



Annual Performance Report 2021

for

The Professional Fish Harvesters Certification Board

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Appendix A – 2021 Audited Financial Statements

Message from the Chairperson

On behalf of the Professional Fish Harvesters Certification Board (PFHCB), I am pleased to present the Annual Performance Report for 2021, which covers the second year of our 2020-2022 planning cycle. The PFHCB remains committed to fulfilling its obligations as a category three public entity under the **Transparency and Accountability Act**. We are accountable for the preparation of this report, and for ensuring that the information presented is a thorough and accurate representation of PFHCB's operations and activities in 2021.

Again in 2021, as it has since 1997, the PFHCB 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. Despite the ongoing challenges posed by the COVID-19 pandemic, we were successful in fulfilling our mandate and objectives as outlined in the **Professional Fish Harvesters Act**. As detailed throughout this report, the PFHCB had another successful year of serving the professional certification needs of fish harvesters in Newfoundland and Labrador.

The PFHCB operates based on the calendar year, thus this report presents our work from January 1, 2021, to December 31, 2021, and includes the achievements and results of the PFHCB's stated objectives as outlined in our 2020-2022 Activity Plan.

Finally, as Chairperson, my signature below is on behalf of the PFHCB and is indicative of its accountability for the actual results reported for 2021.

Sincerely,



William Broderick
Chairperson, PFHCB

1.0 Overview

The PFHCB became operational in 1997 following proclamation of the **Professional Fish Harvesters Act** (the 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 mandate, the PFHCB is engaged in a wide variety of activities aimed at enhancing the profession of commercial fish harvesting, as outlined in this report.

1.1 Board Members, Sub-Committees and Staff

The PFHCB operates under the direction of a 15-member board, in accordance with the Act. Members of the PFHCB are appointed by the Minister of Fisheries, Forestry and Agriculture (FFA) upon recommendation from the respective organizations identified in section five of the Act. Members whose terms of appointment have expired may continue to serve until reappointed or replaced. At the end of 2021, all 15 positions were filled and all terms of appointment were current. The following is a list of members as of December 31, 2021:

Name	Representing	Title	Appointment Date	Expiry Date
William Broderick	FFAW-Unifor ¹	Chair	9/23/2021	9/23/2024
George Feltham	FFAW-Unifor	Vice-Chair	8/12/2019	8/12/2022
Carl Hedderson	FFAW-Unifor	Member	9/23/2021	9/23/2024
David Jarvis	FFAW-Unifor	Member	8/12/2019	8/12/2022
Mike Noonan	FFAW-Unifor	Member	8/12/2019	8/12/2022
Mildred Skinner	FFAW-Unifor	Secretary	8/12/2019	8/12/2022
Dwan Street	FFAW-Unifor	Member	9/23/2021	9/23/2024
Frank Corbett	Federal Government	Member-at-Large	9/23/2021	9/23/2024
Amy Kavanagh-Penney	Federal Government	Member	8/12/2019	8/12/2022
Shawn Normore	Fisheries Cooperative	Member	9/3/2021	9/3/2024
Lisa Matchim	Indigenous Harvester Representative	Member	9/3/2021	9/3/2024
Kevin Anderson	Post-Secondary Institution	Member	9/23/2021	9/23/2024
Jennifer Meadus	Provincial Government, IPGS ²	Member	9/3/2021	9/3/2024
Nicole Rowsell	Provincial Government, FFA	Member	9/29/2020	9/29/2023
Marcel O'Brien	Representative-at-Large	Member	9/3/2021	9/3/2024

¹ Fish, Food and Allied Workers Union (FFAW-Unifor)

² Department of Immigration, Population Growth and Skills (IPGS)

A complete list of current members can be found on the PFHCB's website at www.pfhcb.com. The PFHCB also has three sub-committees that convene, as required, to

address specific PFHCB business and arising issues. These sub-committees include an Executive Committee, Education Committee and Public Relations Committee.

The PFHCB currently has a full-time office staff of five persons, consisting of an Executive Director, a Certification Coordinator, a Registration Administrator, a Project Coordinator and a Coordinator of Finance and Administration. In addition to these staff, 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.

1.2 Vision

The PFHCB's 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.

1.3 Primary Lines of Business

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

The PFHCB has been responsible for registering and certifying commercial fish harvesters in Newfoundland and Labrador since 1997. Fish harvesters are required to submit a certification renewal application annually and pay the annual certification fee of \$75. New entrants are required to file a new entrant application and pay the annual certification fee. 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 and certification process is conducted in accordance with the Act, the PFHCB certification criteria and the PFHCB's by-laws. Collection of annual certification fees is the PFHCB's primary source of operating revenue. There were 10,501 fish harvesters registered with the PFHCB in 2021.

II. Delivery of Basic Safety Training

Apprentice fish harvesters are required by PFHCB criteria to complete a Basic Safety Training course prior to commencing their second fishing season. In 2002, the PFHCB, in cooperation with the Marine Institute (MI), developed and introduced a Basic Safety Training 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 Marine Emergency Duties (MED), 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 also have the option to complete the MED A1/Domestic Vessel Safety course (or other equivalent safety training) at another TC authorized training institute. The course is expected to be completed prior to beginning the fish harvesters' 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. PFHCB members also assess education information provided by harvesters and award credit toward certification upgrading.

While the vast majority of fisheries training is delivered by MI, the PFHCB delivers a Prior Learning Assessment and 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 our website at www.pfhcb.com. Since 2010, the PFHCB has also been involved in assisting the commercial sealing industry with industry-related skills development and certification. With its sealing industry partners, the PFHCB has successfully delivered information workshops in Humane Harvesting and Quality/Health/Handling to approximately 7,000 commercial sealers and this activity has now become an annual activity.

Additionally, it is also worth noting that fish harvesters at all certification levels can enroll in the first-aid component of the PFHCB's community-based Basic Safety Training course to renew their expired Marine Basic first-aid certification in order to maintain provincial and federal regulatory requirements.

IV. Public Relations and Advocacy Initiatives

Through its committees, and in partnership with other key industry groups such as the Canadian Council of Professional Fish Harvesters (CCPFH), the PFHCB 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, employment opportunities and economic value of the industry, is central to the PFHCB's overall activity plan. This is achieved through ongoing initiatives utilizing a variety of media sources and outreach activities.

Additionally, the PFHCB 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 of current work include fishing industry safety, Fisheries and Oceans Canada (DFO) federal fisheries licensing policy and regulations, federal TC regulatory requirements, fisheries labour recruitment and retention initiatives and fisheries-related skills development.

1.4 Location and Contact Information

To inquire or comment on the contents of this report (alternate formats available) 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

1.5 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 PFHCB's primary revenue is generated from annual fees paid by certified fish harvesters. Additionally, the PFHCB receives occasional financial assistance from industry partners such as CCPFH and FFA for the delivery of special projects in fulfillment of its mandate and objectives. A full external audit is conducted annually and the audited financial statements are submitted to the Minister of FFA (the Minister). Audited Financial Statements for 2021 can be found in Appendix A.

Below is a summary of revenue and expenses for the year ending December 31, 2021.

Total Revenue	\$1,017,909
Total Expenses	\$857,974
Excess of Revenue over Expenses	\$159,935

2.0 Highlights and Partnerships

Highlights: In 2021, the PFHCB continued offering its various services to commercial fish harvesters, primarily geared toward fulfilling the PFHCB's objectives as defined in the Act and addressing the issues outlined in the 2020-2022 Activity Plan. With the continuation of the COVID-19 pandemic in 2021 and ongoing subsequent public health guidelines and restrictions, the annual PFHCB activities and initiatives were adjusted to ensure that staff, certified fish harvesters and the public were protected from the transmission of COVID-19 to the greatest extent possible.

Despite the challenges posed by the ongoing COVID-19 pandemic, and the unfortunate and unanticipated closure of the Richard Cashin Building noted below, the PFHCB was successful in carrying out its mandate, and made progress toward meeting its short-term and long-term objectives. Some noteworthy highlights of 2021 include:

- 10,501 fish harvesters were registered with the PFHCB in 2021, an increase of more than 20 per cent from 2020. This is the single largest increase in annual certification in the 25-year history of the PFHCB. It is not certain if this increase is reflective of DFO's communication to owner/operators regarding crewmember registration requirements or the strong "post-pandemic" recovery of seafood markets and record prices for shellfish such as snow crab and lobster. Regardless, it bodes well for labour force renewal and is a strong indicator that fisheries viability contributes to attracting new entrants to the industry.

New Entrant	Apprentice	Northern Lab. Core	Level I	Level II	TOTAL
1,375	3,596	8	519	5,003	10,501

- In 2021, 176 fish harvesters received Fishing Masters (IV and III) training from Marine Institute (MI). Additional students were enrolled in miscellaneous shorter courses such as Marine Emergency Duties (MED), Radio Operator Certification (ROC), Small Vessel Operator Proficiency (SVOP) and Marine First-Aid. Of the 176 students enrolled in Fishing Masters programs, 44 per cent participated in online delivery, 47 per cent participated in community-based classroom delivery and the remaining nine per cent attended main campus on Ridge Road in St. John's. Due to COVID-19, some in-class delivery and scheduling was interrupted, but overall 2021 was a very successful year for fisheries training at MI.
- In 2021, 28 Apprentice and Level I fish harvesters took advantage of the PLAR program – 146 total PLAR assessments were conducted in seven different locations. Due to the ongoing COVID-19 pandemic, assessments were conducted periodically during the year when case numbers were low and it was deemed safe for the assessor to travel and interact with harvesters. Approximately 1,000 education credits for PFHCB certification upgrading were awarded to successful PLAR candidates in 2021.
- In total, 159 fish harvesters had their certification level upgraded in 2021; 88 upgraded to Level I and 71 upgraded to Level II. This number represents a 30 per cent increase in the number of harvesters upgraded in 2020, and a 75 per cent increase over the 10-year average from 2011-2020. This is very encouraging and important to note, as recruitment and retention of labour is an objective of the PFHCB during the 2020-2022 planning cycle.
- In 2021, the PFHCB supported the province's sealing industry, through its support of the Canadian Sealers Association (CSA), and the delivery of workshops in the Humane Harvesting and Quality/Health/Handling of seals. Following the cancellation of all sealer workshops in 2020 due to COVID-19, the PFHCB worked closely with DFO and FFA to implement online delivery of the Humane Harvesting and Quality/Health/Handling workshops in 2021. Between March 18 and April 6, 2021, 107 sealers participated in online workshops. PFHCB staff also continued to assist in maintaining the membership database for the CSA throughout 2021.
- The PFHCB offers an annual \$1,000 scholarship that is awarded to a fish harvester or dependent of a fish harvester who is attending the MI. Due to COVID-19, the annual fall 2021 scholarship awards ceremony at MI was conducted virtually and posted on the MI website. The 2021 recipient of the PFHCB Scholarship was Charles Dominaux, a second year Nautical Science student from Grand Bank.
- As part of its commitment to recruitment and retention of fish harvesters, in 2021 the PFHCB continued its partnership with the CCPFH on a project entitled "Meeting the Labour Supply Challenge in Atlantic Canada's Fish Harvesting Industry". The major output of the project, which began in late 2019, will be a comprehensive

strategy for attracting and retaining new labour supply in the fishing industry and addressing the issue of intergenerational succession of fishing enterprises. The project's final report is expected to be completed by mid-2022. This initiative will be outlined in more detail in section 3.0.

Partnerships: In 2021, the PFHCB continued its important collaborative work related to the advancement of fish harvester professionalization and skills development.

I. Fisheries and Oceans Canada – Linkages between PFHCB Certification and DFO's Regional Licensing Policy

In 2021, PFHCB certification continued to be directly linked to DFO licensing policy in the Newfoundland and Labrador Region. More specifically, DFO policy requires that fish harvesters be certified as a Level II with the PFHCB to be eligible for the reissuance of a federal species licence(s), and to be registered as Level I or Level II to be eligible as a substitute operator of a federal species licence. These linkages are indicative of DFO's ongoing support for professional certification, and ensures that fishing enterprises in this province continue to be operated by trained, certified professional fish harvesters.

The PFHCB is an authorized deliverer of Humane Harvesting of Seals workshops, and in 2021, these workshops were delivered online to 94 commercial sealers. The PFHCB remains committed to its shared commitment of ensuring that Newfoundland and Labrador commercial fish harvesters and sealers are operating in accordance with DFO's licensing policies. Licensing compliance is a key part of professionalism amongst licensed harvesters.

II. Newfoundland and Labrador Fish Harvesting Safety Association

In 2021, the PFHCB continued to provide support for the Newfoundland and Labrador Fish Harvesting Safety Association (NL-FHSA) in fulfillment of a shared commitment to improve safety in the commercial fishery. The NL-FHSA continues to operate out of the PFHCB offices, with administrative support from the PFHCB staff. Throughout the year, PFHCB worked closely with NL-FHSA staff on safety-related initiatives and Mark Dolomount, PFHCB's Executive Director, currently holds the position of Vice-Chair of the NL-FHSA Board of Directors.

The PFHCB remains committed to the long-term success of the NL-FHSA and will continue collaborating to develop and implement meaningful safety initiatives, and to promote a safer fishing industry. In 2021, the PFHCB worked closely with the NL-FHSA and other industry stakeholder on the development of an online Occupational Health and Safety training module which will be made available to all provincial fish harvesters. As part of its legislated mandate related to the safety of Newfoundland and Labrador fish harvesters, the PFHCB remains committed to working with the NL-FHSA on its shared commitments and will continue to support the safety initiatives of the Association.

III. Transport Canada – Dissemination/Clarification of Information on Federal Regulatory Requirements.

Since the coming into force of the new Marine Personnel Regulations of the **Canada Shipping Act** in 2007, the PFHCB has worked closely with TC to determine the impact of

these new federal 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 continued in 2021.

As reported in more detail in section 4.0, the PFHCB continues to work closely with TC, the NL-FHSA, other industry organizations and certified fish harvesters to achieve maximum federal regulatory compliance. PFHCB staff has been directly involved in consultations surrounding the development of the new TC federal Fishing Vessel Safety Regulations that came into force in July 2017, as well as new Navigation Safety Regulations that came into force in October 2020. The PFHCB is also actively engaged with DFO on consultations related to proposed amendments to the current Marine Personnel Regulations and Fishing Vessel Safety Regulations (Part Two) that will impact Newfoundland and Labrador fish harvesters. These federal regulatory amendments that impact training and certification requirements, as well as vessel construction standards, for all Canadian fish harvesters were expected to enter Canada Gazette in 2020-21 but have been delayed due to the impact of COVID-19 on the consultation and legal drafting process. The PFHCB remains committed to informing Newfoundland and Labrador fish harvesters on these regulatory requirements and assisting harvesters achieve compliance.

IV. Fisheries and Marine Institute – Promotion and Delivery of Fisheries Training

Throughout 2021, the PFHCB staff worked closely with MI 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. One of the key shared commitments is the continued promotion of MI's new online/computer-based delivery of Fishing Masters IV, which eliminates many accessibility barriers that traditionally make community-based Fishing Masters courses difficult to coordinate, particularly in remote areas of the province.

Other initiatives in support of this shared commitment with MI include planning to improve recruitment to fisheries training, distributing information on MI training opportunities and supporting students in the registration and tuition assistance process.

V. Appeal Board of the Professional Fish Harvesters Certification Board

The PFHCB has a shared commitment with the PFHCB Appeal Board to ensure that Newfoundland and Labrador fish harvesters have access to an appeal process, whereby appeals are available in a timely manner, and in all regions of the province where appellants reside. The Appeal Board operates as an independent category three public entity, in accordance with sections 14 to 18 of the Act. The mandate of the Appeal Board is to provide an independent appeal process for any person who files a notice of appeal with the Executive Director of the PFHCB.

The PFHCB, through its ongoing administrative support of the PFHCB Appeal Board, is committed to assisting the PFHCB Appeal Board in fulfilling its mandate and stated objectives, as per the PFHCB Appeal Board's 2020-2022 Activity Plan. As outlined in its 2021 Annual Performance Report, the PFHCB Appeal Board was successful in meeting its stated objective, despite the challenges posed by the COVID-19 pandemic. In total, 14 fish harvester appeals were conducted in five locations throughout the province.

3.0 Report on Performance

The issues identified in our 2020-2022 Activity Plan reflect the ongoing, and interconnected, skills development and labour supply challenges that continue to face the harvesting sector of the Newfoundland and Labrador commercial fishery. In addressing these two issues, the focus of the PFHCB will be placed primarily on meeting the long-term skilled labour supply needs of the industry, and dealing with amendments being made by Transport Canada to the existing Marine Personnel Regulations (MPR) of the **Canada Shipping Act**. For this planning period, the PFHCB has identified two primary issues and associated objectives by which it intends to address each issue. Each objective is accompanied by indicators to assist in monitoring and evaluating success.

As our focus will remain the same for all three years of the plan, the PFHCB will report on the same objectives and indicators in all three years of this planning cycle.

Issue #1 – Transport Canada Amendments to the Marine Personnel Regulations

The Marine Personnel Regulations of the **Canada Shipping Act** were last amended by Transport Canada in 2007, with new mandatory training and certification requirements for fishing crews phased in over an eight-year period (2007-2015). While these new requirements initially created challenges for fish harvesters in understanding their regulatory requirements and achieving compliance, the end result was a positive and significant increase in the level of training and certification held by Newfoundland and Labrador fishing crews.

Thirteen years later, following several years of regulatory consultation and drafting by Transport Canada, amendments to the MPR are scheduled to enter the 30-day public consultation of Canada Gazette Part I (the federal regulatory approval process) in fall 2020. The proposed amendments include significant changes to the mandatory training and certification requirements of Canadian fishing crews, including:

- Renaming of all Marine Emergency Duties courses, Fishing Master, and other master and watchkeeping certificates of competency;
- Introducing several new master and watchkeeping certificates valid on fishing vessels;
- Changing/updating the curriculum content of the new master and watchkeeping certificates of competency, and the newly named Marine Emergency Duties courses;
- Changing the validity of the various master and watchkeeping certificates of competency for fishing vessels;
- Changing the process for renewing Transport Canada certificates of competency; and
- Introducing an exchange process for current certificate holders to exchange/transition to the new corresponding certificates of competency.

While deemed to be very positive changes, these proposed amendments to the MPR will require significant work by industry organizations, such as the PFHCB, during the consultation, drafting and implementation phases. During the consultation and drafting stages, the issue is gaining a comprehensive understanding of the proposed amendments and ensuring that the newly amended regulations have the maximum positive impact on fish harvester certification and training, and the least negative impact. This requires constant engagement with Transport Canada, other industry organizations, and fish harvesters throughout the consultation and drafting processes prior to the implementation phase. This activity is key to meeting one of the PFHCB's stated objectives – "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".

During the implementation phase, the issue is ensuring that fish harvesters are aware of the regulatory amendments, including any new requirements, and are able to maintain and/or achieve compliance in a timely and efficient way. Overall, the new amended MPR will impact all Newfoundland and Labrador fishing vessels in some way; with some parts of the new regulations impacting all vessels, and other elements impacting vessels based on their size and area of operation. Therefore, it is important that provincial fish harvesters stay up-to-date on changes to the MPR, any impact on their own certification and/or vessels, and how to ensure regulatory compliance is met.

Regulatory compliance is considered a key part of being a professional fish harvester, and can contribute significantly to improved safety onboard fishing vessels. The PFHCB has always played a necessary role in assisting fish harvesters understand their regulatory requirements, and supported them in achieving and maintaining compliance. Over the next three years, the PFHCB will make every effort possible to meet our objectives on this strategic issue.

Objective #1: By December 31, 2021, the PFHCB will have contributed to the amendment of new federal Marine Personnel Regulations with a goal of maximizing the positive impact on fish harvester certification and training, and prepared for the successful implementation of these new amended regulations in the Newfoundland and Labrador fishing industry.

Indicators: Attained detailed information and a general understanding of the proposed amendments to federal MPR requirements.

Made representation to Transport Canada on the amended federal MPR during the regulatory consultation, approval and implementation phases.

Disseminated information regarding the federal MPR requirements amongst Newfoundland and Labrador fish harvesters.

Assisted individual fish harvesters with maintaining/achieving compliance with the federal MPR requirements.

Results for Issue #1

Discussions and consultations regarding necessary amendments to the MPR of the **Canada Shipping Act** began more than a decade ago and continued throughout 2021. The PFHCB continues to participate in all consultations related to the federal MPR, as training, certification and regulatory compliance is a key component of professionalization. By attended regular meetings with TC, and through meetings with fishing industry organizations on regulatory issues, staff of the PFHCB are closely monitoring the progress of proposed amendments to the MPR and taking an active role in advising TC on the potential regulatory impact on Newfoundland and Labrador fish harvesters.

The proposed amendments to the MPR will impact all Canadian fishing vessels, in one way or another. Therefore, it is important for PFHCB staff to obtain detailed information and attain a general understanding of the proposed federal regulatory amendments. By doing so, the PFHCB will be better able to understand the impact of the proposed amendments on Newfoundland and Labrador fish harvesters, make informed representation to TC during the consultation phases of the regulatory reform process, be prepared to disseminate necessary information to fish harvesters and assist fish harvesters with regulatory compliance. As outlined below, a main priority of the PFHCB in 2021 was to continue its consultation and communication with TC and other industry organizations and stakeholders on the contents of the current proposed amendments to the MPR, their potential impact on fish harvesters as well as TC's implementation and compliance enforcement strategy.

The amended MPR was previously scheduled to enter Canada Gazette Part I in fall 2020. However, in 2021, TC reported that legal drafting of the regulation continued to be impacted by the COVID-19 pandemic, and drafting is now scheduled to be completed in early 2022. A draft is expected to be made available to stakeholders in spring 2022 and a period of five or six months will be allocated for review and comments. This updated schedule has the amended MPR entering Canada Gazette Part I in fall 2022 and the new regulation coming into force in mid-2023.

The ongoing delays caused by the COVID-19 pandemic will have negative and positive impacts. Some fish harvesters are optimistically looking forward to certain amendments to the regulations – such as the increased validity of (the current) Fishing Masters IV from the current 100 Gross Tonnage (GT), to the proposed 24m. This will take some pressure off larger vessel owners to find harvesters with higher level Fishing Master certification, and possibly assist with some of the industry's issues around recruitment of skilled labour. However, these delays will also have positive outcomes, as fish harvesters and other stakeholder groups like the PFHCB will have additional time to review the current draft of the amended MPR, more time to provide meaningful input during the consultation phases, and additional time to inform fish harvesters of the impending changes. Very little has changed from the 2020 draft to the current 2021 draft, with no known changes to the sections related to fishing vessel certification and training requirements.

Despite the challenges posed by the COVID-19 pandemic, including the limitations of large-scale virtual consultations, TC's Canadian Marine Advisory Council (CMAC) sessions remain the most effective way for fishing industry representatives to receive detailed information and clarification regarding the federal regulatory requirements,

including regulatory interpretations, impact and implementation. An Atlantic regional CMAC session fills a similar role on a regional level. Unfortunately, as a result of COVID-19, no regional CMAC meetings were held in 2021. This is the second consecutive year with no regional CMAC meetings. This is an unfortunate lost opportunity to discuss the regulations TC with officials and industry representatives from the Atlantic region.

For the first time since 2018, TC held two national CMAC sessions in 2021, spring CMAC from April 7-16, 2021, and fall CMAC from November 23 to December 2, 2021. Both CMAC sessions in 2021 were held virtually. PFHCB had representatives participate in all fishing vessel related sessions, including two staff members, two PFHCB members, and two fish harvester representatives. Specifically, the CMAC Standing Committee on Personnel convened virtually Thursday, April 15, 2021, and again on Wednesday, December 1, 2021. The primary focus was on the drafting of the amended MPR, the change in schedule noted above and an update on the main proposed changes to the current regulations. No changes to sections related to fishing vessel certification and training were noted at either CMAC session in 2021. However, TC did announce that with the new MPR, TC exams will no longer have a validity period/expiration date (currently five years), which is beneficial for provincial harvesters who often complete their Fishing Master's part-time over an extended period. Even though the virtual CMAC format did not allow for the normal level of discussion and participant interaction, it was a valuable exercise to stay current with the regulatory reform process.

With no further changes to the sections of the MPR impacting fishing vessels, PFHCB staff are confident that they have a full and in-depth understanding of the amended MPR. Even though it is anticipated that no additional changes impacting fishing vessels will be made to the current draft of the MPR, PFHCB staff continues to maintain contact with TC and other industry organizations on regulatory reform issues. As a result, PFHCB staff were involved in a number of other information sessions with industry organizations and/or TC. Utilizing telephone and online conferencing, PFHCB staff were able to maintain our communication with TC and industry representatives throughout 2021, in our ongoing effort to better understand the federal regulations and their implementation. Throughout 2021, the PFHCB maintained its working relationship with key staff at TC, both in the Atlantic Region and in Ottawa. In 2021, TC announced a new Regional Director for the Atlantic region, as well as a new Director or Seafarer Certification and Manager of Marine Personnel Standards in Ottawa. Establishing a working relationship with both these individuals was a key accomplishment in 2021 and important contacts to maintain through the implementation stages of the new MPR.

It is also worth noting that in addition to these ongoing consultative activities with TC, in 2021 PFHCB Executive Director, Mark Dolomount, continued in his role as an industry delegate on the Canadian Delegation participating in International Maritime Organization (IMO) negotiations on the international convention of Standards of Training, Certification and Watchkeeping for the fishing industry (STCW-F). This included participation in an international working group on the Human Element, Training and Watchkeeping (HTW 7), from February 15-19, 2021, and an ongoing international correspondence group on issues related to training and certification of fish harvesters. This participation at IMO represents a unique opportunity to have input into fish harvester regulatory training requirements, as

well as an opportunity to strengthen the working relationship between the PFHCB and senior TC representatives responsible for implementing fisheries-related regulations.

Additionally, PFHCB maintained communication with other industry stakeholder organizations in 2021 on issues related to TC regulatory reform. While no face-to-face meetings took place with stakeholder organizations from outside Newfoundland and Labrador, regular communication took place by telephone and online. Most noteworthy is the regular conference calls and zoom calls with an Ad-hoc Working Group on TC Regulatory Issue that has been established by Atlantic fishing industry stakeholder groups. This group is in regular communication to share information on TC regulatory issues, including the amendments being made to the MPR.

In addition to the relationship building and information gathering initiatives detailed above, the PFHCB remains on the email distribution list for all TC correspondence, including TC Ship Safety Bulletins. Despite the COVID-19 related challenges that continued throughout 2021, PFHCB staff members were successful in attaining all new information related to amendments of the MPR and improved upon their overall general understanding of the current MPR requirements, as well as the proposed amendments. As a result, staff are well prepared to assist in raising the awareness of the MPR amongst Newfoundland and Labrador fish harvesters and to assist them with achieving compliance.

Having an in depth understanding of the proposed amendments enables the PFHCB to meet its objective of making representation to TC on proposed amendments to the MPR during CMAC consultations and other intersessional meetings with TC in 2021. At this stage in the regulatory amendment process, unless TC proposes new changes to the current draft, it is not anticipated that the PFHCB will make further representation or recommendations to TC on proposed amendments to the MPR. As a result of industry involvement in the regulatory reform process, including the role of the PFHCB, there is overall support by industry organizations for the proposed amendments to the MPR, as currently drafted. The PFHCB assessment of the proposed amendments is that they will have numerous positive outcomes for Newfoundland and Labrador fishing crews, and little or no negative outcomes. These positive changes to the MPR, specifically related to crewing requirements for fishing vessels, will potentially have positive outcomes to address some of the looming labour supply issues facing the fishing industry, as explained under Issue #2 below.

Disseminating information in an effort to raise awareness of TC regulatory requirements amongst Newfoundland and Labrador fish harvesters continued as a priority of PFHCB staff throughout 2021. Since its inception in 1997, the PFHCB has been a source of information and support for fish harvesters pursuing TC certification and attaining regulatory compliance. In particular, assisting fish harvesters with the training and certification requirements of the MPR is a daily activity of PFHCB staff as outlined in section 3.0(III). The PFHCB continues to be a valuable source of information for fish harvesters inquiring about federal regulatory requirements, including the MPR, and the PFHCB distributes a variety of information relevant to compliance with federal regulatory requirements. This is shared with the PFHCB, Appeal Board members and project field-staff in order to maximize the dissemination of information to fish harvesters. PFHCB are also in regular contact with FFAW staff representatives on clarifying regulatory requirements for individual fish harvesters.

Since the coming into force of the current MPR in November 2007, the PFHCB has been actively acquiring and distributing information to fish harvesters on the regulatory requirements. This activity and commitment continued in 2021, as the knowledge and information gathered by the PFHCB was disseminated to fish harvesters in a variety of ways. The overall emphasis of this activity is to inform harvesters of TC's training and certification requirements, raise awareness of the regulatory requirements and promote compliance. Throughout 2021, as highlighted below, the PFHCB utilized its annual activities, and database of certified fish harvesters, in order to assist fish harvesters with understanding the regulatory requirements of the current MPR (and when applicable, the proposed amendments) on themselves and/or their fishing enterprise.

In 2021, the PFHCB continued to communicate the federal regulatory requirements to fish harvesters in a variety of ways, including email distributions, information distribution directly from the PFHCB office, by utilizing media outlets like CBC's The Broadcast, and using print media such as the FFAW-Unifor (FFAW) Union Forum magazine. Broad dissemination of TC regulatory related information was also achieved in 2020 by utilizing PFHCB Appeal Board members and field staff, such as PLAR assessors, who met face-to-face with more than 100 fish harvesters at the community level throughout the province. The PFHCB also distributed information on TC regulatory requirements to the Inshore Council of the FFAW during two meetings held on March 4, 2021, and November 9, 2021. This elected body of 37 fish harvester leaders is an effective network for disseminating information to owner/operators and crewmembers throughout the province. PFHCB staff are often in contact with FFAW Inshore Members who call regularly on behalf of their respective constituents, clarifying TC regulatory requirements.

The PFHCB also worked closely with the NL-FHSA to distribute relevant information to fish harvesters during the NL-FHSA's initiatives and outreach activities in 2021, including the ongoing distribution of 5,000 Safety Logbooks, designed specifically for Newfoundland and Labrador fish harvesters – owner operators and crewmembers. One of the intended objectives of this logbook is specifically to raise awareness regarding TC regulatory requirements, including the training and certification requirements of the MPR. The logbook was completed in 2019, and the PFHCB is pleased to be assisting with the ongoing distribution to fish harvesters throughout the province. The PFHCB also participated in the NL-FHSA Safety Event, which took place at the Holiday Inn in St. John's on October 19-20, 2021. This was another opportunity to disseminate information to fish harvester and industry representatives on the regulatory requirements of the MPR and the proposed amendments.

Through these various means, the PFHCB reached thousands of fish harvesters with valuable information on the current and draft amended requirements of the MPR. The PFHCB is confident that its continued efforts on this issue throughout 2021 has contributed to an increased awareness of the federal certification, training and other crewing requirements. As a result, the PFHCB has contributed significantly to harvesters having a better understanding of their respective regulatory requirements, and how to achieve compliance. As noted in our current 2020-2022 Activity Plan, the PFHCB will continue to gather and disseminate information to certified fish harvesters on the federal MPR requirements, as regulatory compliance is an underlying and important objective of professional certification.

As previously noted, the proposed amendments to the MPR are further delayed, and will not enter Canada Gazette Part I until at least mid or late 2022. Therefore, since the new regulations are not yet in force, the PFHCB is not currently able to assist harvesters with achieving compliance with the “new” federal MPR requirements. For this reason, our focus in 2021 remained on assisting harvesters achieve and maintain compliance with the current requirements of the MPR, and advise them of the proposed amendments and how they may have an impact on their regulatory compliance in future.

Throughout 2021, the PFHCB worked directly with individuals and groups of fish harvesters in fulfillment of our objective to advise Newfoundland and Labrador fish harvesters on how to achieve compliance with the federal regulatory requirements, including the MPR. The PFHCB also worked closely with its industry partners on this indicator – namely MI, NL-FHSA and FFAW. During their outreach activities, they also inform fish harvesters of their TC certification and training requirements, and direct harvesters to call the PFHCB and/or TC for further information or assistance with compliance.

Certification, training and regulatory compliance is key to establishing a professional fisheries labour force. Since its inception in 1997, the PFHCB has been promoting regulatory compliance and assisting harvesters with their individual training and certification needs. As a result, the PFHCB has established itself as a main source of information regarding the federal certification and training requirements of the MPR. Therefore, as fish harvesters become more aware of the regulatory requirements, the PFHCB subsequently receives an increased number of inquiries from harvesters seeking advice and guidance on achieving regulatory compliance. This is evidenced by the high volume of calls received at the PFHCB office regarding TC regulations and compliance. Furthermore, since fisheries training is a core requirement of certification upgrading with the PFHCB, harvesters who call regarding PFHCB certification upgrading are regularly provided information on the training and certification requirements of the federal MPR. In turn, harvesters who pursue PFHCB certification upgrading and complete training such as Fishing Masters IV or III, are also fulfilling their TC regulatory requirements and improving Newfoundland and Labrador’s overall compliance rate with the MPR.

Calls and visits from fish harvesters seeking information and advice on TC regulatory compliance and PFHCB certification upgrading were a regular occurrence throughout 2021. However, due to the impact of COVID-19, as well as our temporary office relocation from May-November, the highest frequency of inquiries occurred by telephone in 2021. Unfortunately, many of the training programs (MED, Fishing Masters, ROC-MC, First-Aid) were either late starting or experienced interruptions due to COVID-19 restrictions. For example, the PFHCB’s delivery of its five-day Basic Safety Training course, usually delivered throughout the province in February and March were postponed in 2021, and approximately 600 harvesters are awaiting training in 2022. Additionally, some fish harvesters were unable to complete their Fishing Masters training prior to the start of the fishing season in 2021. These interruptions in TC approved training, did have a potential negative impact on TC regulatory compliance in 2021. However, despite these challenges, the demand and interest in MED and Fishing Masters training remains extremely high, and MI had 176 students enrolled in Fishing Masters courses throughout 2021. The PFHCB will continue to work with the Marine Institute and TC to ensure that any students who

experienced interruptions in training in 2021 are provided an opportunity to access and complete their training, at the earliest possible time in future.

As part of its ongoing commitment to certified fish harvesters and shared commitments with MI, during the winter of 2021 PFHCB staff assisted harvesters, both owner/operators and crewmembers, with the registration process for fisheries training at MI. This included the distribution of MED applications on behalf of MI, and a letter to all 2020 new entrants notifying them of the MED requirement, and the process for registration at MI and PFHCB. PFHCB staff also assisted MI in compiling lists of fish harvesters interested in arranging mandatory training courses (MED, ROC-MC, Fishing Masters). The PFHCB continues to maintain a strong working relationship with the Marine Institute School of Fisheries, and the Community Based Education Delivery (CBED) unit, as part of our shared commitment with MI to promote and deliver fisheries training and assisting fish harvesters with regulatory compliance.

Again in 2021, the PFHCB staff utilized its email database to forward electronic training information brochures to fish harvesters on behalf of MI. Fish harvesters were sent email information pertaining to MI fisheries-related course offerings. The PFHCB also displays and distributes MI course information at its office and regularly assists harvesters with questions related to that material. With the assistance of the PFHCB, MI was successful in delivering fisheries training (Fishing Masters, MED, ROC-MC), both at main campus and through community-based delivery, to more than 200 fish harvesters 2021. Considering the disruptions of COVID-19, the continued growing interest in Fishing Masters and other fisheries-related training, is a positive sign, and bodes well for advancing NL fish harvester's compliance with the MPR.

In order for fish harvesters to reach regulatory compliance, a critical first step is to fully understand the requirements of their individual vessels. By gaining an understanding of the MPR, making appropriate representation to TC on proposed amendments to the MPR, disseminating information about these regulations among Newfoundland and Labrador fish harvesters, and assisting harvesters with attaining/maintaining regulatory compliance, we are confident that through its 2021 activities the PFHCB has again made a valuable contribution toward addressing this issue.

Issue #2 – Recruitment and Retention of a Skilled Fisheries Labour Force

Recruitment and retention of skilled labour in the harvesting sector of the Newfoundland and Labrador fishery remains a priority for the PFHCB through the 2020-2022 planning period. The most recent updated **Provincial Labour Market Outlook** prepared by the Department of Finance continues to identify "Fishing vessel masters and fishermen/women" as an occupation with one of the highest job demands/prospects. Overall, in the 2019-2028 labour market projections, it ranks second highest out of 180 occupational categories, and has an occupational rating of four (scale of one to four) in 2024, 2025 and 2027, defined as:

"Projected labour supply is expected to lag projected job openings; competition for qualified labour will be strong."

While progress has been made over the past several years, and aging trends appear to be

levelling, the aging fish harvester population remains a key issue of the PFHCB and the industry generally. More than 50 per cent of all federal Core species licence holders in the Newfoundland and Labrador commercial fishery are over the age of 55. Comparatively, less than 20 per cent of Level II fish harvesters (those eligible to receive the transfer of a federal Core licence) are 45 years of age or younger. Clearly, these demographics are driving the labour market projections noted above. If the issues of recruitment and retention of skilled labour do not remain a priority of the fishing industry, including the PFHCB, a skilled labour shortage will likely develop over the coming decade.

In an effort to continue certifying and retaining an adequate skilled labour force to meet the future industry demands (including adequate numbers of Level II fish harvesters to receive the intergenerational transfer of licences from retiring enterprise owners), the PFHCB has set the following objective for this planning cycle. Success on this strategic issue remains critical to the PFHCB's vision and long-term objectives and, over the next three years, the PFHCB will make every effort possible to meet our objectives on this strategic issue.

Objective #1: By December 31, 2021, the PFHCB will have recruited and supported fish harvesters to attain PFHCB certification and pursue Level I and Level II professional certification upgrading.

Indicators: Promoted fish harvesting a viable career option and/or employment opportunity.

Identified Apprentice and Level I fish harvesters in the PFHCB's registry/database who would be candidates for certification upgrading.

Maintained support mechanisms to assist Apprentice and Level I fish harvesters interested in pursuing certification upgrading.

Results for Issue #2

The PFHCB's commitment to the recruitment and retention of younger fish harvesters, in an effort to ensure an adequate skilled labour force to meet future industry needs, has been ongoing since the PFHCB was established in 1997. However, over the past 20 years the demographic of our province and its fishing industry's labour force has continued to change. The abundance of labour available in the late 1990's is no longer present and the age of the current fisheries labour force has increased significantly over that 25-year period. This trend is not unique to the fishing industry, and many other industries are facing similar labour challenges. For this reason, the fish harvesting sector finds itself competing against other sectors for the limited labour supply currently available in our province. For these reasons, the PFHCB has identified this issue as a priority in this planning cycle. With less working-age people available, coupled with an aging provincial labour force, the fish harvesting sector must be more diligent and creative in attracting new workers.

The PFHCB's work in the area of recruitment and retention of labour in the Newfoundland and Labrador inshore fishery, is a shared commitment with other industry stakeholders, including: The provincial departments of FFA and IPGS, DFO, TC, MI, FFAW, NL-FHSA, and CCPFH. However, it is important to note that the PFHCB holds the database of all

registered fish harvesters in the province – both owner operator and crewmembers. Consequently, the PFHCB is the only agency capable of producing a full demographic profile of the Newfoundland and Labrador fish harvesting sector. During the previous planning cycle, as a first step in addressing this issue, the PFHCB conducted a full demographic assessment of the PFHCB's database of certified fish harvesters. This assessment was updated during 2020, year one of this planning cycle. Assessing the demographic composition of the current labour force, particularly age, gender and certification level of licence holders and crewmembers, is key to developing short-term and long-term strategies to attract and retain labour in the fishing industry.

Understanding the issue of recruitment to the fishing industry requires some understanding of the division of labour in the industry, the reasons why new entrants chose to enter, and the employment opportunities offered within the industry. The industry is extremely complex, therefore the task of recruiting and retaining a stable labour force can appear daunting. But ultimately, the industry's labour supply needs can be broken down into two simple categories:

1. An adequate number of Level II professional fish harvesters, eligible to hold/receive the transfer of the 2,800 Independent-Core fishing enterprises in the province. An explanation of the linkage between Level II PFHCB certification and DFO regional licencing policy can be found in Section 3.0(I).
2. An adequate number of dedicated crewmembers to fulfill the crewing needs of the 2,800 Independent-Core fishing enterprises and 450 Non-Core enterprises. This would include Apprentice fish harvesters, as well as Level I and Level II harvesters eligible to be designated as substitute operators of these 3,200 enterprises.

It is equally important to understand the entry requirements for those choosing to enter the industry. PFHCB staff often hear statements like "it is impossible to get into the fishery". The reality is that there are currently no restrictions or barriers to any individual wanting to enter the fishery in Newfoundland and Labrador as a crewmember. The only requirement is that a new entrant must be sponsored by the owner/operator of the vessel on which they will be employed, and (as per provincial and federal requirements) complete a Basic Safety Course (MED) prior to their second fishing season.

Becoming the owner/operator of a Core fishing enterprise requires additional experience and training. As per PFHCB criteria, new entrants require five years of full-time fishing and 120 education credits in order to achieve Level II certification – which is the eligibility criteria to hold a federal Independent-Core fishing enterprise in Newfoundland and Labrador. These linkages between DFO regional licencing policy and PFHCB certification are key to ensuring that NL fishing enterprises are operated by skilled, full-time fish harvesters. It also promotes a safe, professional and stable fisheries labour force. The DFO requirement for substitute operators to hold Level I or Level II certification is intended to achieve the same outcomes.

The PFHCB's work on this issue in 2021 was, therefore, divided into two primary areas of focus, as highlighted in the indicators of this objective:

1. To promote fish harvesting as a viable career option and/or employment opportunity, in a short-term and long-term goal of attracting new recruits to the fishing industry.
2. To identify Apprentice and Level I fish harvesters who are candidates/interested in pursuing certification upgrading, and maintaining support mechanisms to assist them in achieving certification upgrading.

The demographic analysis carried out by PFHCB staff during the past planning cycle, clearly illustrates the need for recruitment and retention of younger fish harvesters. However, while the demographics confirm an underlying “age issue” in the current fish harvester labour force, there were also positive indicators. For example, the number of certified fish harvesters, including the number of Level II harvesters, has remained stable in comparison to the number of fishing enterprises during the period 1999-2000. This is a very strong indicator that the fisheries labour force has adapted to the labour needs of the industry throughout the past two decades. It also confirms that while we know our fisheries population is aging (61 per cent over the age of 50 in 2019 versus only 17 per cent over 50 in 2001), the situation remains manageable. However, as outlined in our current Activity Plan for 2020-2022, it is imperative to the future of the industry that new entrants continue to enter, and both existing harvesters and new entrants upgrade their certification levels to Level I and/or Level II.

Many of the activities of the PFHCB serve the dual purpose of promoting recruitment/retention of fish harvesters and certification upgrading. In 2021, the PFHCB continued several initiatives aimed specifically at recruitment to the fishing industry. A professional certification ad was developed specifically to address this objective, which was outlined in the PFHCB’s 2020-2022 Activity Plan. Throughout 2021, this advertisement was displayed and distributed through various means, including email, social media, trade shows, FFAW Union Forum, Navigator Magazine and at other events.



In 2021, the PFHCB attended three major events for the purpose of promoting professional certification, and the opportunities available in the fish harvesting sector. On November 19 and 20, 2021, the PFHCB participated as exhibitors at the Fish and Workboat Show held at Mile One Centre in St. John’s. The event was cancelled in 2020, so this was a great opportunity to network with current harvesters and potential recruits to the industry. More than 200 visitors were documented at the PFHCB booth over the two-day period. On

October 19 and 20, 2021, the PFHCB exhibited at a Safety Event organized by the NL-FHSA in St. John's, and attended by more than 50 industry stakeholders. The PFHCB also attended and exhibited at the FFAW Triennial Convention held in St. John's from November 22-24, 2021, attended by more than 100 representatives from the fishing industry. All three of these events were key opportunities to showcase professional certification, promote recruitment to the industry, and encourage certification upgrading.

Additionally, in fulfillment of our objectives on this issue, the PFHCB is working closely with the CCPFH on a labour force renewal project entitled Meeting the Labour Supply Challenge in the Atlantic Canada Fish Harvesting Industry. The project is funded by Atlantic Canada Opportunities Agency, with additional funding provided by the Government of Newfoundland and Labrador for the work based in the province. Regional "young harvester" meetings were held in 2020 to gather information which was to be used for discussion at an Atlantic-wide conference. The Atlantic-wide conference was initially scheduled for Halifax in March 2020, and subsequently postponed until 2021 (due to the COVID-19 pandemic). Due to the ongoing COVID-19 restrictions, the Atlantic-wide workshop will now be replaced with provincial workshops to be held during the winter of 2022. The goal is for these workshops to generate possible labour renewal strategies that can be implemented in Newfoundland and Labrador – this would include strategies to promote fish harvesting a viable career option and/or employment opportunity.

Despite the project being interrupted and 2021 workshops postponed due to COVID-19, other components of the project did continue. This included detailed statistical analysis of tax filer data, which looked at such things as average fishing wages (and wage increases over time), the growing percentage of fish harvesters who are supplementing income from other employment (occupational pluralism), and how some of these data vary across age and gender. This income data is valuable information to have when considering and developing strategies to promote fish harvesting as a viable career or employment opportunity. The final report for this project is due to be available in fiscal 2022.

With regard to retention of labour, and promoting/supporting certification upgrading, the PFHCB had many activities in 2021. The demographic assessment noted above helped identify Apprentice and Level I fish harvesters in the PFHCB's registry/database who would be candidates for certification upgrading. In 2021 the PFHCB continued to focus on younger non-licence holder fish harvesters and new entrants. With nearly 1,400 new entrants to the fishing industry in 2021, this group represented more than 2,500 potential candidates for certification upgrading, and potential recipients of the intergenerational transfer of federal fishing enterprises in future. All new entrants received information on professional certification and certification upgrading options/requirements, and all these harvesters were contacted by email and mail in an effort to gauge their interest in certification upgrading, and offer support for them in that pursuit.

Additionally, as it does each year, in 2021 the PFHCB staff maintained its contacts with all Apprentice and Level I fish harvesters who reach out to the PFHCB regarding upgrading - many who have already begun accumulating education credits and fulltime fishing years. This group of fish harvesters who have taken the first step toward certification upgrading, are the most likely to take advantage of PFHCB resources and support. As noted in the highlights section, the number of harvesters who upgraded to Level I and Level II, and the

numbers of young harvesters pursuing Fishing Masters and other fisheries training in 2021, indicates that there remains strong interest in certification upgrading. In fact, despite some of the challenges posed as a result of COVID-19, 2021 was one of the busiest years on record for assisting fish harvesters with certification upgrading. The 159 fish harvesters who had their certification level upgraded in 2021 (88 to Level I, and 71 to Level II) represents a 30 per cent increase in the number of harvesters upgraded in 2020, and a 75 per cent increase over the 10-year average from 2011-2020.

As mentioned above, part of the PFHCB's annual work to promote upgrading is to contact all new entrants. It is worth noting again that the number of new entrants increased by more than 300 per cent in 2021 – with 1,375 new entrants compared to 330 in 2020. This was the largest single year increase in the 25-year history of the PFHCB and the largest influx of new entrants to the industry since 1998. This can be attributed to both the phenomenal value of the industry in 2021, particularly with lobster and crab, and also due to a new policy announcement by DFO that all crewmembers are expected to have the required certification. It is likely that this is an anomaly and will not be sustained, nonetheless, this group of young 2021 new entrants, of which 55 per cent are under the age of 40) was identified as a primary group of candidates for future certification upgrading and PFHCB recruitment/retention efforts. Similar to recent years, the 2021 new entrants were comprised of 33 per cent females. This is very positive, as it is accepted that in order to meet the labour supply needs of the future, female harvesters will have to fill a larger percentage of the position – both as crewmembers and owner/operators. Combined with the groups noted above, these new entrant harvesters were the primary focus of the PFHCB's 2021 efforts to promote certification upgrading and establish support mechanisms to assist them achieve their professional certification goals.

Building on the work from year one of this planning cycle, in 2021 the PFHCB utilized a variety of support mechanisms to encourage and assist fish harvester to achieve certification upgrading. The most success the PFHCB has had in generating interest and requests for assistance with certification upgrading has proven to be the continuous distribution of clear and detailed information and promotional materials.

The PFHCB's Professional Certification and Certification Upgrading brochure, updated in 2019 for the 2020-2022 planning cycle, features photos of young harvesters and includes information specific to clarifying the certification upgrading process. This brochure was distributed widely in 2021, reaching a minimum of 2,000 Apprentice and Level I harvesters. This brochure is intended to specifically promote certification upgrading and encourage younger harvesters to access the resources and support available from the PFHCB.



During the 2021 certification renewal process, the Professional Certification and Certification Upgrading brochure, accompanied by a personalized letter, was sent to all Apprentice and Level I fish harvesters. The letter introduces the PFHCB, promotes the benefits of professional certification, and encourages harvesters to contact the PFHCB with any requests or inquires related to certification or certification upgrading. Additionally, throughout 2021 the brochure accompanied by a personalized letter was mailed to all 2021 new entrants. Similar to the letter sent to all Apprentices and Level I harvesters, the letter

sent to new entrants congratulates them on their decision to enter the fisheries labour force, explains the importance of professional certification, outlines the certification upgrading process, and encourages new entrants to consider the benefits of upgrading to Level I and/or Level II.

Similar to previous years, throughout 2021, additional information on certification upgrading was distributed to fish harvesters utilizing a variety of mediums. Information on certification and certification upgrading was sent by mail and email, promoted on the PFHCB webpage, and shared on social media. Information on PFHCB certification was also included in the FFAW Union Forum magazine, as well as The Navigator magazine. Information was also disseminated by staff at the PFHCB office, as well as by PFHCB field-staff during the delivery of community-based initiatives. Print ads aimed at promoting and encouraging professional certification were also distributed by our industry partners using email, webpages, newsletters and other industry publications. These activities were intended to serve the dual purpose of recruiting/retaining fish harvesters as well as encouraging and supporting certification upgrading and are part of a commitment of the PFHCB to provide fish harvesters with clear, informative and more frequent information on the requirements and opportunities for certification upgrading. All information and correspondence include an open invitation and encouragement for fish harvesters to contact the PFHCB office for additional information, clarification, guidance and/or support in their efforts to achieve certification upgrading.

The PFHCB maintains a procedural tracking system for the specific purpose of supporting fish harvesters pursuing certification upgrading. PFHCB staff record all fish harvesters who inquire about, or express interest in certification upgrading. The purpose is to have PFHCB staff continue following up with these individuals to ensure that they are provided all information and assistance required to achieve their desired certification goal. When following up with these individuals, the goal is to provide a clear and concise “personalized road map” to ensure they understand the certification requirements, how best to meet their requirements, and what assistance and support is available to assist along the way.

Even though formal training, including Fishing Masters and other nautical training at MI remains the most common pathway to achieving certification upgrading, PLAR continues to be one of the most effective support mechanisms that the PFHCB has in place for fish harvesters pursuing upgrading. The PLAR program enables fish harvesters to acquire education credits from hands-on informal learning via a standardized assessment process. Education credits (five or 10 credits per assessment, depending on the specific assessment) can be attained if an individual successfully challenges and passes a PLAR assessment. A full review and expansion of the PFHCB PLAR program was completed in 2020, as part of its ongoing commitment to addressing this issue of recruitment and retention of a skilled labour force. The significance of the PLAR expansion is that it broadens the skill assessment subjects available to harvesters, and increases the number of PLAR credits available to 85.

Another activity of the PFHCB that has a direct impact on recruitment and retention of labour, is the annual delivery of Humane Harvesting and Quality/Health/Handling workshops for commercial sealers. Since 2016 the Humane Harvesting workshop is a mandatory DFO requirement for all commercial sealers to renew their seal licences, and it

is now a mandatory prerequisite for new entrants to receive an Assistant Seal licence. The PFHCB is the authorized delivery agent of this training in the Newfoundland and Labrador region, therefore making a significant contribution to recruitment to the commercial seal fishery. The annual delivery of these workshops (more than 100 in 2021 via virtual delivery) is an additional opportunity for PFHCB staff and/or seal harvester instructor to answer questions regarding PFHCB certification, certification upgrading or general employment opportunities in the fishing industry.

Another PFHCB initiative specifically aimed at supporting recruitment and retention of skilled labour, and promoting certification upgrading, is the PFHCB's CrewFinder. This free service, aimed at connecting certified fish harvesters (and new recruits) with owner/operators who have crew positions available, was continued and promoted throughout 2021. Given the geographic diversity of the province's fishing industry, it can be difficult for unemployed fish harvesters or new entrants to find owner/operators looking to fill crew positions – and vice versa. The CrewFinder service functions in a dual purpose of supplying owner/operator with a source of available labour, and retaining certified fish harvesters that may otherwise leave the industry in search of work elsewhere. Additionally, PFHCB staff utilize CrewFinder as a means to identify Apprentice and Level I fish harvesters who may be interested in skills certification upgrading in order to improve their employability in the industry. More than 150 harvesters utilized this service in 2021.



As described in detail under Issue #1, the PFHCB's ongoing work on the development of the amended MPR, also has potential future benefits for recruitment and retention of a skilled fish harvesters labour force. The work that the PFHCB carries out to promote TC certification and regulatory compliance has the dual benefit increasing the retention level of those harvesters who pursue fisheries training. The amended MPR will introduce a new Fishing Masters (FM 14m) certificate for fishing vessels less than 14 meters in length that currently require a Fishing Master's IV in order to operate. This certificate is more suitable to the small boat fleet, takes less time to complete, and will benefit owners in the smaller boat fleets. Fisheries training that is more relevant to individual vessel size and area of operation, and more accessible/attainable will have positive benefits for recruitment and retention of labour in the fishing industry.

Finally, it is worth noting that the PFHCB has taken steps to make its certification criteria more flexible and accommodating for crewmembers (and enterprise owners requiring crewmembers) by removing residency and employment/income requirements that precluded some potential crewmembers from renewing and maintaining their Apprentice certification. Similarly, the PFHCB has removed some of the employment/income requirements for the maintenance and renewal of Level I and Level II certification, in an effort to promote the retention of fisheries labour.

Fiscal 2021 was the second year of this 2020-2022 planning cycle and the continuation of the COVID-19 pandemic, with varying restrictions throughout the year, made it another challenging year on many levels. However, the PFHCB was well prepared to adapt and was successful in carrying out all lines of business, including initiatives specific to

recruitment and retention of labour. The PFHCB is extremely encouraged by the success achieved in meeting the objectives of this very important issue in 2021. We look forward to continuing these initiatives through the remainder of this planning cycle, and growing the numbers of fish harvesters recruited and retained, as we strive to ensure an adequate supply of skilled labour in our province's fish harvesting sector.

4.0 Opportunities and Challenges

The underlying challenges have remained consistent in recent years, yet 2021 brought some new unanticipated challenges to PFHCB operations and service delivery. The challenges and opportunities outlined in this report are expected to remain consistent through 2022, including the possible continuation of challenges presented by the COVID-19 pandemic. Additionally, the ongoing labour supply issues, as well as the continued changes to federal TC regulatory requirements, create many challenges for our province's fishing industry, including challenges for the PFHCB.

As it has since 1997, the PFHCB will continue to explore and maximize all available new opportunities, while addressing these identified challenges to largest extent possible. The PFHCB identifies the following challenges and opportunities for 2022.

Opportunities:

Amendments to certain regulations made under the **Fisheries Act** (Atlantic Fishery Regulations, 1985, the Maritime Provinces Fishery Regulations and the Fishery (General) Regulations) came into force on December 9, 2020. These new amended regulations formally recognize certification from provincial and territorial boards, where they exist, in lieu of obtaining a Fisher Registration Card (FRC) from DFO. These changes align DFO regulations with the current practice in Newfoundland and Labrador, where regional policy has recognized the PFHCB as the sole organization for registering fish harvesters since 1997. DFO's decision to move forward with these amendments represents a significant opportunity to strengthen DFO's commitment to professional certification, and achieve its intended purpose of recognizing provincial/territorial certification boards, and their linkages with DFO regional licencing policies. The regulatory amendments also allow the department's Conservation and Protection Branch to enforce provincial/territorial certification in Regions where such systems are recognized in licencing policy. In 2021, we witnessed an example of this, as DFO made a policy announcement that owner/operators were expected/required to ensure that all crewmembers held proper certification. As previously noted, this contributed to an increase in new entrant registrations with the PFHCB in 2021, hence providing an opportunity for the PFHCB to work with these individuals to maintain and/or upgrade their PFHCB certification in 2022 and beyond.

The three federal regulations previously identified, while creating challenges for the industry and the PFHCB, also represent continued opportunities to increase the competency of fish harvesters and advance safety in the fishing industry – both in terms of increasing education and certification levels of commercial fish harvesters, more and improved lifesaving equipment on fishing vessels, as well as improving occupational health and safety practices amongst fish harvesters. In partnership with the NL-FHSA, MI, and other industry partners, the PFHCB will maximize these opportunities by working with fish

harvesters to increase awareness of the new requirements, and to achieve and maintain federal regulatory compliance. This represents an opportunity for the PFHCB to contribute to advancing the overall safety culture in the fishing industry.

There are significant challenges identified with recruitment and retention of labour, as outlined in this report, but there are also some positive indicators regarding the number of new entrants in 2021 (nearly 1,400), the number of young harvesters enrolled in fisheries training at MI (176 enrolled in Fishing Masters courses in 2021), and the number of young harvesters expressing interest in certification upgrading (159 harvesters upgraded in 2021). Additionally, the 25-year trend of an aging fish harvester population continued to show signs of stabilizing in 2021, which is a very positive indicator. No doubt, the record landed values of the fishing industry in 2021 has resulted in a renewed interest in the fishing industry, particularly in terms of the ownership of fishing enterprises. This presents a unique opportunity to recruit more new entrants or “re-entrants” to the fishery in future. As noted in our 2020-2022 Activity Plan, the PFHCB will continue to maximize these opportunities and work with other industry organizations to ensure that the present and future labour supply needs of the industry are met.

Finally, despite the ongoing challenges posed by the COVID-19 pandemic, there are also some resulting positive outcomes, and opportunities for the PFHCB. The implementation of public health guidelines and recommended best practices, has necessitated that the PFHCB, and other industry stakeholder groups adjust their operations and program delivery. The pandemic has resulted in the PFHCB exploring innovative ways to conduct business virtually and deliver programs online. For examples, in partnership with DFO, FFA and CSA, the delivery of Humane Harvesting and Seal Quality/Health/Handling workshops were delivered virtually in 2021, and MI had a record number of students enrolled in online Fishing Masters training. Additionally, meetings are being held virtually with more frequency and efficiency. What began as COVID-19 challenges have been embraced and turned into opportunities to improve accessibility, efficiency and cost effectiveness in future.

The PFHCB remains well positioned to make a significant contribution to addressing these challenges, and to maximize these identified opportunities. The PFHCB and staff remain committed to dealing with these and other issues, and fulfilling the objectives outlined in our 2020-2022 Activity Plan.

Challenges:

Due to a surge in COVID-19 cases, a decision to close the PFHCB office to public access was made on Friday, February 12, 2021, and it remained closed until March 15, 2021. Though the office was closed to the public, the PFHCB remained fully operational during regular business hours, conducting business by telephone, email, fax, and text. In order to comply with recommended best practices of the Chief Medical Officer of Health, from February 15 until March 12, 2021, PFHCB staff worked remotely and from March 15 until April 2, 2021, staff operated on a rotating “in-office/remote” work schedule in order to manage physical-distancing and avoid cross-contamination of office equipment.

It appears the COVID-19 pandemic and resulting public health measures and restrictions will remain with us into 2022. As a result, the PFHCB will need to remain adaptable, and make responsible decisions pertaining to the delivery of services, programs and initiatives. Decisions related to program delivery such as Basic Safety Training, Marine First Aid courses, sealer workshops and PLAR assessments, including delivery protocols, selection of locations and timing of delivery, will all have to be made with COVID-19 public health measures in mind. The PFHCB will take all necessary precautions, and operational adjustments, to ensure that the PFHCB continues to meet its stated objectives while dealing with the challenges of the COVID-19 pandemic.

2021 brought an unforeseen challenge for the PFHCB. On April 4, 2021 the Richard Cashin Building at 368 Hamilton Avenue was impacted by fire and subsequent flooding from the sprinkler system activation. The building suffered significant water damage and was closed for restoration and repair until November 1, 2021. As a result, staff quickly pivoted to a remote work schedule and the PFHCB remained fully operational. From May 3 until October 29, 2021, the PFHCB operated from temporary office space located in the Bowring Building, 277 Water Street, St. John's. This was a period of significant disruption for staff, but the PFHCB remained operational during regular office hours and activities were not impacted during this challenging period.

The recruitment and retention of young fish harvesters remains critical to meeting the long-term human resource needs of the fishing industry, and remains a primary challenge and issue of the PFHCB during this planning cycle, and beyond. Since the PFHCB's inception in 1997, industry rationalization has resulted in many changes in the industry. The number of fishing enterprises has been reduced dramatically, through licence buy-backs, enterprise combining, buddy-up arrangements and other means. With only 2,800 Independent-Core fishing enterprises remaining (compared to more than 8,000 in the early 2000's), the number of fish harvesters required to own and operate these enterprises has also been reduced. However, during that same period of time, the cost to purchase fishing enterprises has been increased dramatically – and continued to increase in 2021. Additionally, the demographic trends of an aging labour force, and low numbers of working age people entering the labour force (only about 55 entering for every 100 that will age out), and a low birth rate, will continue to pose labour challenges in most employment sectors in our province.

For all the reasons noted above, it remains a challenge for the PFHCB, and other industry stakeholders, to attract adequate numbers of certified fish harvesters to meet the ongoing labour demands of the industry. This challenge is two-fold – the industry needs an adequate number of certified Level II fish harvesters eligible to receive the transfer of core federal species licences, but equally important is the need to recruit and retain an adequate number of harvesters to meet the crewing requirements of fishing vessels. The fishing industry will be competing with nearly all other sectors of our provincial economy for labour supply, so we are challenged to find new and creative ways to address this issue.

Finally, as outlined in our 2020-2022 Activity Plan, the introduction of new and amended federal Transport Canada regulations impacting the fishing industry also remains an ongoing challenge of the PFHCB. Since its inception in 1997, the PFHCB has assumed a key role in disseminating information to Newfoundland and Labrador fish harvesters on key

federal regulatory requirements, while encouraging and supporting compliance. Since the federal Fishing Vessel Safety Regulations of the **Canada Shipping Act** came into force in July, 2017, these new regulations have had an impact on provincial fishing enterprises, as owner operators familiarize themselves with the regulatory requirement and work toward compliance.

Similarly, new Navigation Safety Regulations that came into force in October 2020, and the amended federal Marine Personnel Regulations now due to enter Canada Gazette I in 2022, will result in significant changes to the current requirements for Canadian fish harvesters. For example, the existing Fishing Masters certificate regime, and other master/mate certification, will see changes to certificate names, curriculum, and validity. These amendments represent a challenge to the PFHCB, as we work with TC to understand the changes, determine their impact on Newfoundland and Labrador harvesters, disseminate information to certified fish harvesters, and assist harvesters with regulatory compliance. This issue of ensuring that NL fish harvesters understand and comply with current and new federal regulations is an ongoing challenge, but it also represents a unique opportunity to further improve safety in the fishing industry, and for NL to maintain its position as the best trained and most regulatory compliant fisheries labour force in Canada.

Finally, one specific challenge of the PFHCB in 2022 will be to deliver its five-Day Basic Safety Training Course (SDV-BS) to a larger than normal number of fish harvesters. Due to COVID-19 postponements, combined with the large number of 2021 new entrants, the current demand for safety training is extremely high. At the end of 2021, approximately 600 fish harvesters are registered for the course and awaiting training. It is anticipated that training will commence in the fall of 2022.

Despite the potential ongoing challenges related to COVID-19, the PFHCB is committed to working closely with MI to ensure that NL fish harvesters receive the safety training they require.

Appendix A

2021 Audited Financial Statements

PROFESSIONAL FISH HARVESTERS CERTIFICATION BOARD

Financial Statements

Year Ended December 31, 2021

QUINLAN BOLAND BARRETT CPA PROFESSIONAL CORPORATION

PROFESSIONAL FISH HARVESTERS CERTIFICATION BOARD
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Year Ended December 31, 2021

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QUINLAN BOLAND BARRETT

CPA PROFESSIONAL CORPORATION

INDEPENDENT AUDITOR'S REPORT

To the Members of Professional Fish Harvesters Certification Board

Opinion

We have audited the financial statements of Professional Fish Harvesters Certification Board (the organization), which comprise the statement of financial position as at December 31, 2021, and the statements of revenues and expenditures, changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the organization as at December 31, 2021, and the results of its operations and cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO)

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the organization in accordance with ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with ASNPO, 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.

In preparing the financial statements, management is responsible for assessing the organization's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the organization or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the organization's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

(continues)

Independent Auditor's Report to the To the Members of Professional Fish Harvesters Certification Board
(continued)

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 organization's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the organization's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the organization to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

St. John's, Newfoundland and Labrador
April 7, 2022

Quinlan Beland Barrett
CHARTERED PROFESSIONAL ACCOUNTANTS

PROFESSIONAL FISH HARVESTERS CERTIFICATION BOARD
Statement of Financial Position
December 31, 2021

	2021	2020
ASSETS		
Current		
Cash	\$ 55,638	\$ 56,038
Term deposits	1,319,662	1,331,844
Accounts receivable	104,786	121,810
Harmonized sales tax recoverable	500	-
Prepaid expenses	6,865	23,324
	1,487,451	1,533,016
Property, plant and equipment <i>(Note 4)</i>	1,324,691	1,343,459
	\$ 2,812,142	\$ 2,876,475
LIABILITIES AND NET ASSETS		
Current		
Accounts payable and accrued liabilities	\$ 167,648	\$ 137,943
Harmonized sales tax payable	-	1,030
Unearned revenue	80,700	35,520
Current portion of long term debt <i>(Note 5)</i>	-	50,450
	248,348	224,943
Long term debt <i>(Note 5)</i>	-	223,624
Accrued severance pay	68,807	92,856
	317,155	541,423
Net Assets		
Unrestricted fund	1,170,296	1,022,617
Invested in capital assets	1,324,691	1,312,435
	2,494,987	2,335,052
	\$ 2,812,142	\$ 2,876,475

ON BEHALF OF THE BOARD

 Director
 Director

See notes to financial statements

PROFESSIONAL FISH HARVESTERS CERTIFICATION BOARD
Statement of Revenues and Expenditures
Year Ended December 31, 2021

	2021	2020
Revenues		
Registration fees	\$ 813,075	\$ 648,600
Basic safety training	680	57,270
Rental revenue	20,625	49,500
Other revenue	42,897	42,648
Interest income	39,959	40,342
CCPFH	14,412	31,612
Personal protective equipment	-	24,873
Prior learning assessment and recognition	6,913	8,717
Sealers workshops and miscellaneous services	6,035	1,525
Canada emergency wage subsidy	74,669	124,677
	1,019,265	1,029,764
Expenses		
Advertising and promotional material	6,375	6,080
Amortization	49,921	46,461
Appeals	16,125	12,063
Building operations	60,448	65,684
Business tax	12,851	12,851
CCPFH	-	24,211
Communications	10,397	7,978
Insurance	6,601	6,228
Interest and bank charges	16,453	11,863
Interest on long term debt	9,885	12,082
Meetings - board and other	35,006	12,966
Membership fees	-	42,515
Office and computer supplies	60,097	44,511
Personal protective equipment	-	50,758
Postage	25,136	22,135
Prior learning assessment and recognition project	10,612	25,856
Professional fees	22,428	27,033
Public relations initiatives	14,799	-
Safety training	7,045	60,526
Repairs and maintenance (Note 9)	53,791	-
Sealer workshop expenses	-	450
Wages and employee benefits	440,004	393,014
	857,974	885,265
Excess of revenues over expenses from operations	161,291	144,499
Other income		
Loss on disposal of property, plant and equipment	(1,356)	(2,866)
Excess of revenues over expenses	\$ 159,935	\$ 141,633

See notes to financial statements

PROFESSIONAL FISH HARVESTERS CERTIFICATION BOARD
Statement of Changes in Net Assets
Year Ended December 31, 2021

	Unrestricted Fund	Invested in Capital Assets	2021	2020
Net assets - beginning of year	\$ 1,022,617	\$ 1,312,435	\$ 2,335,052	\$ 2,193,419
Excess of revenues over expenses	147,679	12,256	159,935	141,633
Net assets - end of year	\$ 1,170,296	\$ 1,324,691	\$ 2,494,987	\$ 2,335,052

See notes to financial statements

PROFESSIONAL FISH HARVESTERS CERTIFICATION BOARD
Statement of Cash Flows
Year Ended December 31, 2021

	2021	2020
Operating activities		
Excess of revenues over expenses	\$ 159,935	\$ 141,633
Items not affecting cash:		
Amortization of property, plant and equipment	49,921	46,461
Loss on disposal of property, plant and equipment	1,356	2,866
	211,212	190,960
Changes in non-cash working capital	82,787	(64,133)
Cash flow from operating activities	293,999	126,827
Investing activities		
Purchase of property, plant and equipment	(32,907)	(18,743)
Proceeds on disposal of property, plant and equipment	400	-
Cash flow used by investing activities	(32,507)	(18,743)
Financing activity		
Repayment of long term debt	(274,074)	(48,428)
Increase (decrease) in cash flow	(12,582)	59,656
Cash - beginning of year	1,387,882	1,328,226
Cash - end of year	\$ 1,375,300	\$ 1,387,882
Cash flows supplementary information		
Interest received	\$ (39,959)	\$ (40,342)
Interest paid	\$ 26,339	\$ 23,945
Cash consists of:		
Cash	\$ 55,638	\$ 56,038
Term deposits	1,319,662	1,331,844
	\$ 1,375,300	\$ 1,387,882

See notes to financial statements

PROFESSIONAL FISH HARVESTERS CERTIFICATION BOARD

Notes to Financial Statements

Year Ended December 31, 2021

1. PURPOSE OF THE ORGANIZATION

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. The company is exempt from income taxes in accordance with Section 149(1) of the Income Tax Act.

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.

Measurement uncertainty

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Actual results could differ from these estimates.

Property, plant and equipment

Property, plant and equipment is stated at cost or deemed cost less accumulated amortization and is amortized over its estimated useful life at the following rates and methods:

Land improvements	10%	declining balance method
Building	40 years	straight-line method
Equipment	20%	declining balance method
Computer equipment	20%	declining balance method
Signs and logo	30%	declining balance method

The organization regularly reviews its property, plant and equipment to eliminate obsolete items. Government grants are treated as a reduction of property, plant and equipment cost.

Property, plant and equipment acquired during the year but not placed into use are not amortized until they are placed into use.

PROFESSIONAL FISH HARVESTERS CERTIFICATION BOARD
Notes to Financial Statements
Year Ended December 31, 2021

3. DUE TO RELATED PARTIES

The following is a summary of the organization's related party transactions:

	2021	2020
<u>Related party transactions</u>		
Newfoundland and Labrador Fish Harvesting Safety Association Incorporated (Overlapping directors)		
Administrative assistance	\$ 21,739	\$ 21,739
Office space	17,391	17,391
	39,130	39,130
	\$ 39,130	\$ 39,130

These transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

4. PROPERTY, PLANT AND EQUIPMENT

	Cost	Accumulated amortization	2021 Net book value
Land	\$ 150,000	\$ -	\$ 150,000
Land improvements	51,525	36,166	15,359
Building	1,551,190	445,967	1,105,223
Equipment	57,860	23,107	34,753
Computer equipment	34,861	15,624	19,237
Signs and logo	7,077	6,958	119
	\$ 1,852,513	\$ 527,822	\$ 1,324,691

	Cost	Accumulated amortization	2020 Net book value
Land	\$ 150,000	\$ -	\$ 150,000
Land improvements	51,525	34,460	17,065
Building	1,551,190	407,187	1,144,003
Equipment	46,136	34,708	11,428
Computer equipment	31,970	11,177	20,793
Signs and logo	7,077	6,907	170
	\$ 1,837,898	\$ 494,439	\$ 1,343,459

PROFESSIONAL FISH HARVESTERS CERTIFICATION BOARD
Notes to Financial Statements
Year Ended December 31, 2021

5. LONG TERM DEBT

	2021	2020
The Toronto Dominion Bank loan bearing interest at 4.01% per annum, repayable in monthly blended payments of \$5,043. The loan was due to mature on December 23, 2024 and is secured by land and building at 368 Hamilton Avenue, St. John's, NL.	\$ -	\$ 274,074
Amounts payable within one year	-	(50,450)
	\$ -	\$ 223,624

The above mortgage with the Toronto Dominion Bank was entered into jointly with Fish, Food and Allied Workers (FFAW-Unifor). The original mortgage amount was \$1,800,000.

6. ACCRUED SEVERANCE PAY

The Board has established retirement benefits for its employees. The cost is accrued annually in accordance with the established guidelines and policies.

7. FINANCIAL INSTRUMENTS

The organization is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. The following analysis provides information about the organization's risk exposure and concentration as of December 31, 2021.

Interest rate risk

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. In seeking to minimize the risks from interest rate fluctuations, the organization manages exposure through its normal operating and financing activities. The organization is exposed to interest rate risk primarily through its floating interest rate bank indebtedness and credit facilities.

Unless otherwise noted, it is management's opinion that the organization is not exposed to significant other price risks arising from these financial instruments.

PROFESSIONAL FISH HARVESTERS CERTIFICATION BOARD
Notes to Financial Statements
Year Ended December 31, 2021

8. COVID-19

In March 2020, the World Health Organization declared a global pandemic due to the novel coronavirus (COVID-19). The situation is constantly evolving and the measures put in place are having multiple impacts on local, provincial, national and global economies.

Management is uncertain of the effects of these changes on its financial statements and believes that any disturbance may be temporary; however, there is uncertainty about the length and potential impact of the disturbance.

As a result, we are unable to estimate the potential impact on the company's operations as at the date of these financial statements

9. FIRE DAMAGE

On April 4, 2021 the building in which the Board is located had a minor fire and the offices suffered water damage. The damage has been estimated to be \$56,545 which should be covered by insurance proceeds.