PFHCB
Professional Fish Harvesters Certification Board
NEWFOUNDLAND & LABRADOR

2023

Annual Performance Report

for

The Professional Fish Harvesters Certification Board

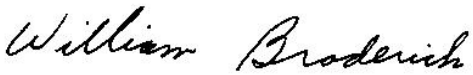
Message from the Chairperson

On behalf of the Board of Directors of the Professional Fish Harvesters Certification Board (the PFHCB), I am pleased to present the 2023 Annual Performance Report. The Board of Directors of 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 the PFHCB's activities in 2023, the first year of the 2023-2025 planning cycle.

In 2023, the PFHCB continued to serve the professional fish harvesters of Newfoundland and Labrador and succeeded in fulfilling its primary mandate and objectives as outlined in the **Professional Fish Harvesters Act** (the Act). This report presents the work of the PFHCB from January 1, 2023, to December 31, 2023, and includes the achievements and results of the PFHCB's stated objectives as outlined in our 2023-2025 Activity Plan.

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

Sincerely,



William Broderick
Chairperson, PFHCB

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1.0 Overview

The PFHCB became operational in 1997 following proclamation of the Act by the Newfoundland and Labrador House of Assembly. This legislation, the first of its kind in Canada, recognized fish harvesting as a professional occupation.

1.1 Current Board Members and Support Staff

The PFHCB operates under the direction of a 15-member board of directors, in accordance with the Act. Members are appointed by the Minister of Fisheries, Forestry and Agriculture (FFA) upon recommendation from the respective organizations identified in section 5 of the Act. These organizations include, but are not limited to: Fish, Food and Allied Workers (FFAW); Fisheries and Oceans Canada (DFO); FFA; the Department of Immigration, Population Growth and Skills (IPGS); and the Marine Institute of Memorial University (MI). As of December 31, 2023, the PFHCB consisted of the following:

Name	Representing	Title	Term Expiry Date
Bill Broderick	FFAW	Chairperson	9/23/2024
George Feltham	FFAW	Vice-Chairperson	9/28/2025
Mildred Skinner	FFAW	Secretary	9/28/2025
David Jarvis	FFAW	Member	9/28/2025
Amy Kavanagh-Penney	Federal Government (DFO)	Member	9/28/2025
Mike Noonan	FFAW	Member	9/28/2025
Dwan Street	FFAW	Member	9/23/2024
Shawn Normore	Fishing Cooperatives	Member	9/23/2024
Angela Burridge	Provincial Government (FFA)	Member	2/11/2027
Jennifer Meadus	Provincial Government (IPGS)	Member	9/3/2024
Kevin Anderson	Post-Secondary Institution (MI)	Member	9/23/2024
Paul Glavine	Federal Government (DFO)	Member	9/23/2024
Carl Hedderson	FFAW	Member	9/23/2024
Marcel O'Brien	At-Large	Member-at-Large	9/23/2024
Lisa Matchim	Indigenous Fish Harvesters	Member	9/23/2024

The PFHCB currently has a full-time office staff of four people, consisting of an Executive Director, a Certification Coordinator, a Registration Administrator and a Coordinator of Finance and Administration. Additionally, 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 meeting 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 all commercial fish harvesters in Newfoundland and Labrador since 1997. Professional Fish Harvesters are required to submit a certification renewal application form annually and pay an annual registration fee of $75. New entrants are required to file a new entrant application form and pay the annual registration fee of $75. Upon approval of their application for certification, fish harvesters are issued a certification card inscribed with their name, a professional fish harvester identification number and certification level. Collection of annual registration fees is the PFHCB's primary source of operating revenue. 9,227 fish harvesters were registered with the PFHCB in 2023.

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. Since 2002, the PFHCB has delivered a five-day Basic Safety Training course to Apprentice Fish Harvesters and new entrants to the industry. This basic safety course includes two days of General Seamanship and Stability, one day of Transport Canada Small Domestic Vessel Basic Safety (SDV-BS) and two days of Canadian Red Cross Marine Basic First Aid. Harvesters preferring to complete an equivalent Transport Canada recognized Marine Emergency Duties (MED) course at the Fisheries and Marine Institute of Memorial University (MI) or other authorized delivery agent are exempt. However, the course must be completed prior to commencing their second fishing season.

III. Assisting Fish Harvesters with Certification Upgrading and Skills Development

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

While the vast majority of fisheries training courses are delivered by Marine Institute, the PFHCB does deliver a Prior Learning Assessment and Recognition (PLAR) program, which enables fish harvesters to acquire credits toward their certification upgrading.

IV. Public Relations and Advocacy Initiatives

Under the direction of the Executive Committee and in partnership with other key industry groups such as the Fish Harvesting Safety Association, Marine Institute and FFAW-Unifor, 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 is central to the PFHCB's stated objectives. This is achieved through ongoing public relations and advocacy initiatives utilizing a variety of sources.

1.4 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 fees paid by certified fish harvesters. Additionally, the PFHCB periodically receives financial assistance from industry partners and/or funding agencies for the delivery of special projects in fulfillment of its mandate and objectives. The 2023 PFHCB's audited Financial Statements can be found in Annex A. Below is a summary of revenue and expenses for the year ending December 31, 2023.

Total Revenue	$	1,060,631
Total Expenses	$	1,057,492
Excess of Revenue over Expenses	$	3,139

1.5 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

2.0 Highlights and Partnerships

Highlights:

- 9,227 fish harvesters were registered with the PFHCB in 2023. This represents an 8.9 per cent decrease from 2022. This decrease was anticipated, given the late start to the crab season and a significant drop in crab prices compared to 2021 and 2022. The main decrease was in the Apprentice category (including New Entrants), further indicating the importance of labour recruitment and retention initiatives. Level II certifications remained consistent with 2021 and 2022 numbers.

- In 2023, more than 300 fish harvesters received fisheries-related training from MI. This training was comprised primarily of Fishing Masters FM IV & III courses (135 students), but also included students completing miscellaneous shorter courses such as MED (Domestic Vessel Safety and SDV-BS), Radio Operator Certification (ROC-MC), Small Vessel Operator Proficiency (SVOP) and First Aid.

- In 2023, 367 harvesters took a five-day Basic Safety Training course (Including SDV-BS and Marine Basic First Aid) delivered by the PFHCB in 30 community-based classes throughout the province between February 13 and March 31.

- In 2023, 75 Apprentice and Level I fish harvesters took advantage of the PFHCB's Prior Learning and Recognition (PLAR) program – 348 total PLAR assessments were conducted in eight locations and successful participants received more than 2,700 education credits toward PFHCB certification upgrading.

- In total, 242 fish harvesters had their certification level upgraded in 2023; 137 upgraded to Level I and 105 upgraded to Level II. This is an increase of 23 per cent over 2022 and a 50 per cent increase over the three-year average from our last planning cycle (2020-2022). The average age of those 242 harvesters is 38 years.

- In 2023, the PFHCB contributed $108,000 to a Personal Locator Beacon (PLB) campaign led by the Newfoundland and Labrador Fish Harvesting Safety Association (NL-FHSA) and supported financially by the FFAW-Unifor and Fish Harvesters Resource Centre (FRC), which provided fish harvesters access to PLB's at 40 per cent of cost. This initiative contributes immensely to fishing vessel safety and to fish harvester compliance with Federal requirements to carry electronic distress signaling devices.

- 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. The annual fall 2023 scholarship awards ceremony at MI was conducted on November 23 and the recipient of the PFHCB Scholarship was Mackenzie Curtis, a second-year Marine Environmental student and Apprentice fish harvester from Port de Grave.

<u>Partnerships</u>:

- **Fisheries and Oceans Canada (DFO) – Linkages between PFHCB Certification and DFO's Regional Licensing Policy**

  PFHCB certification is 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). Furthermore, DFO licensing policy also requires harvesters 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.

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

  In 2023, the PFHCB continued its support of the 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 office with administrative support from the PFHCB staff. Throughout 2023, the PFHCB worked closely with NL-FHSA staff on safety-related initiatives, and Mark Dolomount, PFHCB's Executive Director, holds the position of Vice-Chairperson of the NL-FHSA Board of Directors.

- **Transport Canada – Dissemination/Clarification of Information on TC's Federal Regulatory Requirements.**

  Since the coming into force of the new federal **Marine Personnel Regulations** in 2007 and the Federal **Fishing Vessel Safety Regulations** in 2017, 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 these federal regulations to the province's fish harvesters, and assist harvesters in attaining regulatory compliance. These efforts continued throughout 2023.

- **Fisheries and Marine Institute – Promotion and Delivery of Fisheries Training**

  Throughout 2023, the PFHCB staff worked closely with MI staff on several 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 for this planning cycle is the ongoing promotion of MI's Fishing Masters IV programs (online/computer-based, and community-based delivery), which eliminates many of the accessibility barriers that traditionally made campus-based Fishing Masters courses difficult and expensive to access.

- **Appeal Board of the Professional Fish Harvesters Certification Board**

  The PFHCB has a shared commitment with the Appeal Board of the PFHCB (the 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 PFHCB.

3.0 Report on Performance

The issues identified in the 2023-2025 Activity Plan reflect the PFHCB's ongoing commitment to providing quality service and the necessary support to Newfoundland and Labrador fish harvesters pursuing professional certification and certification upgrading. The two issues both contribute to addressing the ongoing labour supply challenges that continue to face the harvesting sector of Newfoundland and Labrador's commercial fishery.

Issue 1: Upgrading and Improving the Database of Newfoundland and Labrador Certified Fish Harvesters

Prior to the establishment of the PFHCB in 1997, a basic fish harvester database was developed using Microsoft Access. Over time, new components were added to the database to accommodate data related to Canada Revenue Agency (CRA) income assessment, appeals, Basic Safety Training delivery, PLAR delivery, education data from MI, industry surveys, DFO licencing and all fish harvester renewals and new entrant payments for 26 years.

As database software evolved, software upgrades were made to maintain database integrity and functionality. However, with more than 37,000 individual fish harvesters added, approximately 500,000 individual payment transactions and several million data entries, the "data creep" of the current database has exceeded the capabilities of the existing software. Additionally, there are functions that the current database is no longer capable of performing and new functions that are required. For example, in the past planning cycle from 2020-2022, the limitations of the current database made the extraction of demographic and time-trend data extremely challenging.

In addition to the limitations of the current database, fish harvesters have been requesting the ability to make online payments for annual certification renewal and to access other individual certification information online. The current database will not support these functions and as such, online payments via secure individual fish harvester portal login access will be an integral part of the new PFHCB database.

Finally, considering global efforts to reduce carbon footprints, the PFHCB's long-term plan is to move away from paper filing, eventually eliminating paper files and utilizing an online file management system.

In summary, this is a three-part issue that will be addressed through the integration of an updated fish harvester database, an online fish harvester registration/payment portal, and an electronic file storage and management system. The stated objective will be carried out in stages over the three-year planning cycle with full implementation expected by December 31, 2025.

2023 Objective: By December 31, 2023, the PFHCB will have progressed towards implementing a new fish harvester database.

Indicators:

1. **Explored options to either purchase an "off-the-shelf" database product capable of meeting all the PFHCB's identified needs or have one custom designed and built specifically for the PFHCB. Considerations will include availability, affordability, security, implementation timelines and future support.**

With approval of the PFHCB Board of Directors in December 2022, staff of the PFHCB began exploring the availability of a contractor or service provider capable of providing the Board with a database upgrade that could meet the Board's long-term registration and certification needs. Concurrently, staff began the process of itemizing the necessary specifications of a new database, including "pains" in the current system that require improvements, and additional functionality not available in the current 27-year-old Microsoft Access system. Staff also met with various organizations, including local labour and membership groups, to ascertain what types of databases others were using, their experiences with membership database upgrades, and to seek advice and recommendations. Staff also met with two local database consultants to gain a better understanding of current database trends and seek recommendations on whether the PFHCB can achieve its objective of attaining a new database to accommodate electronic filing and online membership registration.

2. **Entered into a contract, including a detailed statement of work, to provide and/or build a database that meets the PFHCB's identified needs.**

Following careful consideration of several local contractors proposing custom-builds, and two out-of-province "off the shelf" software options, the PFHCB selected an established US-based membership software provider called MemberTrak. MemberTrak is a subsidiary of UnionWare, the software provider who supplies the Newfoundland Association of Public Employees (NAPE) with their expansive multi-functional union membership database. MemberTrak was contracted based on consideration of their ability to deliver a database that would meet the PFHCB's needs, their estimated cost, security specifications, ongoing database support and their commitment of an implementation date prior to January 1, 2024.

A statement of work was established and database development began in March 2023. In anticipation of implementing a database to accommodate electronic file storage and management, the PFHCB decided that all fish harvester files would be stored and managed electronically beginning January 1, 2023.

3. **Worked closely with the contractor on the development of a new PFHCB database to ensure that deliverables are completed satisfactorily and in accordance with established timelines.**

PFHCB staff work closely with the MemberTrak development team on the development of a new database to ensure that deliverables were completed satisfactorily and in accordance with established timelines. This work included, but was not limited to,

extensive meetings to review progress and answer questions related to the database, development work and providing a “stripped out” version of the current PFHCB database so they could better understand PFHCB’s needs. The PFHCB paid a total of $12,877 to MemberTrak for this development work. Despite several progress meetings and offers to further collaborate, PFHCB staff were disappointed with the lack of progress and indications that PFHCB’s database needs could be met by MemberTrak’s customizable “off-the-shelf” membership software. This, coupled with data security concerns that were identified regarding MemberTrak’s proposed method of hosting the database upon completion, resulted in a Board decision on December 6, 2023, to end the relationship with MemberTrak and explore local opportunities to have our current database upgraded or rebuilt from its current Microsoft Access to the more robust Microsoft SQL Server.

The time spent on this initiative was a valuable exercise and we are confident that PFHCB staff are better positioned to oversee the development of a new and improved database as a result. We are confident that despite this minor setback, the PFHCB will still meet its three-year objective of progressing towards the implementation of a new fish harvester database.

2024 Objective: By December 31, 2024, the PFHCB will have progressed towards implementing a new fish harvester database.

Indicators:

1. Entered into a contract with a service provider, including a detailed statement of work, to build a database that meets the PFHCB’s identified needs.
2. Worked with the identified service provider on the development of a new PFHCB database to ensure all deliverables are met.
3. Continued to digitize fish harvester files in preparation for a data migration and/or linkage to a new fish harvester file storage and management system.
4. Worked with the identified service provider to explore options for an online certification payment system that can be adapted to, or integrated with, the new PFHCB database.

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 2023-2025 planning period. This is an issue of critical importance for two key reasons. Firstly, the provincial fishing industry requires an adequate number of professional fish harvesters to crew the remaining 3,000-plus fishing enterprises in the provinces. Secondly, the industry requires an adequate number of professional Level I and Level II harvesters to operate those vessels – both as owner operators and designated operators. Therefore, without

recruitment and retention of adequate numbers of professional fish harvesters, the province's fishing industry cannot operate successfully.

Significant progress was made on this issue during the most recent planning cycle, 2020-2022, and there are many positive indicators. For example, over the last planning cycle, the industry had the largest influx of New Entrants (2,433) since 2007-2009. During that period, 485 young harvesters (average age of approximately 35 years) upgraded their certification level. Subsequently, in 2022 the PFHCB had its first year-over-year increase in the total number of Level II certified fish harvesters since 2003.

However, despite these positive indicators, more than 50 per cent of all Federal Core species licence holders in the Newfoundland and Labrador commercial fishery remain over the age of 55 and approximately 60 per cent of all certified fish harvesters are over the age of 50. The industry currently has adequate numbers of fish harvester to operate and crew the remaining 3,000-plus enterprises, but there is clearly a looming aging labour force issue that requires addressing. If the issue of recruitment and retention of skilled labour is not adequately addressed, a skilled labour shortage will likely develop over the coming decade.

For these reasons, in an effort to maintain 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.

2023 Objective: By December 31, 2023, the PFHCB will have recruited, identified and supported fish harvesters to attain PFHCB certification and to have pursued Level I and Level II professional certification upgrading or reinstatement.

Indicators:

1. **Promoted fish harvesting as a viable career option and/or employment opportunity, including the benefits of Level I and Level II certification.**

Building on the work carried out on this issue during the 2020-2022 planning cycle, including an updated comprehensive demographic analysis of the existing fisheries labour force, the PFHCB made significant progress on the issue of recruitment and retention of skilled labour during 2023.

The focus in 2023 was placed on recruiting and supporting fish harvesters to attain PFHCB certification and pursue PFHCB certification upgrading. First, it is important to point out that recruitment of labour in the fish harvesting sector serves two distinct and uniquely different purposes – to ensure that there is an adequate number of crew members to allow enterprises to operate safely and successfully, and to ensure that there is an adequate number of Level I and Level II fish harvesters qualified to be enterprise owners and/or operators.

Work in support of the first indicator supports the dual purpose of recruiting crew members, as well as promoting certification upgrading from Apprentice to Level I and Level II. With support of the PFHCB, in December of 2022 the Department of Fisheries Forestry and Agriculture approved important amendments to the PFHCB criteria that support this objective, particularly as it pertains to recruitment and retention of new entrant crew members, and harvesters returning to the industry following extended leaves of absence. Except for the requirement to complete basic safety training, all restrictions on crew member registration (and renewal of registration) were removed, making it easier for enterprise owners to secure crew members.

Additionally, the criteria were amended to include new “re-entry” criteria, providing fish harvesters returning to the industry with a pathway to having their prior certification status re-instated. The PFHCB’s Professional Certification brochure was updated to include the revised criteria, and the images used in the redesign of the brochure were also more representative of young fish harvesters and female fish harvesters.

The brochure also outlines the importance and significance of PFHCB certification, specifically Level I and Level II certification upgrading, as they relate to DFO licencing policy and enterprise ownership/operation. The brochure, as displayed below, was widely distributed in 2023 through postal mail, e-mail and print.

In addition to distribution of the new PFHCB brochure, PFHCB staff engaged in several other initiatives related to promoting fish harvesting as a viable career option and/or employment opportunity.

A professional fish harvesting certification advertisement, developed specifically to address this objective, was displayed and broadly circulated throughout the year through social media, email and in the Navigator Magazine and FFAW-Unifor’s Union Forum. Variations of this advertisement were displayed and distributed through several means, including email, social media, trade shows, FFAW-Unifor’s Union Forum, Navigator Magazine and at other events attended throughout the year. Information on certification and certification upgrading was also circulated at several high school career

days and job fairs, safety symposiums, trade shows and the 2023 North Atlantic Fish and Workboat show.

Another important ongoing PFHCB initiative specifically aimed at promoting professional certification and supporting recruitment and retention of skilled labour 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 2023. The CrewFinder service functions in the dual purpose of supplying owner/operators with a source of available labour and retaining certified fish harvesters that may otherwise leave the industry in search of work elsewhere. Approximately 100 harvesters utilized the PFHCB's CrewFinder service in 2023.

One final initiative to promote professional certification and support retention of labour under this indicator is an administrative exercise to maintain contact with previously certified fish harvesters. Utilizing the PFHCB's database, staff mailed a letter to Apprentice, Level I and Level II fish harvesters that were registered in 2021 and/or 2022 (including a large number of new entrants) who had not renewed their certification in 2023. Letters explaining the benefits of maintaining certification, accompanied by brochures and renewal applications, were sent to more than 3,000 individuals in three different mailouts in 2023.

2. **Identified and tracked fish harvesters in the PFHCB's database, as well as those who contacted the PFHCB office (by email, telephone or in person) who would be candidates for certification upgrading or reinstatement.**

With regards to the indicator of identifying and tracking fish harvesters who would be good candidates for certification upgrading, the PFHCB had numerous activities in 2023. PFHCB staff focused primarily on younger non-licence holders and new entrants, but harvesters of all ages were identified and tracked for possible upgrading. The number of new entrants in 2023 (394) was down significantly from 2022 (728), but new entrants are always considered a key target group of future certification upgrading. Therefore, all 2023 new entrants received information on professional certification and certification upgrading options/requirements to promote interest in certification upgrading and offer support in the upgrading process.

The PFHCB database is designed to enable staff to identify and track the progress of Apprentice and Level I fish harvesters who have contacted the PFHCB office regarding upgrading - many who have already begun accumulating education credits and full-time fishing years. In 2023, PFHCB staff maintained contact with this group of fish harvesters who have taken the first step toward certification upgrading, encouraging them to continue with their certification upgrading and to offer PFHCB resources and supports.

Identifying potential candidates for certification upgrading was a priority during all PFHCB outreach initiatives in 2023. While at trade shows, high school career days, community meetings, safety symposiums and when speaking with fish harvesters by phone or when visiting the PFHCB office, staff were directed to discuss the advantages

and purpose of professional certification upgrading and to offer advice and support to any harvester expressing interest. Harvesters that express interest are followed-up with by staff in the future.

The PFHCB's CrewFinder service is also utilized to identify fish harvesters that may be candidates for certification upgrading. When crew members post their availability for work on CrewFinder, they are encouraged to list their fisheries-related training and experience. This information is cross-referenced with the PFHCB database and in the case of Apprentice and Level I fish harvesters, staff will follow up to inquire about their interest in certification upgrading. Similarly, the PFHCB has six instructors that deliver Basic Safety Training (Marine First Aid and Marine Emergency Duties) to new entrant apprentice fish harvesters. In 2023, 30 classes with 367 students were delivered throughout the province. Instructors explained the certification system, the benefits of professional certification upgrading, and encouraged fish harvesters to contact the PFHCB office for additional information or support. Instructors were encouraged to identify and track participants that showed interest so that staff could follow up in future.

Finally, with the introduction of "re-entry" criteria in the December 2022 amendments to the PFHCB certification criteria, staff used the PFHCB database to identify fish harvesters re-entering the industry who previously held Level I or Level II certification, or who had extensive fisheries training and/or fishing experience. These individuals were provided information on the certification upgrading criteria, including the new pathway for having their previous Level I or Level II certification reinstated.

3. Maintained support mechanisms to assist fish harvesters interested in pursuing certification upgrading or reinstatement.

In 2023, the PFHCB utilized a variety of support mechanisms to assist fish harvesters in achieving certification upgrading or reinstatement. It regularly communicated and distributed information including information on accessing the required education credits for certification upgrading. PFHCB's Professional Certification brochure was updated in 2023 and was distributed to as many fish harvesters as possible, to promote certification upgrading and encourage harvesters to access the resources available from the PFHCB. Additional information pertaining to certification upgrading and fisheries training was sent by mail and email and promoted on the PFHCB webpage.

Personalized one-on-one information dissemination to fish harvesters assisted in making them understand the two main components of upgrading – documenting full-time fishing activity and accumulating education credits. Many fish harvesters do not fully understand the definition of a "full-time fishing year", and that the "75 per cent fishing income requirement" is only calculated during the fishing season (defined as April 1-September 1, with an additional 30-day grace period). As a result, fish harvesters can meet the upgrading requirements and still work outside the fishing industry for eight months of the year, as well as earn an additional 25 per cent of their income from non-fisheries employment during the fishing season. Clearly explaining this definition of a full-time fishing year and working directly with fish harvesters to

understand, calculate and document their full-time fishing activity is an important support mechanism provided by the PFHCB.

PFHCB also assisted fish harvesters in understanding the education credit requirements. By speaking on-on-one, staff explained the process and encouraged harvesters to submit all previously completed post-secondary training for assessment, even if it is not fisheries-specific training. These ono-on-one discussions with fish harvesters enable PFHCB staff to give individualized advice and support and provide harvesters with a clear pathway for their certification upgrading.

Ensuring that harvesters have access to education credits is key to supporting their pursuit of Level I and Level II upgrading. Fishing Masters and other nautical training at MI remains the most common pathway to achieving certification upgrading. PFHCB staff work with MI's CBED staff to promote campus-based, community-based, and online fisheries training. In addition to circulating information on Fishing Master and other fisheries training, PFHCB staff assist harvesters with the application process, including documenting and submitting their sea-service testimonials to TC. Staff also provide information on other fisheries training such as MED training, Small Vessell Operator Proficiency, and other training offers by MI, as well as other course providers in the province and some outside the province that offer online fisheries training opportunities.

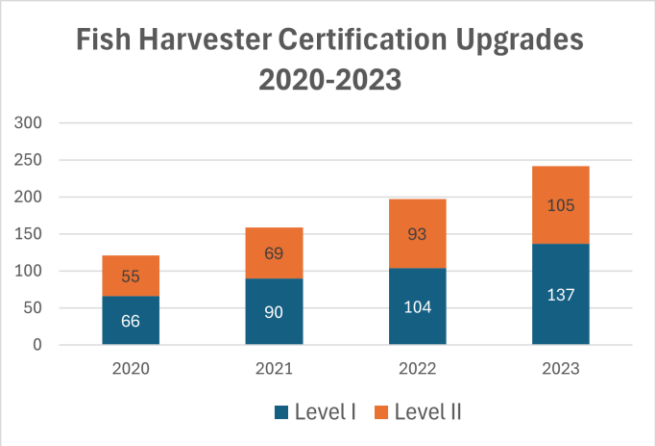
In addition to offering information and advice on various fisheries training options, the PFHCB supported fish harvesters to secure funding for fisheries training. In 2023, PFHCB staff provided hundreds of fish harvesters with letters of support for funding, outlining the legislated requirements for fisheries training, including the requirement to hold Level II PFHCB certification to be eligible to hold a federal species licence. The PFHCB also maintained close contact with government agencies responsible for tuition assistance and continues to encourage the full support of fish harvesters pursuing fisheries training for certification upgrading.

The PFHCB's 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. There are 85 credits in 11 different assessment areas available through the PLAR program. More specifically, in 2023, 75 PLAR participants completed 348 assessments and received more than 2,700 education credits toward their certification upgrading. These assessments were conducted in eight locations throughout the province, making it accessible to all fish harvesters on a regional basis.

In 2023, PFHCB distributed information on TC federal training requirements. This activity supports and benefits recruitment and retention of a skilled fish harvesters labour force. The work that the PFHCB carries out in partnership with MI and the NL-FHSA to promote TC certification and regulatory compliance contributes directly to increased retention rates, as fish harvesters who pursue fisheries training are proven to be more likely to remain in the fisheries labour force. Additionally, the PFHCB continued

to inform fish harvesters on the current and proposed new Federal training requirements.

The PFHCB's work on this objective has contributed to positive outcomes in 2023. As noted in the highlights section, the numbers of young harvesters pursuing Fishing Masters and other fisheries training in 2023 indicates that there remains strong interest in certification upgrading. Despite some of the industry challenges in 2023, MI continues to report strong interest and student numbers in Fishing Masters training for winter/spring 2023-2024. The most positive indicator of all is the record number of fish harvesters who upgraded their certification level with the PFHCB in 2023; 242 fish harvesters had their certification level upgraded; 137 upgraded to Level I, and 105 upgraded to Level II. This is an increase of 23 per cent over 2022 and a 50 per cent increase over the three-year average from the last planning cycle (2020-2022). The average age of those 242 harvesters is 38 years.



While overall certification numbers in 2023 were down from 2022 and 2021, Level II certifications were stable compared to 2022, and Level I certifications were up by 10 per cent. This is extremely encouraging for the recruitment and retention of labour and we are hopeful that our continued work on this objective can maintain these positive trends.

Finally, it is worth noting that achieving success in the recruitment and retention of a skilled fisheries labour force is a shared commitment. The PFHCB has always worked with MI, CCPFH, NL-FHSA, TC and FFAW-Unifor on initiatives related to training and certification upgrading. In 2023, the provincial "Minister's Advisory Committee" on fisheries created two separate sub-committees to address the challenges related to labour force recruitment, and PFHCB will work closely with FFA staff and other committee members on this important issue.

2024 Objective: By December 31, 2024, the PFHCB will have recruited, identified and supported fish harvesters to attain PFHCB certification and to have pursued Level I and Level II professional certification upgrading or reinstatement.

Indicators:

1. Promoted fish harvesting as a viable career option and/or employment opportunity, including the benefits of Level I and Level II certification.

2. Identified and tracked fish harvesters in the PFHCB's database, as well as those who contact the PFHCB office (by email, telephone or in person) who would be candidates for certification upgrading or reinstatement.

3. Maintained support mechanisms to assist fish harvesters interested in pursuing certification upgrading or reinstatement.

4.0 Opportunities and Challenges

The challenges in the foreseeable future are either indirectly or directly related to the issue of recruitment and retention of labour in the commercial fishery. Without an adequate fisheries labour force, capable of meeting the current and long-term needs of the industry, the PFHCB will be challenged to meet its stated objectives.

The average age of fish harvesters has increased steadily since 1997 and approximately 60 per cent of all certified fish harvesters are currently over the age of 50. Additionally, the average age of enterprise owners is greater than 55 years. This presents two distinct labour force challenges. The first to is recruit and retain adequate numbers of fish harvesters to crew the remaining 2,700 core fishing enterprises. The second is to ensure there are adequate numbers of trained and experienced Level II fish harvesters eligible to receive the intergenerational transfer of enterprises as the current pool of owner operators age out of the industry over the next decade or so.

This challenge is further complicated by the significant fall in the price of snow crab, a significant delay to the opening of the crab season, and the subsequent eight per cent reduction in the total number of fish harvesters certified with the PFHCB in 2023. This followed two extremely positive years (2021 and 2022) that resulted in the largest number of new entrants and total fish harvesters in more than a decade.

Finally, the accessibility and affordability of existing fishing enterprises presents a formidable challenge for young harvesters in pursuit of enterprise ownership. Finding a viable way for younger fish harvesters to access fishing enterprises and service the debt associated with enterprise ownership is arguably the single greatest challenge facing the current, and future, fisheries labour force.

Despite these challenges, many opportunities remain, including many positives in 2023. As a result of strong crab and lobster resources in recent years, the PFHCB has experienced record levels of interest from young fish harvesters pursuing upgrading. In 2023, the PFHCB upgraded 242 fish harvesters with an average age of 38; the largest number of fish harvesters ever upgraded in any single year. Despite an overall decrease in the total number of certified fish harvesters, the number of Level II fish harvesters remained relatively unchanged and there was an overall increase in the number of Level I fish harvesters.

This renewed interest in certification upgrading and enterprise ownership presents a significant opportunity to establish a stable group of Level I and Level II fish harvesters that are ready and able to own and/or operate our inshore fishing fleet. It also presents a unique opportunity to establish the best trained fisheries labour force in our province's history. An increasing number of young fish harvesters are pursuing advanced fisheries training, such as Fishing Masters IV, and the Marine Institute is experiencing record

levels of interest in fisheries training. This is very positive news as we continue to tackle the challenges of fisheries labour force renewal.

Finding adequate crew members to fill crew positions continues to be a real challenge. However, recent changes to PFHCB criteria removing all barriers to owner/operators hiring and retaining crew, presents opportunities for enhanced recruitment efforts to fill vacant crew positions. We are confident that if our fisheries resources, and market conditions remain stable, the opportunities can overcome the challenges, and attracting and retaining adequate labour, both owner/operators and crewmembers, is an achievable goal.

Finally, since its inception in 1997, the PFHCB has held a paper filing system for all certified fish harvesters and this is a significant challenge but also an opportunity to update the PFHCB's filing system for the years ahead. Each year, all documents received from harvesters were added to their paper file and new paper files were created for all new entrants. In 2023, no new paper files were created and all documents received at the PFHCB office were scanned and stored electronically in an online filing system. During 2023, a total of 9,083 new electronic files were created for individual certified fish harvesters and nearly 15,000 documents were scanned and/or copied to electronic fish harvester files. This vastly reduced the amount of printing and paper usage, and improved office efficiency, resulting in savings for the PFHCB. In 2023, PFHCB staff also established a comprehensive retention schedule aimed at the eventual elimination of all existing paper fish harvester files in the PFHCB office. Over time and following an approved retention schedule, thousands of fish harvester files will be removed, scanned electronically, added to the harvesters electronic file and either securely destroyed or held in storage. The move is a necessary first step in addressing this issue over this three-year planning cycle. The intent is to eventually incorporate these electronic files/documents into the new PFHCB database. For that reason, it is anticipated that this activity will continue throughout this planning cycle and/or until all current paper fish harvester files are scanned and stored electronically.

Annex A: Audited Financial Statements

PROFESSIONAL FISH HARVESTERS CERTIFICATION BOARD

Financial Statements

Year Ended December 31, 2023

QUINLAN BOLAND BARRETT CPA PROFESSIONAL CORPORATION

PROFESSIONAL FISH HARVESTERS CERTIFICATION BOARD
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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, 2023, 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, 2023, 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)

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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.

Quinlan Boland Barrett

St. John's, Newfoundland and Labrador
April 30, 2024

CHARTERED PROFESSIONAL ACCOUNTANTS

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PROFESSIONAL FISH HARVESTERS CERTIFICATION BOARD

Statement of Financial Position

December 31, 2023

	2023	2022
ASSETS		
Current		
Cash	$ 12,141	$ 24,775
Term deposits	1,423,159	1,490,216
Accounts receivable	85,702	78,002
Harmonized sales tax recoverable	23,787	8,831
Prepaid expenses	4,152	9,677
	1,548,941	1,611,501
Property, plant and equipment *(Note 4)*	1,229,299	1,279,272
	$ 2,778,240	$ 2,890,773
LIABILITIES AND NET ASSETS		
Current		
Accounts payable and accrued liabilities	$ 118,890	$ 207,255
Unearned revenue	31,800	65,000
	150,690	272,255
Accrued severance pay *(Note 5)*	78,828	72,935
	229,518	345,190
Net Assets		
Unrestricted fund	1,321,236	1,272,678
Invested in capital assets	1,227,486	1,272,905
	2,548,722	2,545,583
	$ 2,778,240	$ 2,890,773

ON BEHALF OF THE BOARD

Director

Director

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PROFESSIONAL FISH HARVESTERS CERTIFICATION BOARD

Statement of Revenues and Expenditures

Year Ended December 31, 2023

	2023	2022
Revenues		
Registration fees	$ 692,534	$ 806,675
Basic safety training	93,469	167,340
Rental revenue	49,500	49,500
Other revenue	44,842	39,130
Interest income	156,228	34,882
CCPFH	-	25,214
Prior learning assessment and recognition	13,609	19,609
Sealers workshops and miscellaneous services	10,449	2,339
	1,060,631	1,144,689
Expenses		
Advertising and promotional material	17,678	9,267
Amortization	49,971	51,786
Appeals	13,754	13,531
Building operations	64,064	58,121
Business tax	11,227	11,772
CCPFH	-	6,906
Communications	11,221	10,229
Severance pay	1,913	-
Insurance	21,056	6,008
Interest and bank charges	16,502	18,740
Meetings - board and other	46,318	35,659
Office and computer supplies	95,082	75,406
Postage	31,613	26,456
Printing	5,069	-
Prior learning assessment and recognition project	16,630	31,680
Professional fees	20,941	13,955
Public relations initiatives	2,890	5,283
Safety training	122,844	144,207
Repairs and maintenance	-	8,298
Sealer workshop expenses	2,170	1,240
PLB Program	93,913	104,348
Wages and employee benefits	412,636	506,311
	1,057,492	1,139,203
Excess of revenues over expenses from operations	3,139	5,486
Other income		
Insurance recovery	-	45,110
Excess of revenues over expenses	$ 3,139	$ 50,596

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PROFESSIONAL FISH HARVESTERS CERTIFICATION BOARD

Statement of Changes in Net Assets

Year Ended December 31, 2023

	Unrestricted Fund	Invested in Capital Assets	**2023**	2022
Net assets - beginning of year	$ 1,272,678	$ 1,272,905	**$ 2,545,583**	$ 2,494,987
Excess of revenues over expenses	48,558	(45,419)	**3,139**	50,596
Net assets - end of year	$ 1,321,236	$ 1,227,486	**$ 2,548,722**	$ 2,545,583

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PROFESSIONAL FISH HARVESTERS CERTIFICATION BOARD

Statement of Cash Flows

Year Ended December 31, 2023

		2023		2022
Operating activities				
Excess of revenues over expenses	$	**3,139**	$	50,596
Item not affecting cash:				
Amortization of property, plant and equipment		**49,971**		51,786
		53,110		102,382
Changes in non-cash working capital		**(132,801)**		43,677
Cash flow from (used by) operating activities		**(79,691)**		146,059
Investing activity				
Purchase of property, plant and equipment		**-**		(6,368)
Increase (decrease) in cash flow		**(79,691)**		139,691
Cash - beginning of year		**1,514,991**		1,375,300
Cash - end of year	$	**1,435,300**	$	1,514,991
Cash flows supplementary information				
Interest received	$	**(156,228)**	$	(34,882)
Interest paid	$	**16,503**	$	18,739

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PROFESSIONAL FISH HARVESTERS CERTIFICATION BOARD

Notes to Financial Statements

Year Ended December 31, 2023

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, 2023

3. DUE TO RELATED PARTIES

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

	2023	2022
Related party transactions		
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

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	2023 Net book value
Land	$ 150,000	$ -	$ 150,000
Land improvements	51,525	39,085	12,440
Building	1,551,190	523,527	1,027,663
Equipment	61,467	36,628	24,839
Computer equipment	37,622	23,323	14,299
Signs and logo	7,077	7,019	58
	$ 1,858,881	$ 629,582	$ 1,229,299

	Cost	Accumulated amortization	2022 Net book value
Land	$ 150,000	$ -	$ 150,000
Land improvements	51,525	37,702	13,823
Building	1,551,190	484,747	1,066,443
Equipment	61,467	30,418	31,049
Computer equipment	37,622	19,748	17,874
Signs and logo	7,077	6,994	83
	$ 1,858,881	$ 579,609	$ 1,279,272

5. 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.

6. 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, 2023.

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.