment	51,742	55,032
Loss on disposal of assets	166	-
	129,194	58,326
Changes in non-cash working capital:		
Accounts receivable	(17,222)	(1,008)
Accounts payable and accrued liabilities	(73,747)	13,825
Unearned revenue	(1,650)	(1,750)
Prepaid expenses	(7,493)	43
Accrued severance pay	4,610	5,240
	(95,502)	16,350
Cash flow from operating activities	33,692	74,676
Investing activity		
Purchase of property, plant and equipment	(1,541)	-
Financing activity		
Repayment of long term debt	(47,772)	(45,595)
Cash flow used by financing activity	(47,772)	(45,595)
Increase (decrease) in cash	(15,621)	29,081
Cash - beginning of year	1,409,682	1,380,601
Cash - end of year	\$ 1,394,061	\$ 1,409,682
Cash flows supplementary information		
Interest received	\$ -	\$ -
Interest paid	\$ 39,011	\$ 42,349
Income taxes paid	\$ -	\$ -
Cash consists of:		
Cash	\$ 39,062	\$ 70,931
Term deposits	1,354,999	1,338,751
	\$ 1,394,061	\$ 1,409,682

See notes to financial statements

**QUINLAN
& TAYLOR**

PROFESSIONAL FISH HARVESTERS CERTIFICATION BOARD

Notes to Financial Statements

Year Ended December 31, 2013

1. DESCRIPTION OF OPERATIONS

The Professional Fish Harvesters Certification Board (the Board) is a not-for-profit organization, enacted in June, 1996 under the Newfoundland act entitled "Professional Fish Harvesters Act." The Board commenced active operations in February, 1997. The Board has a number of objectives including the promotion of the interest of fish harvesters as a professional group, defining standards for professionalism and acting in an advisory role to the federal and provincial governments.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations(ASNPO).

Cash and Cash Equivalents

Cash includes cash and cash equivalents. Cash equivalents are investments in term deposits and are valued at cost plus accrued interest. The carrying amounts approximate fair value.

Revenue Recognition

Registration fees are recognized as revenue on an accrual basis of accounting.

The Board follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable.

Contributed Services

Contributed services are recognized in the financial statements when the fair value of such services may be reasonably determined.

Management Estimates

The presentation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the reported amount of revenues and expenses during the reported period. Actual results could differ from those reported.

Capital Assets

Purchased capital assets are recorded at cost. Amortization is provided on the basis and at the rates set out below. It is expected these procedures will charge operations with the total cost of the assets less estimated residual value over the estimated useful lives of the assets. Gain or loss on disposal of individual assets is recognized in the year of disposal.

Land improvements	8%	declining balance method
Building	40 years	straight-line method
Computer equipment	30%	declining balance method
Equipment	20%	declining balance method
Signs and logo	30%	declining balance method

PROFESSIONAL FISH HARVESTERS CERTIFICATION BOARD

Notes to Financial Statements

Year Ended December 31, 2013

3. CAPITAL ASSETS

	Cost	Accumulated amortization	2013 Net book value
Land	\$ 150,000	\$ -	\$ 150,000
Land improvements	51,525	15,841	35,684
Building	1,551,190	135,729	1,415,461
Computer equipment	122,200	112,850	9,350
Equipment	123,421	105,888	17,533
Signs and logo	7,077	5,014	2,063
	\$ 2,005,413	\$ 375,322	\$ 1,630,091

	Cost	Accumulated amortization	2012 Net book value
Land	\$ 150,000	\$ -	\$ 150,000
Land improvements	51,525	11,877	39,648
Building	1,551,190	96,949	1,454,241
Computer equipment	121,246	109,046	12,200
Equipment	123,397	101,977	21,420
Signs and logo	7,077	4,129	2,948
	\$ 2,004,435	\$ 323,978	\$ 1,680,457