# The Fishing Industry in Quebec

## Socio-Economic Profile

## North Shore

## 2004

Prepared by

Policy and Economic Branch

Quebec Region

Pêches et Océans Canada

Fisheries and Oceans Canada

Canada

*THE FISHING INDUSTRY IN QUEBEC*
*SOCIO-ECONOMIC PROFILE*

*NORTH SHORE*

*May 2004*

*FISHERIES AND OCEANS CANADA*

*QUEBEC REGION*

Published by:
Policy and Economics Branch
Fisheries and Oceans Canada
Quebec, QC
G1K 7Y7



Catalogue number Fs 66-5/175F
ISSN 0847-1185

May 2004

Cette publication est également disponible en français.

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At Work on the Boat: Fisheries and Oceans Canada, V. Haeberlé
Shrimp Processing (Eastern Quebec Sea Foods Lts. (1998): Fisheries and Oceans Canada, J. Lavallée

## ACRONYMS

BAPAP : *Bureau d'accréditation des pêcheurs et aides-pêcheurs du Québec*
CRIQ: *Centre de recherche industrielle du Québec*
DFO: Fisheries and Oceans Canada
DRPE: Policy and Economics Branch
HRSDC: Human Resources and Skills Development Canada
MAPAQ: *Ministère de l'Agriculture, des Pêcheries et de l'Alimentation du Québec*

## ABBREVIATIONS

$K: thousands of dollars
$M: millions of dollars
$B: billions of dollars

## SYMBOLS USED

p: preliminary
no.: number

# *ACKNOWLEDGEMENTS*

*A great amount of statistical data from the Fisheries Management Branch's Statistics Service was required to complete this study. To this end, we would like to thank this service's staff, in particular Édith Lachance and Bruno Lévesque for their generous collaboration.*

*Our thanks also go to the team at the Fisheries Management Branch's Aboriginal Fisheries Branch for their contribution of data concerning aboriginal communities.*

*We would also like to thank Human Resources and Skills Development Canada and more particularly, Sylvain Labbé, Claude Arsenault and Gérald Dubé, who provided an analysis of the labour market indicators. This analysis gave a clearer view of the labour market in Quebec's maritime sectors.*

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# INTRODUCTION

This study draws a portrait of the North Shore maritime sector and, more particularly, its fishing industry. First, an analysis of the demographic and socio-economical trends is presented. Many variables make up this socio-economic portrait: population, level of education, participation rate, unemployment rate, composition of income and sectors of activity. This analysis demonstrates the importance of the fishing industry for the North Shore communities and, more particularly, for certain maritime sub-sectors.

Secondly, the fish harvesting sector is described and analyzed through the many elements that define it. Landings, both in terms of volume and value, are presented in a historic perspective. In order to reflect the harvest industry's current situation, the most recent fishing season was more closely examined. This section also contains information on the number of active fishermen, licences, the importance of certain species and many other details, which provide a sound comprehension of this area of activity.

Furthermore, information concerning the commercial fishing activities of aboriginal communities is analyzed. This allows us to note the increasing importance of the industry for these communities.

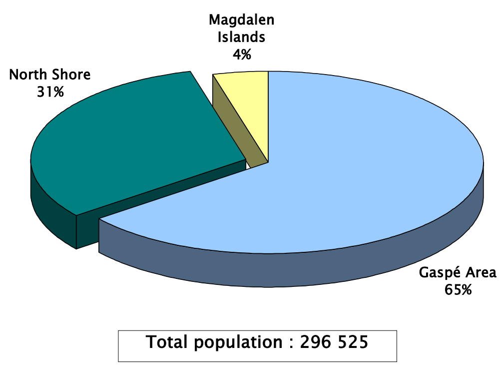
Finally, the last section deals with the marine product processing sector. Among other data, information is provided on the composition and value of post-plant production, the number of jobs in this sector and the importance of certain species for this economic activity.

# 1. The North Shore: A Socio-Economic Portrait

## 1.1 Demographic Context

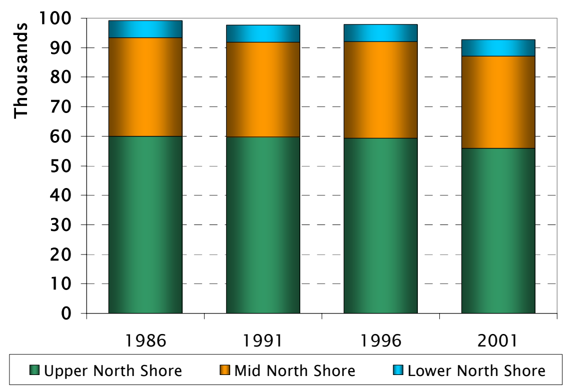
Among Quebec's maritime sectors[1], the North Shore ranks second with 31% of the total population. The North Shore is made up of three maritime sub-sectors: the Upper North Shore, the Mid North Shore and the Lower North Shore (Appendix 1). The most densely populated sub-sector is the Upper North Shore, where there were 56 000 inhabitants at the last census in 2001, 60 % of the North Shore's population. The Mid North Shore ranks second with more than 31 000 inhabitants, followed by the Lower North Shore with 5 600 inhabitants.

**Graph 1: Distribution of the Population in Quebec's Maritime Sectors, 2001**




Source: Statistics Canada, 2001 Census, special compilations

**Graph 2: Population Development on the North Shore, 1986 to 2001**




Source: Statistics Canada, 2001 Census, special compilations

While Quebec's population growth is tailing off[2], the North Shore's population is decreasing year after year. This sector's demographic development illustrates a negative trend with a population that has decreased by more than 6% between 1986 and 2001. Between 1996 and 2001, this decline was the mostly noticeable with a population decline of more than 5% (5 200 inhabitants). During this period, the Upper North Shore and Mid North Shore's sub-sectors experienced the most significant population declines, i.e. 6% (3 400 inhabitants) and 5% (1 700 inhabitants) respectively. On the Lower North Shore, the population decline reached 2.5% (145 inhabitants) during this same period. The population decline observed in the North Shore has an effect on the economy since it leads to a

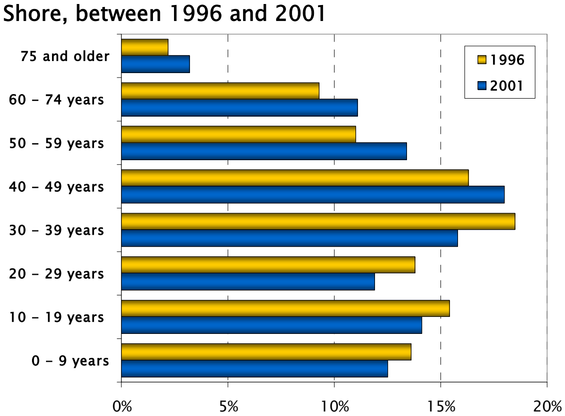
[1] The designation "maritime sector" used in this document refers to geographical regions defined by Fisheries and Oceans Canada. The main maritime sectors are the Gaspé Area, the North Shore and the Magdalen Islands (see Appendix 1).

[2] Between 1996 and 2001, the population growth in Quebec was 1.1%.

decrease in the demand for goods and services. There are thus less consumers spending for goods and services in one area.

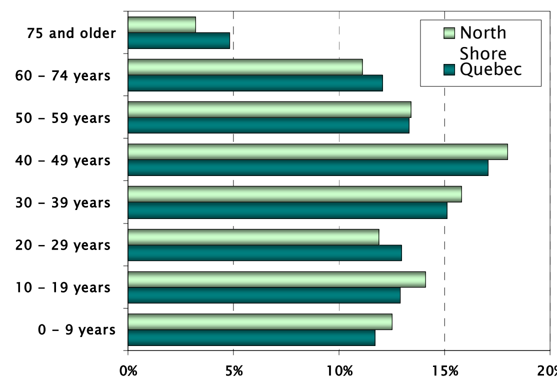
Moreover, these population changes are not taking place in a uniform manner. Indeed, when observing the evolution of the North Shore's age pyramid between 1996 and 2001, the effect of the youth exodus and the most important proportion of people aged 40 years and older are noticeable. During this period, the proportion of 15 to 39 year olds dropped from 40% to 35%. The greatest population decline relates to the population aged between 30 and 34 years. Despite this situation, the North Shore's demographic profile is getting closer to that of Quebec than the other maritime sectors. In fact, there is an even greater proportion of young people aged between 0 and 39 on the North Shore when compared with all of Quebec. The North Shore's economy, more diversified than in any other maritime sector, explains this situation. Indeed, the secondary sector (manufacturing and construction) is more important on the North Shore than in any other maritime sector. The secondary sector employed 21% of workers in 2000 while in the Gaspé Area and the Magdalen Islands, this sector employed about 16% of workers.

**Graph 3: Evolution of the Age Pyramid for the North Shore, between 1996 and 2001**




Source: Statistics Canada, 2001 Census, special compilations

**Graph 4: Age Pyramids for the North Shore and Quebec, 2001**



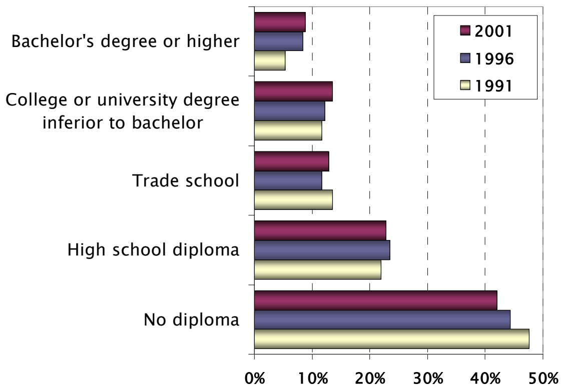

Source: Statistics Canada, 2001 Census, special compilations

## 1.2 Level of Education

There has been a positive evolution of the education level on the North Shore in the last ten years. While the proportion of the population with no diploma is decreasing, an increasingly significant share of the population now holds a Bachelor's degree or a post-graduate degree.

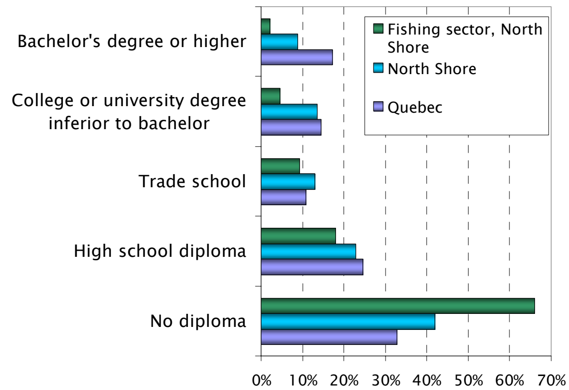
When comparing the different levels of education in Quebec, the North Shore and the North Shore's fishing industry, there are important disparities. Among other things, the proportion of the population holding no diploma is higher in the North Shore's fishing industry that in all of the North Shore and Quebec. However, this proportion of non-graduates is currently following a declining trend since it went from 78% in 1991 to 63% in 2001.

**Graph 5: Evolution of the Level of Education on the North Shore, 1991 to 2001**




Source: Statistics Canada, 2001 Census, special compilations

**Graph 6: Level of Education in Quebec, on the North Shore and in the Fishing Industry, 2001**

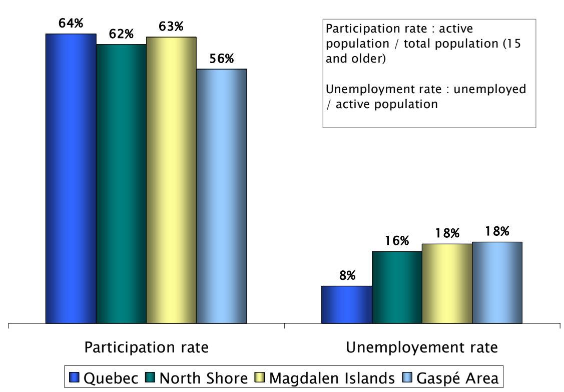



Source: Statistics Canada, 2001 Census, special compilations

## 1.3 Participation Rate and Unemployment Rate

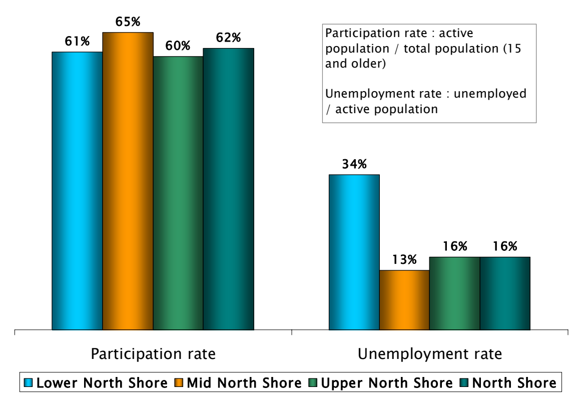
The unemployment rates in the maritime sectors are much higher that those in Quebec. On the North Shore, the difference with Quebec reaches nearly eight percentage points, an unemployment rate of 16% in 2001. Moreover, regional differences within the North Shore are significant. The Lower North Shore presents the highest unemployment rate, 34%. This situation reflects this region's difficult economic situation, which relies mainly on fishing. Moreover, on the Mid North Shore, the unemployment rate is the lowest of all of the North Shore's sub-sectors (13%).

**Graph 7: Participation Rate and Unemployment Rate in the Maritime Sectors and in Quebec, 2001**




Source: Statistics Canada, 2001 Census, special compilations

**Graph 8: Participation Rate and Unemployment Rate on the North Shore, 2001**



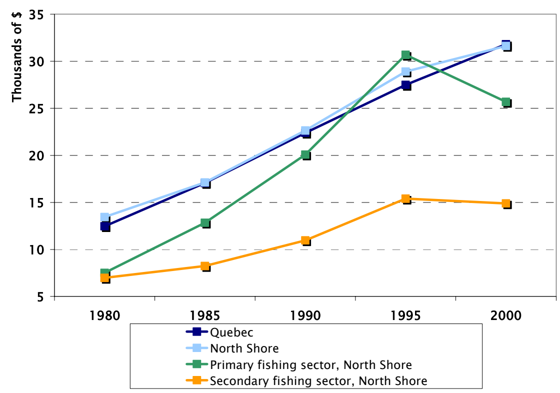

Source: Statistics Canada, 2001 Census, special compilations

The participation rate is also an important variable that helps qualify the labour market. It compares the proportion of the active population with the total population aged 15 years and older. This rate also illustrates the capacity of an economy to generate employment. Moreover, the North Shore's participation rate is approaching Quebec's participation rate, which means that a significant share of the total population aged 15 years and older is composed of active population. However, the evolution and composition of income qualifies the labour market more precisely.

## 1.4 Development and Composition of Income

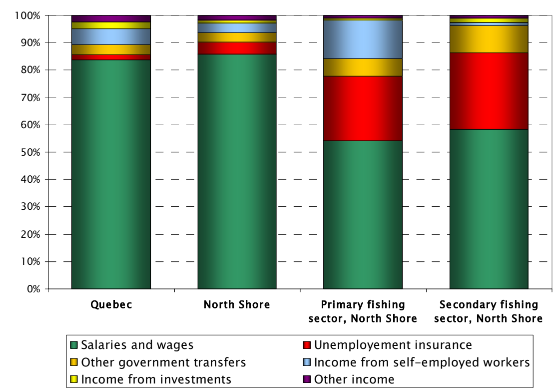
The average income of the North Shore's population can be compared to the population of Quebec. However, there are certain differences in the composition of average income. While income from government transfers represented 5.6% in 2000, this percentage was only 8% on the North Shore.

**Graph 9: Evolution of the Average Income in Quebec, on the North Shore and in the Fishing Industry, 1985 to 2000**




Source: Statistics Canada, 2001 Census, special compilations

**Graph 10: Composition of the Average Income for the Population, 2000**




Source: Statistics Canada, 2001 Census, special compilations

It is interesting to note that, in 1995, the average income for the North Shore's primary fishing sector[3] was higher than for all of the North Shore and Quebec. The record value of snow crab landings in 1995 explains these results. Moreover, the average income for the primary fishing sector has decreased in 2000. There was also a slight decrease in average income in the secondary sector between 1995 and 2000.

The average income for the secondary sector[4] is well below the average income for Quebec and the North Shore. In 2000, the gap was widening and the difference with Quebec's

[3] The primary fishing sector refers to the capture of fish resources.

[4] The secondary fishing sector refers to the processing of fish resources.

average reached more than 50%. Moreover, for the population working in this sector, the proportion of average income from employment insurance (28%) was greater than in the primary sector on the North Shore (24%), the entire North Shore (4%) and Quebec (2%).

Moreover, government transfer payments[5] are the main source of income for an important share of the population working in the fishing industry. In the primary sector, this proportion is 31% while it reaches 40% in the secondary sector. As a comparison, this same proportion reaches 13% for all of the North Shore's population and 8% for Quebec's population.

Employment insurance is an important component of transfer payments in the fishing industry since this source of income represents 74% of transfer payments for the population working in the secondary sector. This proportion reaches 78% for the population working in the North Shore's primary sector.

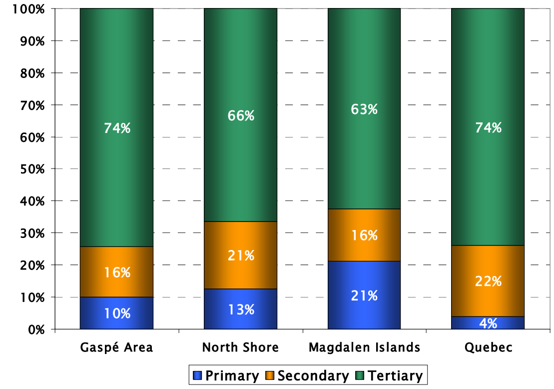
It is important to mention that the average income for the population of the Lower North Shore ($24 K) is lower than the average observed on the entire North Shore ($31.6 K) and in other maritime sectors. The gap between the average income for the population of the Lower North Shore and the North Shore is 24%. The Lower North Shore's economy is not very diversified and fishing represents this sub-sector's main economic activity.

## 1.5 Sectors of Activity

On the North Shore, the primary sector generates 13% of jobs, three times more than the proportion observed for the entire province of Quebec. The logging and mining industry as well as fishing activities make up the greater part of the primary sector. The North Shore's secondary sector generates a higher proportion of jobs than in the other maritime sectors. Moreover, this proportion is comparable with the one observed for all of Quebec.

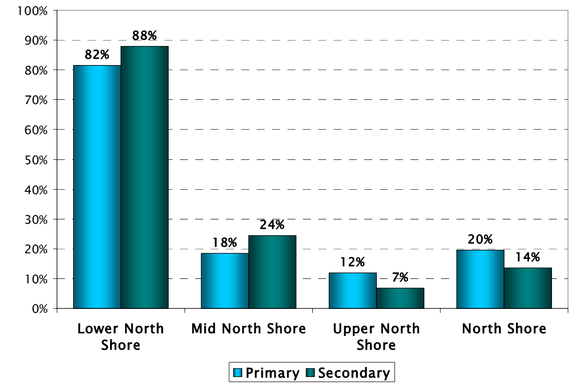
[5] Government transfers: income from all government transfers provided by federal, provincial and municipal governments. The payment of transfers include Old Age Security Pension and Guaranteed Income Supplement, benefits from the Quebec Pension Plan or the Canada Pension Plan, employment insurance, family allowances, federal tax credits for children and other income from public sources.

**Graph 11: Distribution of the Active Population According to Sector of Economic Activity and Maritime Sector, 2001**




Source: Statistics Canada, 2001 Census, special compilations

**Graph 12: Proportion of the Population Aged 15 Years and Older in the Primary and Secondary Sectors of the Fishing Industry in the Maritime Sectors, 2001**




Source: Statistics Canada, 2001 Census, special compilations

The fishing industry is an important component of the North Shore's economy since 20% of the population aged 15 years and older is related to this primary sector's economic activity. This proportion is 14% in the secondary sector. However, there are great differences between the North Shore's different sub-sectors. The dependence on the fishing industry is the greatest on the Lower North Shore since the majority of the population aged 15 years and older working in the primary sector is related to this industry (82%). For the secondary sector, this proportion is 88%.

In Quebec, 8 200 people were working in the primary fishing sector and in the marine product processing sector in 2001. Moreover, nearly 90% of workers were found in the maritime sectors of the Gaspé Area (43%), the North Shore (24%) and the Magdalen Islands (23%), a total of 7 300 people. On the North Shore, nearly 2 000 people were working in the fishing industry in 2001.

**Table 1: Individuals Aged 15 Years and Older in the Fishing Industry in Quebec and the Maritime Sectors, 2001**

| | Gaspé Area | Magdalen Islands | North Shore | Upper North Shore | Middle North Shore | Lower North Shore | Elsewhe-re in Quebec | Quebec |
|---|---|---|---|---|---|---|---|---|
| Primary sector | 1 620 | 1 020 | 965 | 340 | 315 | 310 | 245 | 3 850 |
| Secondary sector | 1 925 | 755 | 1 020 | 385 | 425 | 220 | 660 | 4 360 |
| Total | 3 545 | 1 775 | 1 985 | 725 | 740 | 530 | 905 | 8 210 |

Source: Statistics Canada, 2001 Census, special compilations

## 1.6 Labour Market Indicators[6]

**Special Collaboration with Human Resources and Skills Development Canada (HRSDC)**

The labour market situation deteriorated significantly in the North Shore/Northern Quebec[7] region in 2003. It marks a drastic change compared with 2002. 2002 was mostly a very good year regarding regional employment. In fact, it represents the best of the last ten years regarding the majority of labour market indicators. In 2002, the highest employment level, the strongest activity rate, the highest employment rate as well as the lowest unemployment rate were reached during the 1993-2002 period.

2003 was the complete opposite of 2002 when undesirable records were reached. Indeed, the employment level in 2003 represents the lowest level reached on the territory during the last ten years, except for 1998.

Table 2 presents the main labour market indicators for the last three years as well as the average of these three years for the North Shore/Northern Quebec region and all of Quebec. The working age population is declining, which reflects the regional demographic trends arising from a low birth and migration rate. Thus, the working age population has decreased on average by 0.9% from 2001 to 2003 while the population of the whole province has increased by 0.8%.

In 2003, this sector's active population was estimated at 57 800 people, which represents the lowest level of the last three years and which is definitely lower than the 2001-2003 triennial average of 59 700 people. By comparing the active population's average between

[6] This section presents recent data on the labour market. It was prepared by Human Resources and Skills Development Canada (HRSDC) using data from Statistics Canada's Labour Force Survey. Statistics Canada publishes an estimation of the main labour market indicators every month based on economic region, using the results of the Labour Force Survey (LFS). These regions are generally made up of several census divisions within a province. In Quebec, the census divisions correspond to the territorial limits of regional county municipalities (RCM). It is the only monthly and annual estimation of activity on the intra-provincial labour market.

[7] The North Shore extends from Tadoussac, on the Upper North Shore, to Blanc Sablon, on the Lower North Shore, and includes the northern cities of Fermont and Schefferville as well as the Indian reserves of Matimekosh and Kawawachikamach. However, the Labour Force Survey data includes a greater territory than the one covered by the North Shore. In fact, the monthly data available regards the North Shore and Northern Quebec. This territory includes the census divisions of the Upper North Shore, Manicouagan, Sept-Rivières and Caniapiscau, Minganie, the Gulf of St. Lawrence's north shore and the Northern Territory. At the 2001 census, 97 766 people were living in the four census divisions on the North Shore while 38 575 people were living in the Northern Quebec census division.

2001 and 2003 with the previous three-year average (1998-2000), there is a loss of 500 individuals, a decrease of 0.8%. In comparison, Quebec experienced an average increase of 1.9% of its active population during the same period.

For the 2001-2003 period, Quebec's share of active population was 1.5%, less than the population representation of individuals aged 15 years and older (1.6%). Indeed, the activity rate indicated 61.5% in 2001-2003 and 64.9% in Quebec. Compared with the 1998-2000 period, the regional activity rate remained relatively stable because it was estimated at 61.4% for this period.

After an exceptional 2002 year, employment significantly declined in 2003 to settle at 49 900. The employment level thus stood below the 50 000 mark for the second time only in the last ten years. It was 1 700 fewer when compared with the one observed in 2001 when it reached 51 600. On average, for the 2001-2003 period, employment reached 52 200 people despite the poor performance in 2003, which means a slight increase of 200 jobs compared with the previous three-year period. The region's labour market evolved unevenly in the last few years and these fluctuations were very marked in the last two years. After the 2002 peak, 2003 represents the lowest point. Employment decreased on average by 1.6% annually on the North Shore during the 2001-2003 period while this indicator demonstrated the opposite in Quebec for the same period with a growth of 2.1%. The North Shore, like many other peripheral regions, is faced with a decline of its working age population, which inevitably has an impact on the level of employment. Many factors may be attributed to this phenomenon, but the main ones are population exodus and the aging workforce. While the population increased in Quebec, it decreased on the North Shore. The employment rate went from 53.1% in 1998-2000 to 53.8% in 2001-2003, an increase of 0.7 percentage points. Meanwhile, Quebec's unemployment rate rose from 57% to 59.2%, an increase of 2.2 percentage points, an increase proportionally three times greater that the one observed in the North Shore/Northern Quebec region. This weak evolution of the employment rate means that the gap of 3.9 percentage points that separated the Quebec region in 1998-2000 has widened to 5.4 percentage points in 2001-2003.

**Table 2: Main Labour Market Indicators for the 2001-2003 Period, North Shore/Northern Quebec Region**

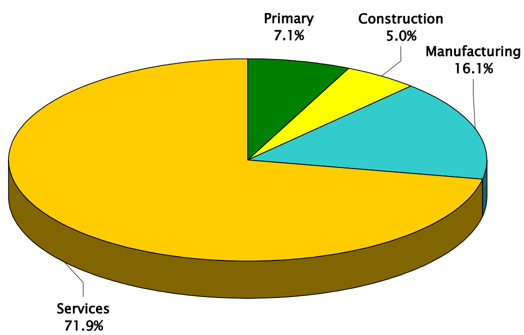
| | North Shore/Northern Quebec | | | | Province of Quebec | | | | North Shore/ Quebec |
|---|---|---|---|---|---|---|---|---|---|
| | 2001 | 2002 | 2003 | 2001-2003 | 2001 | 2002 | 2003 | 2001-2003 | 2001-2003 |
| Population Aged15 years and older ('000) | 97.8 | 97.1 | 96.1 | 97.0 | 5 984.5 | 6 033.3 | 6 083.5 | 6 033.8 | 1.6% |
| Active population ('000) | 59.4 | 61.9 | 57.8 | 59.7 | 3 806.9 | 3 930.2 | 4 016.5 | 3 917.9 | 1.5% |
| Employment ('000) | 51.6 | 55.2 | 49.9 | 52.2 | 3 474.5 | 3 593.1 | 3 649.9 | 3 572.5 | 1.5% |
| Unemployed ('000) | 7.8 | 6.7 | 7.9 | 7.5 | 332.3 | 337.1 | 366.6 | 345.4 | 2.2% |
| Participation rate (%) | 60.7 | 63.8 | 60.2 | 61.5 | 63.6 | 65.1 | 66.0 | 64.9 | |
| Employment rate (%) | 52.8 | 56.9 | 52.0 | 53.8 | 58.1 | 59.6 | 60.0 | 59.2 | |
| Unemployment rate (%) | 13.2 | 11.0 | 13.6 | 12.5 | 8.7 | 8.6 | 9.1 | 8.8 | |

Sources: Statistics Canada, Labour Force Survey and compilation from Human Resources and Skills Development Canada (HRSDC)

As for unemployment, the rate varies from one year to the next, but generally varies between 13% and 15%. It generally remains between three to four percentage points above the one observed in Quebec. After reaching its lowest level in the last ten years in 2002 (11%), it went up again in 2003 to settle at 13.6%. The average for the 2001-2003 period sets the regional unemployment rate at 12.5%, which represents an improvement when compared with the previous period (13.7%). In Quebec, the unemployment rate dropped from 9.3% to 8.8% on average in 2001-2003, and that, despite a jump of 9.1% in 2003.

The North Shore's economy revolves around the logging, mining and fishing resource processing industries. The primary sector counted some 3 700 jobs in2001-2003, 7.1% of total employment, while this sector only represented 2.8% of total employment in Quebec. The primary sector has lost relative importance since the beginning of the 1990s. This trend was initiated with the economic problems encountered by the territory's opencast mines starting in 1992. The primary sector's workforce decreased by half between 1991 and 1995, going from 9 400 to 4 700 during this period. This declining trend continued, but more slowly. The average level of employment has decreased by 200 in this sector when comparing the employment level of the 1998-2000 period with the 2001-2003 period.

**Graph 13: Distribution of Employment 2001-2003, North Shore/Northern Quebec Region**




Source: Statistics Canada, Labour Force Survey

The construction industry presents very different employment levels from one year to the next. This phenomenon can be explained by the cyclic demand for labour generated by the many major investment projects on the North Shore since the beginning of the 1990s, such as the construction and expansion of Aluminerie Alouette in Sept-Îles, and Alcoa, in Baie-Comeau, at the beginning of the 1990s. Note also the expansion observed in the mid 1990s, in the Upper North Shore's wood processing industry, the Sainte-Marguerite-3 dam site, and, finally, the current period, which corresponds to the expansion of Aluminerie Alouette, near Sept-Îles, and to a hydroelectric project on the Toulnoustouc River, north of Baie-Comeau. The average employment level in this area for the 2001-2003 period was estimated at 2 600, a decrease of 7.1% when compared with the previous three-year period. The construction industry has shown labour peaks from 3 700 to 3 300 workers for 1999 and 2003.

**Table 3: Distribution of Employment among Certain Industrial Groupings, North Shore/Northern Quebec Region**

| Industries | Average employment level in 2001-2003 | Relative job share in the region | Relative job share in Quebec |
|---|---|---|---|
| All industries | 52 200 | 100.0% | 100.0% |
| Primary | 3 700 | 7.1% | 2.8% |
| Construction | 2 600 | 4.9% | 4.3% |
| Manufacturing | 8 400 | 16.0% | 18.1% |
| Services | 37 600 | 72.0% | 74.8% |
| Consumer services | 14 300 | 27.3% | 27.6% |
| Production services | 8 500 | 16.3% | 23.4% |
| Public and parapublic services | 14 900 | 28.4% | 23.8% |

Sources: Statistics Canada, Labour Force Survey and compilation from Human Resources and Skills Development Canada (HRSDC)

The North Shore's manufacturing sector is not very diversified. The workforce is mainly concentrated in the wood processing, paper production and prime metal manufacturing (aluminum plants) industries. Employment in the manufacturing sector has remained relatively stable during the 2001-2003 period. The average employment was estimated at 8 400 for this period, which corresponded to 16% of total employment. However, the average level of manufacturing employment was on the decline compared with the 1998-2000 period when it was 8 700. However, the relative rate of the regional manufacturing industry remains lower than that of Quebec (18.1%).

The service sector counted more than 37 600 jobs in 2001-2003, 72% of total employment, which corresponds to a slightly lower rate that the one observed in Quebec (74.5%).

Contrary to the primary and secondary sectors (construction and manufacturing) that have seen their employment level decline during the last three years, the service sector has increased its workforce during this period. The average employment level rose from 36 600 to 37 600 between the 1998-2000 and 2001-2003 periods, which represents an annual increase of 0.9%.

By analyzing in detail the service sector based on the consumer service[8], production service[9] and public and parapublic service[10] sub-sectors, it is obvious that these services did not evolve to the same extent during the last triennial periods.

On the North Shore, the public and parapublic service sub-sector is the one hiring the most workers, 14 900 or 28.5% of total employment. Consumer services are not far behind with 14 300 workers. These two sectors have seen their employment level increase during the

[8] Wholesale and retail trade, lodging/food service, culture and recreation, personal and various services.

[9] Transportation and storage, public utilities, finance, insurance, real estate and business services.

[10] Education, social and health services and public administration.

2001-2003 period. If the increase was slight for consumer services (200 jobs), it was much more significant in public and parapublic services (1 300 jobs). These increases corresponded to annual growth rates of 0.3% and 3.1% respectively. The production service sub-sector has seen its employment level decrease, going from 8 900 for the 1998-2000 period to 8 500 for the 2001-2003 period.

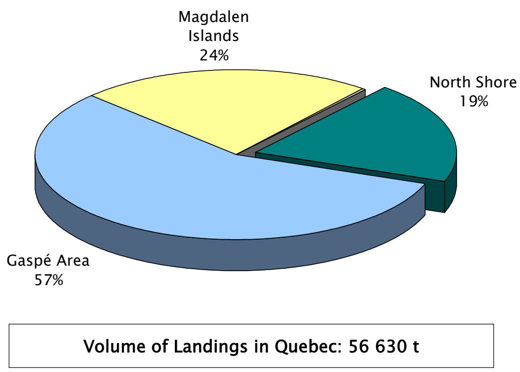
# 2. The Fishing Industry on the North Shore: An Overview

## 2.1 Marine Fisheries

### 2.1.1 Evolution of Landings

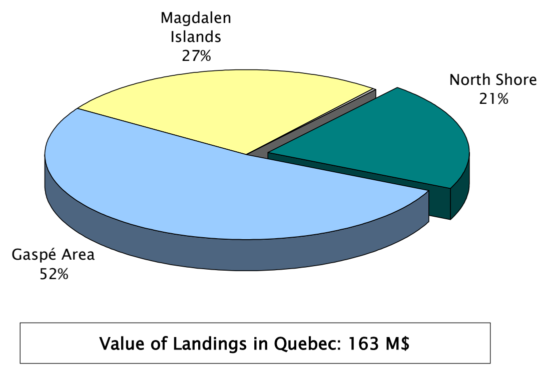
In 2003, commercial fishing on the north Shore represented about 20% of Quebec's landings, both in value and in volume. Landings in this area amounted to 11 000 tons for a value of nearly $34 million. Moreover, even if mariculture[11] is not as important as marine fisheries, this industry is developing on the North Shore. In 2003, five businesses (six licences) were conducting aquacultural operations on approximately 4 000 hectares. This maricultural production is essentially composed of scallop.

**Graph 14: Distribution of Landings in Quebec's Maritime Sectors, in Volume, 2003p**




Source: Statistics Branch, DFO, Quebec Region.
Compilation: DRPE, DFO, Quebec Region

**Graph 15: Distribution of Landings in Quebec's Maritime Sectors, in Value, 2003p**




Source: Statistics Branch, DFO, Quebec Region.
Compilation: DRPE, DFO, Quebec Region

In 2003, commercial fishing landings were made in 45 North Shore ports. The most important ports in terms of volume are, in order, Havre-Saint-Pierre, Sept-Îles and La Tabatière. The most important in terms of value are Sept-Îles, Havre-Saint-Pierre and Natashquan. These last three ports are all located in the Mid North Shore maritime sub-sector.

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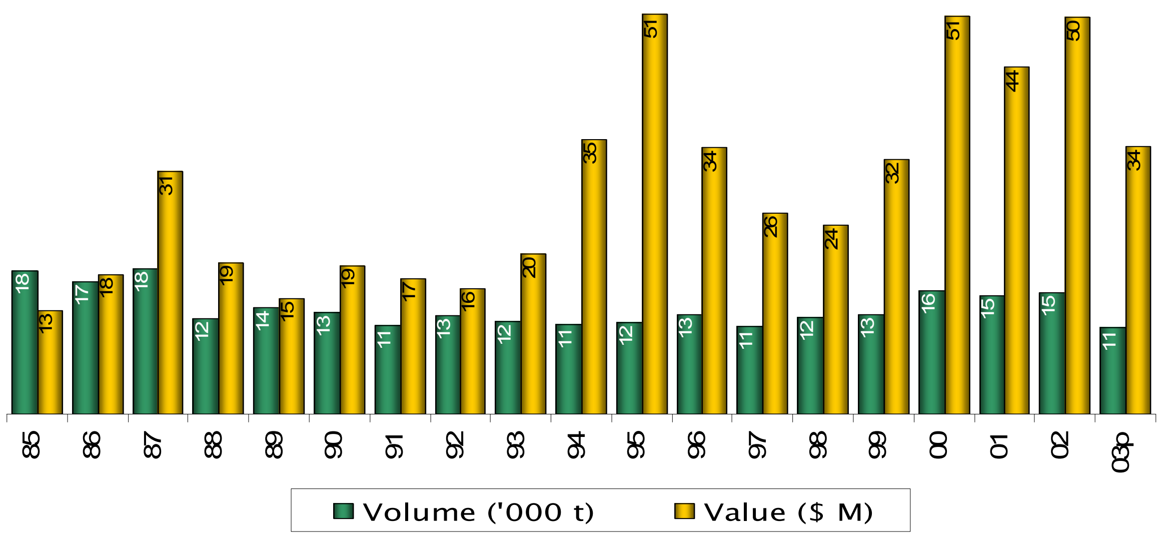
[11] Mariculture: saltwater aquaculture. The publication of the data on mariculture for the North Shore maritime sector is limited due to data confidentiality. In fact, few businesses are working in this area of economic activity on the North Shore (five businesses). A more exhaustive analysis of Quebec's aquaculture industry is available in this publication: *The Fishing Industry in Quebec, Socio-Economic Profile*

In Quebec, the Port of Sept-Îles ranks 12th in terms of volume and 11th in terms of value with landings of 1 200 t for a value of $4.6 million. This is mostly due to snow crab landings, which represent more than 50% of this port's activities in volume and more than 83% in landed value. With landings relatively similar to those of the Port of Sept-Îles, the Port of Havre-Saint-Pierre is also in a good position with 1 200 t in landings for a value of $4.3 million. This allows the Port of Havre-Saint-Pierre to rank 11th in terms of volume and 12th in terms of landed value.

**Graph 16: Evolution of Landings in the Fishing Industry, North Shore, 1985-2003p**

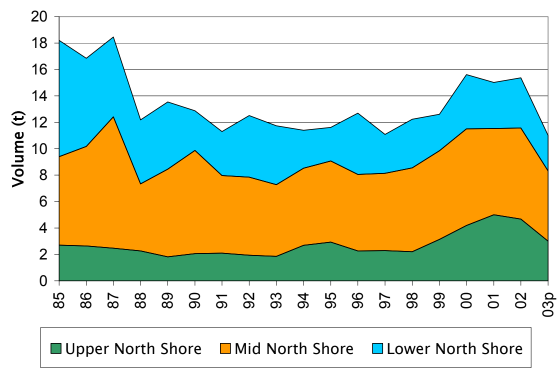



Source: Statistics Branch, DFO, Quebec Region
Compilation: DRPE, DFO, Quebec Region

A look at the evolution of landings emphasizes that the landed values realized between 2000 and 2002 constitute three of the four best historic years. In 2003, the landed value decreased by $16.4 million to reach $34 million, which is mainly due to snow crab quota decreases and the closing of cod and snow crab fishing in Area 13. For their part, landed volumes were relatively stable between 2000 and 2002 to finally decrease by more than 28% in 2003 and reach 11 000 t. However, this volume is getting closer to the historic average realized since 1988.

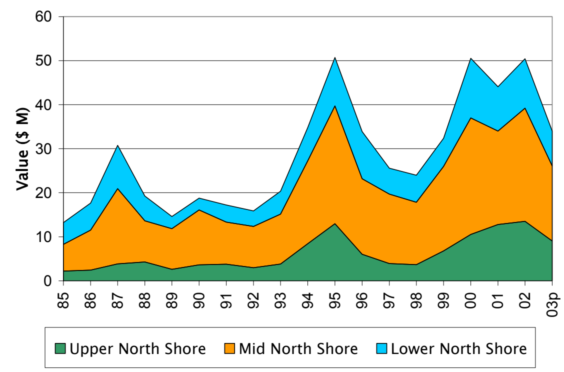
Among the North Shore's three sub-sectors, the Mid North Shore is the main region, both in value and volume. In 2003, landings in this maritime sub-sector represented more than 5 300 t for a value of more than $17 million. This region, which includes the North Shore's two main fishing ports, has almost always been first in importance on the North Shore since the mid 1980s.

**Graph 17: Evolution of Landings on the North Shore, by Maritime Sub-Sector, in Volume , 1985-2003**




Source: Statistics Branch, DFO, Quebec Region
Compilation: DRPE, DFO, Quebec Region

**Graph 18: Evolution of Landings on the North Shore, by Maritime Sub-Sector, in Value, 1985-2003**



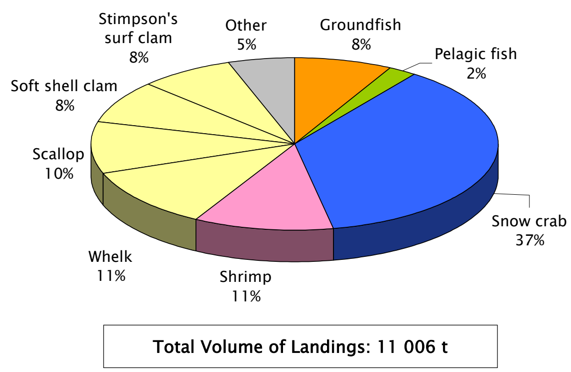

Source: Statistics Branch, DFO, Quebec Region
Compilation: DRPE, DFO, Quebec Region

The Upper North Shore sub-sector ranks 2nd with $9 million in landings in 2003. The Lower North Shore sub-sector ranks 3rd with nearly $8 million in landings. These results were obtained while moratoriums on cod and snow crab fishing in Area 13 were in effect. These two closings caused landings to decrease by more than $3 million (30%) in 2003. Landings amounted to more than $11 million in 2002.

### 2.1.2 Species Landed

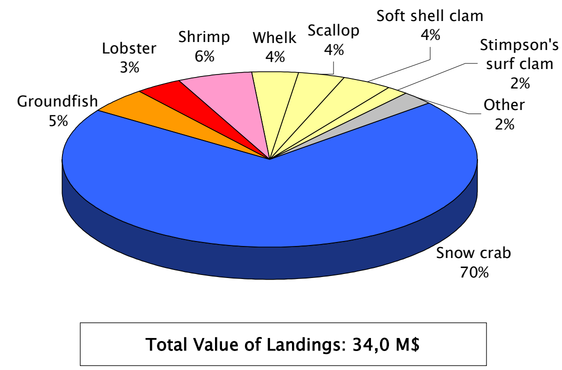
During 2003, snow crab catches represented 37% (4 000 t) of landed volumes on the North Shore and more than 70% ($24 M) of landed values in this maritime sector. In terms of volume, other main landed species were whelk (1 300 t), shrimp (1 200 t), scallop (1 100 t), soft shell clam (900 t), groundfish (900 t), which is mainly composed of Greenland halibut, and Stimpson's surf clam (800 t).

**Graph 19: Breakdown of Species Landed, in Volume, North Shore, 2003p**




Source: Statistics Branch, DFO, Quebec Region
Compilation: DRPE, DFO, Quebec Region

**Graph 20: Breakdown of Species Landed, in Value, North Shore, 2003p**

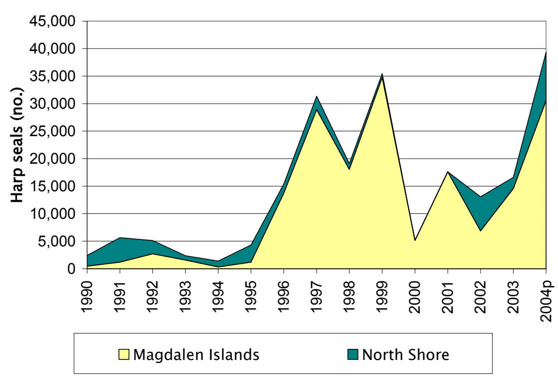



Source: Statistics Branch, DFO, Quebec Region
Compilation: DRPE, DFO, Quebec Region

Regarding landed value, behind snow crab are shrimp with landings of nearly $2 million, followed by groundfish ($1.6 M), soft shell clam ($1.4 M), scallop ($1.2 M) and whelk ($1.2 M).

Seal hunting also represents an important economic activity for the North Shore maritime sector with more than $300,000 in revenues in 2004. During that year, close to 9 000 harp seals were caught on the North Shore, a historic record for this maritime area. This activity is mainly carried out on the Lower North Shore. Seal catches vary greatly from one season to the next as the following graph shows. The variability of ice conditions from one spring to the next is one reason for this situation.

**Graph 21: Evolution of the Catches of Harp Seals in Quebec, 1990-2004p**

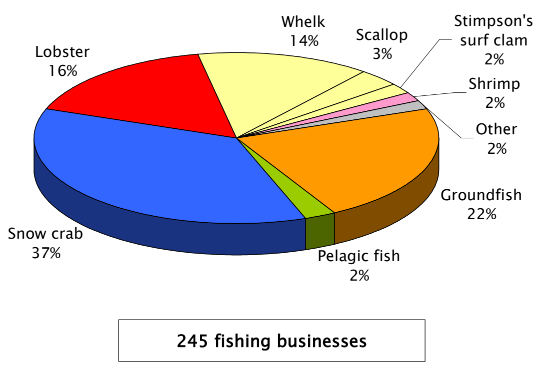



Source: Statistics Branch, DFO, Ottawa and Quebec Region

## 2.1.3 Workforce

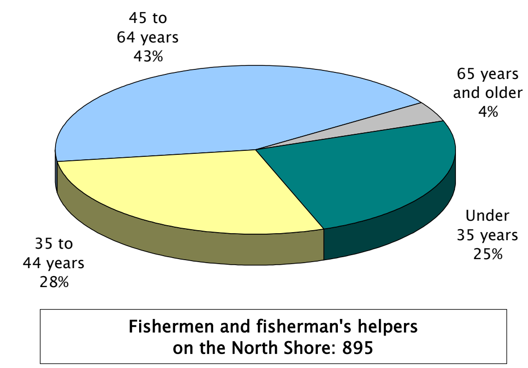
In 2003, there were 245 active fishing businesses in the North Shore's commercial fishing industry. Out of this number, 89 were mainly snow crab businesses, 55 groundfish businesses, 40 lobster businesses, 34 whelk businesses and 8 scallop businesses.

**Graph 22: Distribution of Businesses According to Main Species Landed, North Shore, 2003p**




Source: Statistics Branch, DFO, Quebec Region
Compilation: DRPE, DFO, Quebec Region

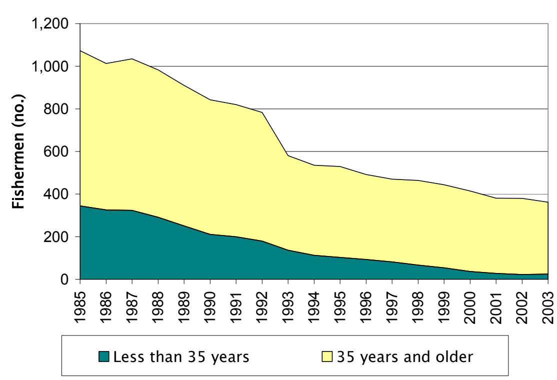
**Graph 23: Distribution of Fishermen and Fisherman's Helpers According to Age, North Shore, 2003p**




Source: Statistics Branch, DFO, Quebec Region for fishermen and BAPAP for fisherman's helpers
Compilation: DRPE, DFO, Quebec Region

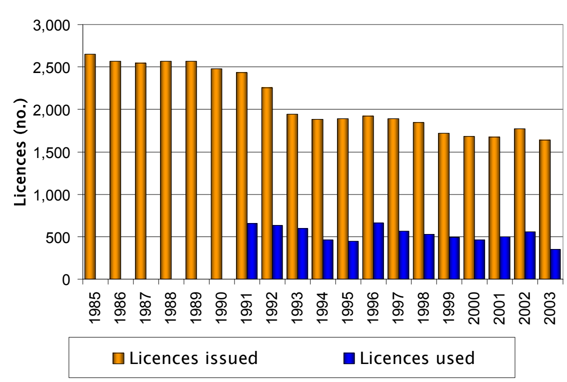
Moreover, the North Shore counted nearly 900 fishermen and fisherman's helpers in 2003. A little less than half (43%) were aged between 45 and 64, 28% were aged between 35 and 44, 25% were aged less than 35 and 4% were aged more than 65. This age distribution is relatively similar to Quebec's average.

**Graph 24: Evolution of the Number of Fishermen According to Age, North Shore, 1985-2003p**




Source: Statistics Branch, DFO, Quebec Region
Compilation: DRPE, DFO, Quebec Region

**Graph 25: Evolution of the Number of Licences According to Status, North Shore, 1985-2003p**



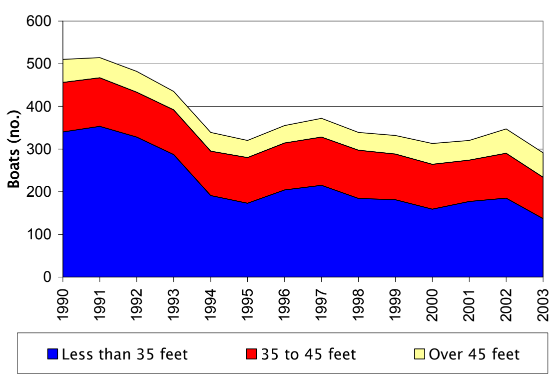

Source: Statistics Branch, DFO, Quebec Region
Compilation: DRPE, DFO, Quebec Region
*Note: Data on exploited licences are not available before 1991.

Since 1985, the number of fishermen[12] has decreased significantly on the North Shore. Indeed, there were approximately 1 100 fishermen in 1985 while there are only 362 fishermen today in this maritime sector, a 66% decrease The number of fishermen aged less than 35 has also decreased, as both a number and an absolute proportion. This area counted nearly 350 fishermen aged less than 35 in 1985, nearly half of the fishermen of this area, while there were 25 fishermen in 2003, less than 10% of the total number of fishermen.

The number of licences issued has decreased to a lesser extent since 1985. Indeed, the number of licences issued has decreased by nearly 40% during this period to amount to about 1 650 in 2003. Since 1990, the exploitation rate of licences has been relatively stable, between 20% and 30%.

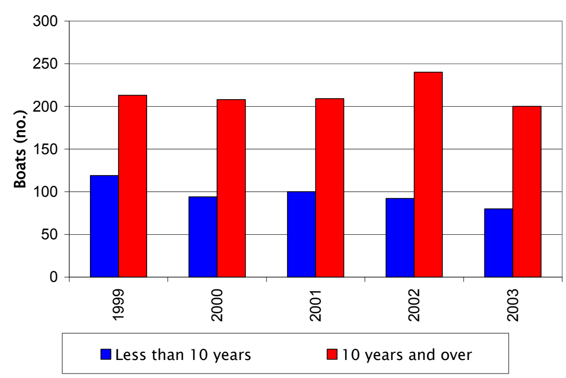
A look at the size of boats used for commercial fishing emphasizes a significant decrease in the use of boats less than 35 feet long. Moreover, the use of boats between 35 and 45 feet long seems relatively stable while the use of boats more than 45 feet long is slightly increasing. In 1990, boats less than 35 feet long represented nearly two-thirds of boats used for commercial fishing. They represent less than 50% today. In 2003, there was a total of 291 active fishing boats on the North Shore.

**Graph 26: Evolution of the Number of Active Fishing Boats According to Size, North Shore 1990-2003p**




Source: Statistics Branch, DFO, Quebec Region
Compilation: DRPE, DFO, Quebec Region

**Graph 27: Evolution of the Number of Active Fishing Boats According to Age, North Shore, 1999-2003p**




Source: Statistics Branch, DFO, Quebec Region
Compilation: DRPE, DFO, Quebec Region

The distribution of boats according to age, as for the whole province, emphasizes the aging of the fishing fleet. Boats less than 10 years old represented 36% of the fleet in 1999 while they only represented 29% of the North Shore's fleet in 2003. The aging of the fleet may be to a lesser extent that what is reflected in statistics since major repairs can be

[12] The number of fishermen corresponds to the number of fishermen registered with the DFO. Not all of these fishermen are necessarily active.

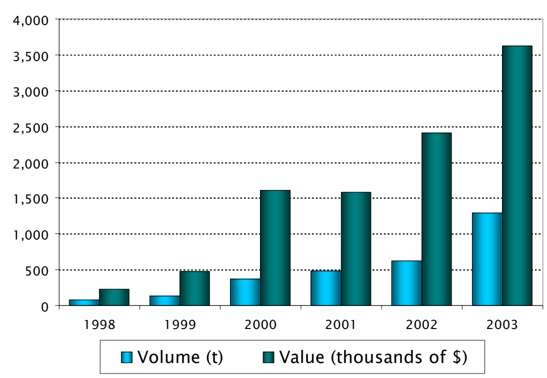
carried out on the vessel to increase its operating life. In that case, according to statistics and despite reconditioning, the vessel is still old in age.

### 2.1.4 First Nations

Seven First Nations are active in commercial fishing on the North Shore. These First Nations are the Innu of Essipit, Betsiamites, Uashat Mak Mani-Utenam (Sept-Îles), Natashquan, Ekuanitshit (Mingan), Unamen Shipu (La Romaine) and Pakua Shipi (St-Augustin). Following the Sparrow decision, the Fisheries and Oceans Canada implemented the Aboriginal Fisheries Strategy (AFS) in 1992, whose goal is to support aboriginal communities in managing subsistence fisheries and facilitating access to commercial fishing. Thus, thanks to this strategy, the landings by the North Shore's First Nations were initiated in 1996 and have constantly increased since 1998.

In 2003, the North Shore's First Nations have used 20 boats for the exploitation of their commercial fishing licences. More than 100 fishermen and fisherman's helpers have participated in these fishing operations.

**Graph 28: Evolution of Landings by First Nations, North Shore, 1998-2003p**




Source: Statistics Branch, DFO, Quebec Region
Compilation: DRPE, DFO, Quebec Region

Between 1996 and 1999, landings by the North Shore's seven First Nations were mainly composed of snow crab and represented a total annual income under $500,000. During the last few years, these aboriginal communities have significantly increased their snow crab fishing activities while diversifying their operations, including scallop, lobster, soft shell clam, whelk, shrimp and Greenland halibut.

In 2000, the North Shore's First Nations landed 371 t for a value of $1.6 million. At that time, snow crab fishing activities represented more than 90% of this value. In 2003, these same First Nations landed nearly 1 300 t for a value of $3.6 million, which represents an increase of nearly 125% of these communities' income during the last four years. Although snow crab still represents a great share of the communities' income with a landed value of $2.4 million in 2003, the proportion representing landings of other species has increased by 24 percentage points to reach 34% of the total income or $1.2 million.

## 2.2 Processing of Fishery Resources

### 2.2.1 Evolution of Sales

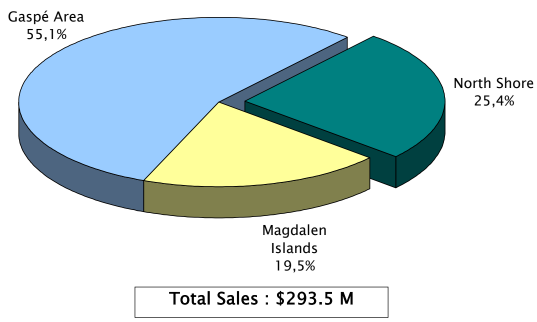
The North Shore's processing industry[13] is composed of 25 businesses that generally buy their fish and seafood directly from the fishermen[14] to then export or resell them on the local market. Most of these businesses process their products once (freezing, salting, cooking, packing, etc.) before selling them. In 2002, the purchase of fish and seafood purchases by these businesses amounted to $46.1 million and their sales amounted to $74.6 million, 25.4% of all Quebec's maritime sectors.

The sale of marine products on the North Shore has had important fluctuations during the last thirteen years. Indeed, after having almost tripled between 1990 and 1995, jumping from $26.1 million to $75.3 million, sales fell $34.1 million in 1997 to then reach $79.6 million in 2000 and then $74.6 million in 2002. Snow crab, whose production varied between $12 million and $63 million during these years, is the reason for most of these fluctuations.

[13] The term "processing" refers to all activities in the fishing industry's secondary and tertiary sector.

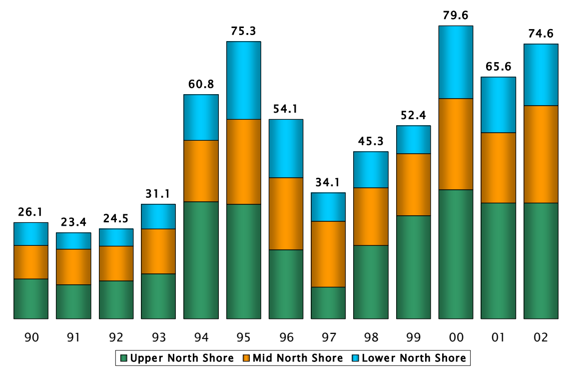
[14] In 2002, 95% of fisheries purchases stemmed from landing ports on the North Shore. The other 5% were from the Gaspé Area.

**Graph 29: Distribution of the Sale of Marine Products in the Maritime Sector, 2002**




Source: Statistics Branch, DFO, Quebec Region
Compilation: DRPE, DFO, Quebec Region

**Graph 30: Evolution of Sales for Processing Businesses on the North Shore, 1990 to 2002**




Source: Statistics Branch, DFO, Quebec Region
Compilation: DRPE, DFO, Quebec Region

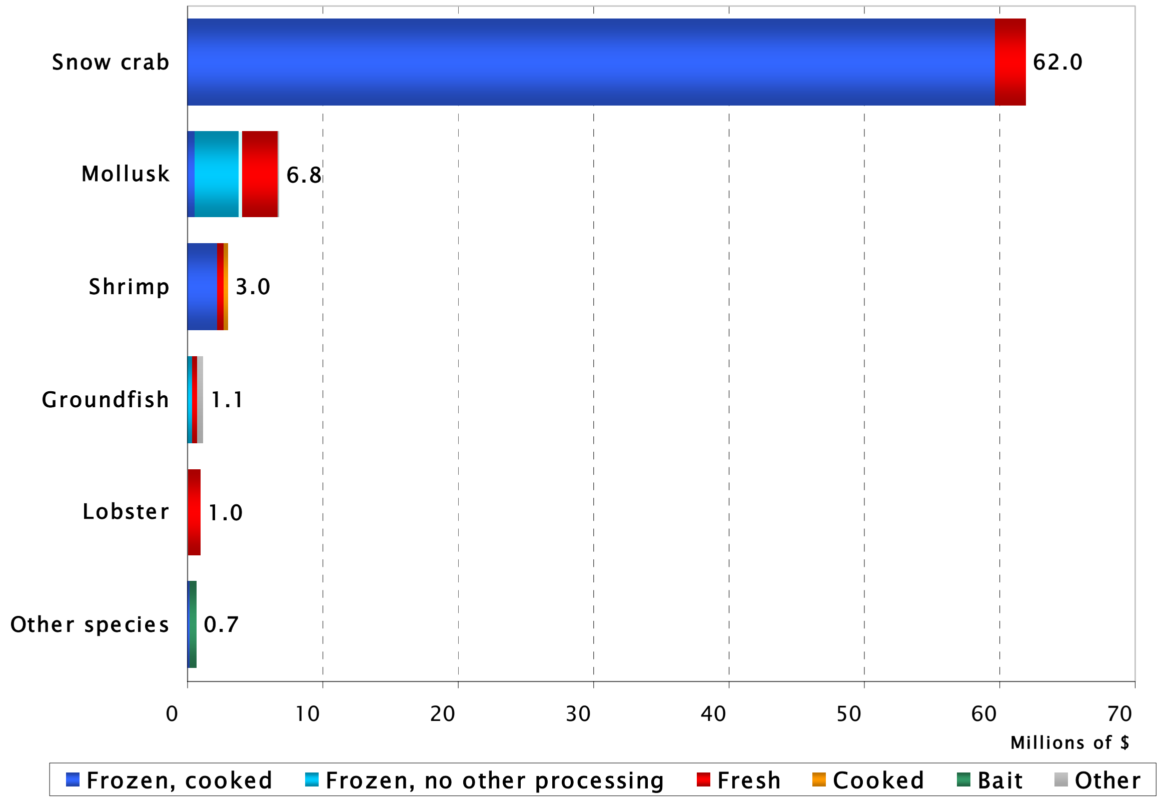
In general, when the sale of snow crab increases in Quebec compared with the sale of other species, the North Shore's share increases in Quebec's total sales. In fact, since 1990, snow crab represents between 50% and 85% of the sale of the North Shore's marine products, a much higher percentage than that of the other sectors.

## 2.2.2 Species Sold

In 2002, snow crab sales reached $62 million on the North Shore, which makes it the main processed species in this maritime sector (83% of sales), far ahead of mollusks ($6.8 M) and shrimp ($3 M). Quebec's snow crab is mainly exported to the United States and Japan. The sales value of other species amounted to about $2.8 million, less than 4% of regional business sales.

Nearly 97% of snow crab is sold cooked and frozen. As for mollusks (scallop, whelk and soft shell clam), half is sold frozen without any other processing while nearly 40% is sold fresh. Finally, over 70% of shrimp is sold cooked and frozen while the remaining is sold fresh. The majority of Quebec sales of shrimp is intended for the American market.

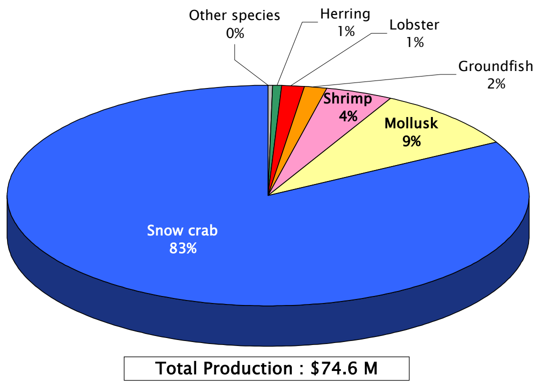
Graph 31: Value and Composition of Production on the North Shore, 2002




Source: Statistics Branch, DFO, Quebec Region
Compilation: DRPE, DFO, Quebec Region

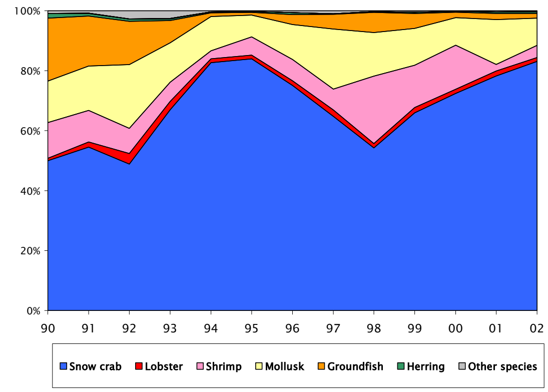
Between 1990 and 1995, the share of groundfish in the total sale of marine products on the North Shore decreased significantly, from 20% to 1%. This decrease only emphasized a trend already initiated in 1984 when the share of groundfish reached 34%. This situation is attributable to the collapse of cod stocks as well as to the moratorium that followed.

**Graph 32: Composition of Species Sold, in % of Value, North Shore, 2002**




Source: Statistics Branch, DFO, Quebec Region
Compilation: DRPE, DFO, Quebec Region

**Graph 33: Composition of Species Sold, in % of Value, North Shore, 1990 to 2002.**




Source: Statistics Branch, DFO, Quebec Region
Compilation: DRPE, DFO, Quebec Region

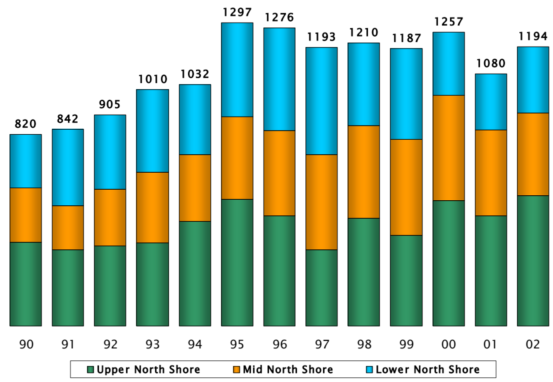
Sales of shrimp varied between $7 million and $12 million from 1998 to 2000 while they usually do not exceed $4 million. During these three years, the shares of shrimp respectively reached 22%, 14% and 15% of North Shore's sales, representing all-time highs.

Moreover, an increased production of soft shell clam and whelk compensated for the decrease in scallop sales with the result that mollusks sales experienced slight but constant increases between 1990 and 2002. Finally, snow crab sales have greatly varied during the past twelve years due to the biological cycle variations of the crab and the markets. The proportion of this species in the sale of the North Shore's marine product even increased since, on average, the share of snow crab rose from 66% of sales between 1990 and 1996 to 71% between 1996 and 2002.

## 2.2.3 Labour

The number of jobs in the marine product processing sector on the North Shore experienced a strong increase between 1990 and 1995, going from 820 to 1 297 jobs. Since 1995, the number of jobs remained relatively stable despite a significant decrease in sales between 1996 and 2000. The North Shore's processing sector thus provided nearly 1 200 jobs in 2002, of which 750 were attributable to snow crab processing and sales, 250 to mollusks and 115 to shrimp. It is to be noted that these figures represent the maximum number of employees and that the majority of these jobs are seasonal.

Graph 34: Number of Jobs in the Marine Product Processing Sector, North Shore, 1990 to 2002




Source: Statistics Branch, DFO, Quebec Region
Compilation: DRPE, DFO, Quebec Region

Table 4: Main Businesses on the North Shore, Marine Product Processing Sector, 2002

| BUSINESS NAME | COMMUNITY NAME | NUMBER OF JOBS | PRODUCTION |
|---|---|---|---|
| CRUSTACÉS BAIE-TRINITÉ | BAIE-TRINITÉ | 225 to 250 | $10 to $25 M |
| POISSONNERIE DU HAVRE | HAVRE-SAINT-PIERRE | 175 to 200 | $10 to $25 M |
| POSEIDON | LONGUE-POINTE-DE-MINGAN | 125 to 150 | $5 to $10 M |
| LES CRABIERS DU NORD | STE-ANNE-DE-PORTNEUF | 100 to 125 | $5 to $10 M |
| L. A. SEAFOOD | LA TABATIÈRE | 100 to 125 | N/A |
| ST-PAUL'S SEAFOODS | RIVIÈRE ST-PAUL | 75 to 100 | Under $5 M |
| POISSONNERIE LAPRISE | CHUTES-AUX-OUTARDES | 50 to 75 | Under $5 M |
| COQUILLAGES NORDIQUES | FORESTVILLE | 50 to 75 | Under $5 M |
| PECHÊRIE MANICOUAGAN | LES ESCOUMINS | 50 to 75 | Under $5 M |
| COMMUNITY SEA FOODS COOP | HARRINGTON HARBOUR | 50 to 75 | N/A |
| 15 OTHER BUSINESSES | | 110 | $3.0 M |
| **TOTAL** | | **1194** | **$74.6 M** |

Sources: MAPAQ, CRIQ and MPO, Quebec Region
Compilation: DRPE, DFO, Quebec Region

## 2.2.4 Businesses

In 2002, the marine product processing sector on the North Shore was composed of 25 businesses spread throughout 20 communities. However, the ten main businesses in this area represented more than 96% of sales and 91% of jobs in the industry. These ten businesses employed between 50 and 250 people and generally possessed processing equipment. On average, the fifteen other businesses employed less than ten people and showed net sales of $200,000. These smaller businesses generally specialize in sales and process very little of the marine products they purchase from the fishermen.

## 2.2.5 Outlook for 2003

Although data on the processing sector is not yet available for 2003, it is possible to provide estimates thanks to the preliminary data on landings. These indicate that the landed value has decreased by 33% on the North Shore in 2003 to reach $31 million. In Quebec, a less significant decrease of 8% was observed. We can thus expect the North Shore's 2003 processing sector data to reveal a relatively significant decrease in sales and that the share of Quebec's total production significantly decreases compared with that of other maritime sectors.

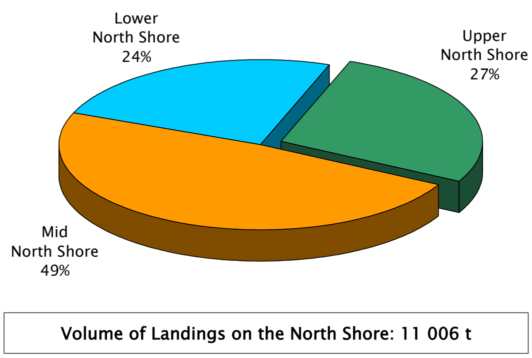
# 3. The Fishing Industry on the Upper North Shore: An Overview

## 3.1 Marine Fisheries

### 3.1.1 Evolution of Landings

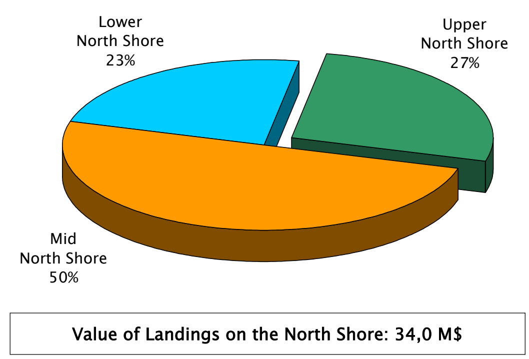
The Upper North Shore maritime sub-sector represented, in 2003, a little over one quarter of the North Shore's landings, both in value and volume. In 2003, landings amounted to 3 000 t for a value of $9 million. In Quebec, the Upper North Shore's landings thus represented 5% of the total, both in value and volume.

**Graph 35: Distribution of Landings in the North Shore's Maritime Sub-Sectors, in Volume, 2003p**




Source: Statistics Branch, DFO, Quebec Region
Compilation: DRPE, DFO, Quebec Region

**Graph 36: Distribution of Landings in the North Shore's Maritime Sub-Sectors, in Value, 2003p**

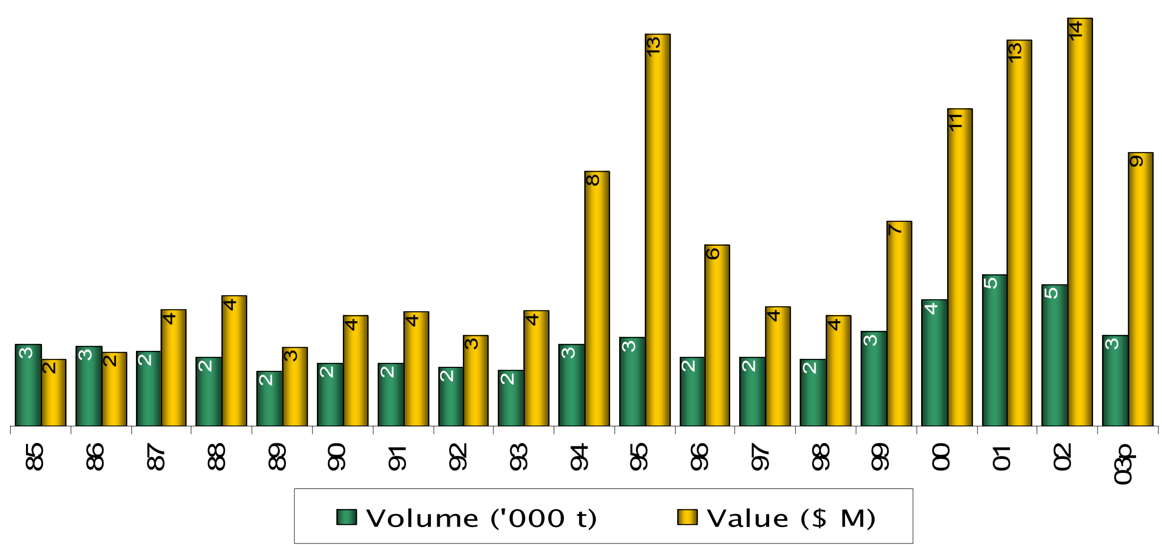



Source: Statistics Branch, DFO, Quebec Region
Compilation: DRPE, DFO, Quebec Region

In 2003, commercial fishing landings were made in 18 ports on the Upper North Shore. The most important ports in terms of volume are, in order, Sainte-Anne-de-Portneuf, Forestville and Baie-Comeau. The most important in terms of value are Baie-Comeau, Les Escoumins and Sainte-Anne-de-Portneuf.

In Quebec, the Port of Baie-Comeau ranks 27th in terms of volume and 21st in terms of value with landings of a little over 500 t for a value of $2.6 million.

Graph 37 : Evolution of Landings in the Fishing Industry, Upper North Shore, 1985-2003p




Source: Statistics Branch, DFO, Quebec Region
Compilation: DRPE, DFO, Quebec Region

In 2003, landings on the Upper North Shore made up for the fifth best historic year, both in volume and value. These historically high results were obtained despite a 35% decrease in landings compared with the 2002 results, both in volume and value. Moreover, 2002 had the highest landed value while the historic record for landed volumes was realized in 2001.

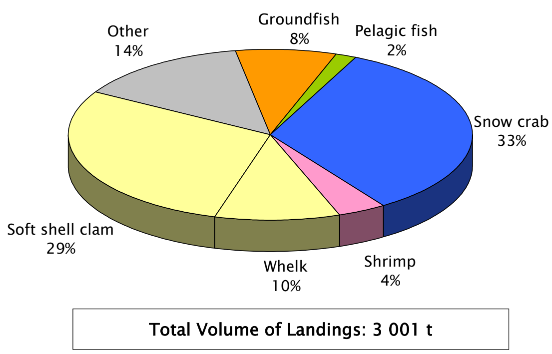
Moreover, landed volumes since 1999 have been higher than previous years. This situation is due in part to high landings of snow crab during this period and to soft shell clam fishing.

Historically, the highest landed values recorded in this maritime sub-sector are in line with the years for which the snow crab commercial value was significant. By taking into account the biological cycle of snow crab and the price variation on the markets, the results recorded in 1994, 1995 and 1996 coincide with years of snow crab abundance paired with favourable market conditions. This mix of favourable conditions also explains the increase in landed value recorded between 1999 and 2002.

### 3.1.2 Species Landed

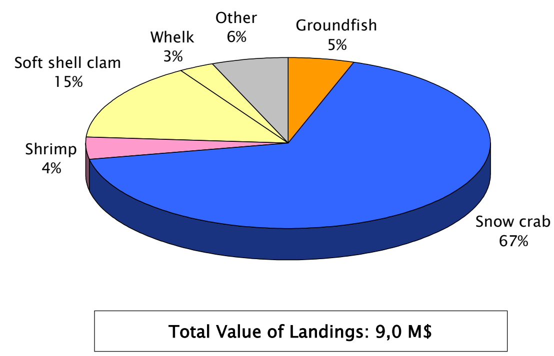
Mollusks and crustaceans represent an important part of the Upper North Shore's commercial fishing activities with 76% of landed volumes and nearly 90% of the total landed value. The main species is snow crab with landings of 1 000 t for a value of $6 million, which represents 33% of landed volumes and 67% of commercial fishing income on the Upper North Shore. Soft shell clam follows with landings of 900 t for a value of $1.4 million. Fishing mollusks represents nearly 30% of landed volumes and 15% of the total commercial fishing value on the Upper North Shore.

**Graph 38: Breakdown of Species Landed, in Volume, Upper North Shore, 2003p**




Source: Statistics Branch, DFO, Quebec Region
Compilation: DRPE, DFO, Quebec Region

**Graph 39: Breakdown of Species Landed, in Value, Upper North Shore, 2003p**



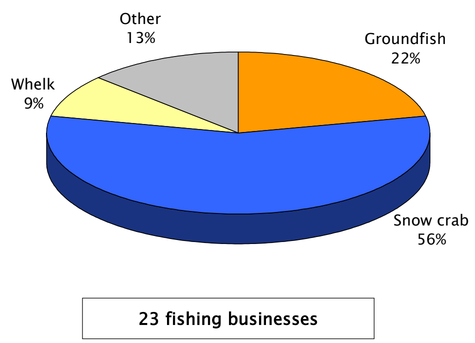

Source: Statistics Branch, DFO, Quebec Region
Compilation: DRPE, DFO, Quebec Region

Other species landed on the Upper North Shore are groundfish ($5,000), which are mainly composed of Greenland halibut, whelk ($3,000) and shrimp ($1,000).

### 3.1.3 Workforce

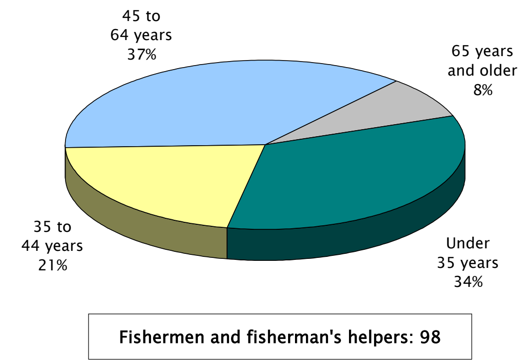
In 2003, there were 23 active fishing businesses on the Upper North Shore. However, this number excluded soft shell clam fishermen since no commercial fishing licences were required to harvest this species in 2003. However, this situation will be different for the 2004 fishing season since a management plan will require, among other things, the registration of commercial fishermen.

**Graph 40: Distribution of Fishing Businesses According to Main Species Landed, Upper North Shore, 2003p**




Source: Statistics Branch, DFO, Quebec Region
Compilation: DRPE, DFO, Quebec Region

**Graph 41: Distribution of Fishermen and Fisherman's Helpers According to Age, Upper North Shore, 2003p**

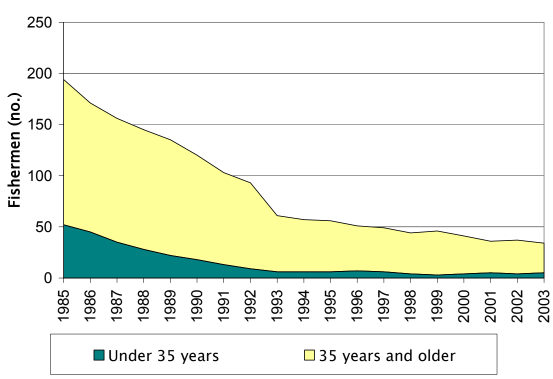



Source: Statistics Branch, DFO, Quebec Region for fishermen and BAPAP for fisherman's helper
Compilation: DRPE, DFO, Quebec Region

Among the 23 active fishing businesses in this sub-sector in 2003, 13 were mainly snow crab businesses, 5 groundfish businesses, 2 whelk businesses and 3 were mainly harvesting other species.

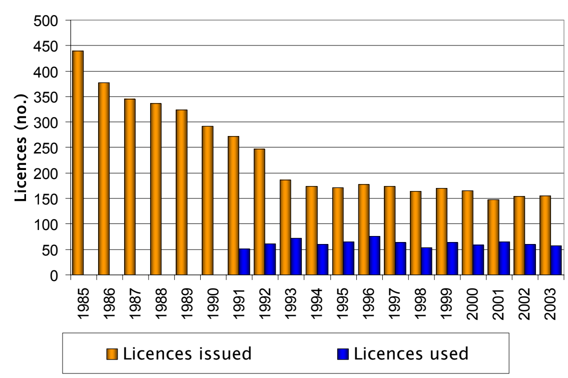
During the 2003 fishing season, there were 100 fishermen and fisherman's helpers on the Upper North Shore. Of this number, 45% were over 45 years of age, 21% were aged between 35 and 44 and 34% were aged less than 35. Moreover, the proportion of fishermen and fisherman's helpers aged less than 35 is one of the highest among all of Quebec's maritime sub-sectors.

**Graph 42: Evolution of the Number of Fishermen According to Age, Upper North Shore, 1985-2003p**




Source: Statistics Branch, DFO, Quebec Region
Compilation: DRPE, DFO, Quebec Region

**Graph 43 : Evolution of the Number of Licences According to Status, Upper North Shore, 1985-2003p**

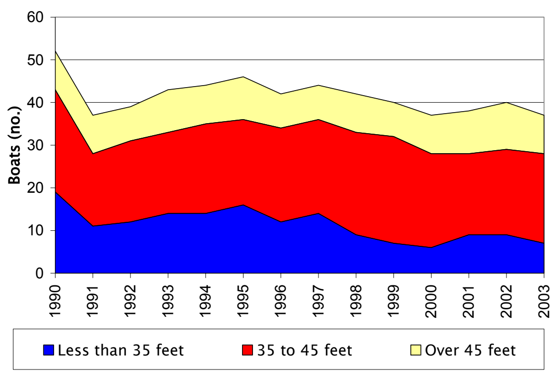



Source: Statistics Branch, DFO, Quebec Region
Compilation: DRPE, DFO, Quebec Region
*Note: Data on exploited licences are not available before 1991.

Since 1985, the number of fishermen on the Upper North Shore has decreased by more than 80%. In 2003, this sub-sector counted nearly 35 fishermen. The proportion of fishermen under 35 years of age also decreased significantly in this sub-sector. In 2003, these last results represented less than 15% of fishermen in this sub-sector.

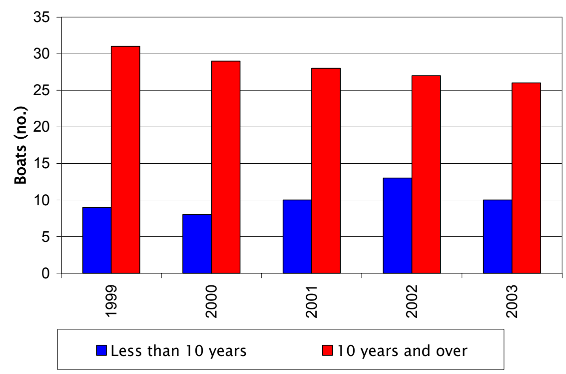
During this period, the number of licences issued substantially followed the same trend as the number of fishermen. Indeed, a decrease of nearly 65% in the number of licences issued since 1985 was observed. However, the license exploitation rate has been relatively stable with about 35% since the beginning of the 1990s.

**Graph 44: Evolution of the Number of Active Fishing Boats According to Size, Upper North Shore 1990-2003p**




Source: Statistics Branch, DFO, Quebec Region
Compilation: DRPE, DFO, Quebec Region

**Graph 45: Evolution of the Number of Active Fishing Boats According to Age, Upper North Shore, 1999-2003p**




Source: Statistics Branch, DFO, Quebec Region
Compilation: DRPE, DFO, Quebec Region

The number of active fishing boats has significantly decreased on the Upper North Shore at the beginning of the 1990s, dropping from 52 boats in 1990 to 37 in 1991. The number of active boats then remained generally stable. In 2003, 19% of the Upper North Shore's boats were less than 35 feet long, 57% were between 35 and 45 feet long and nearly 25% were more than 45 feet long.

The number of boats less than 10 years old has been relatively stable since 1999. This rate varies between 21% and 32% and is now closer to Quebec's average of 28%.

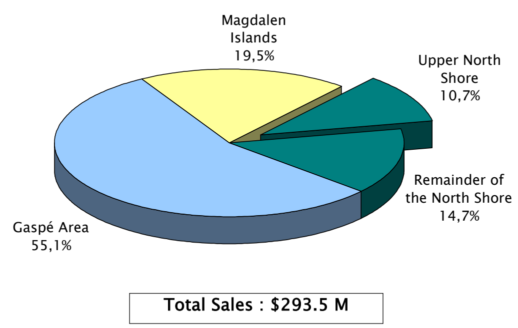
## 3.2 Processing of Fishery Resources

### 3.2.1 Evolution of Sales

The Upper North Shore's processing industry is composed of half a dozen businesses. It is to be noted that less than half of the purchases made by these businesses stemmed from the fishermen landing on the Upper North Shore, the remaining mainly coming from the Mid North Shore and Gaspé North[15].

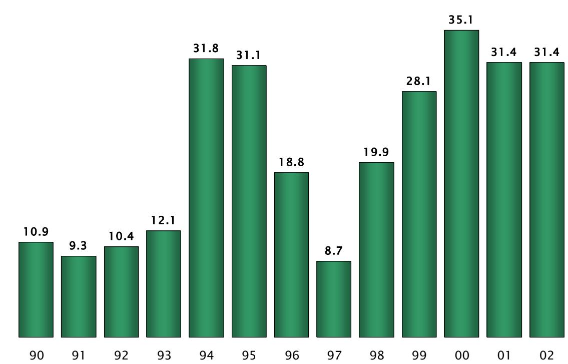
In 2002, these businesses bought for $19.7 million worth of fish and seafood from the fishermen and their sales amounted to $31.4 million, 42.1% of the North Shore's total and 10.7% of all of Quebec's maritime sector sales.

**Graph 46: Distribution of the Sale of Marine Products in the Maritime Sectors, 2002**




Source: Statistics Branch, DFO, Quebec Region
Compilation: DRPE, DFO, Quebec Region

**Graph 47: Evolution of Sales for Processing Businesses on the Upper North Shore, 1990 to 2002**




Source: Statistics Branch, DFO, Quebec Region
Compilation: DRPE, DFO, Quebec Region

Since 1990, the sale of marine products by businesses on the Upper North Shore experienced important fluctuations. Indeed, while they had never exceeded $13 million, sales in this industry suddenly rose from $12.1 million in 1993 to $31.8 million in 1994, a significant increase attributable to the increase in the landed value of snow crab. Then sales dropped to $8.7 million in 1997 only to increase and reach $35.1 million in 2000, a record high. In 2002, sales amounted to $31.4 million.

### 3.2.2 Species Sold

In 2002, $26.5 million of snow crab was sold on the Upper North Shore, which represents nearly 85% of this maritime sub-sector's production. Almost all of this snow crab was sold cooked and frozen. Two other species, soft shell clam and whelk, have seen their sales exceed one million dollars with, respectively, $2.1 million and $1.2 million. Then, in order of importance, are species whose sales have reached more than $100,000, but less than $1 million: Stimpson's surf clam, shrimp and herring.

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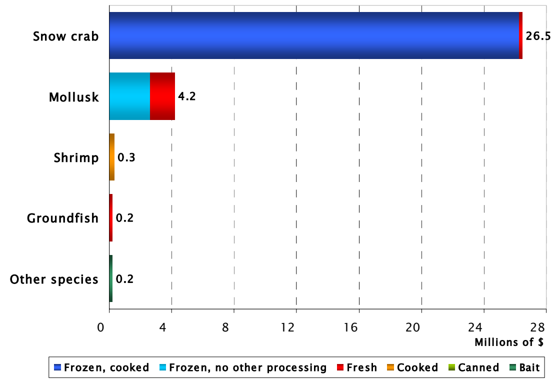
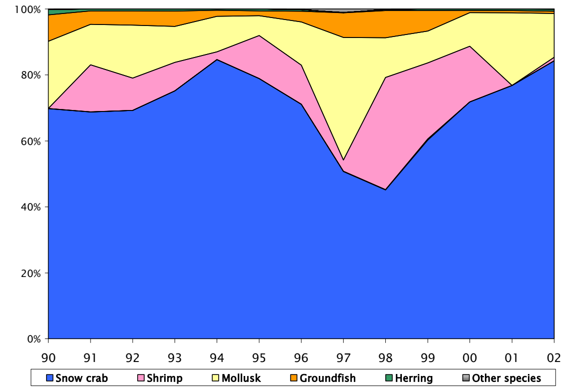
[15] 47.1% of purchases come from landing ports on the Upper North Shore, 40.6% on the Mid North Shore and 10.3% in Gaspé North (100% snow crab).

Graph 48: Value and Composition of Production on the Upper North Shore, 2002




Source: Statistics Branch, DFO, Quebec Region
Compilation: DRPE, DFO, Quebec Region

Graph 49: Composition of Species Sold, in % of Value, Upper North Shore, 1990 to 2002




Source: Statistics Branch, DFO, Quebec Region
Compilation: DRPE, DFO, Quebec Region

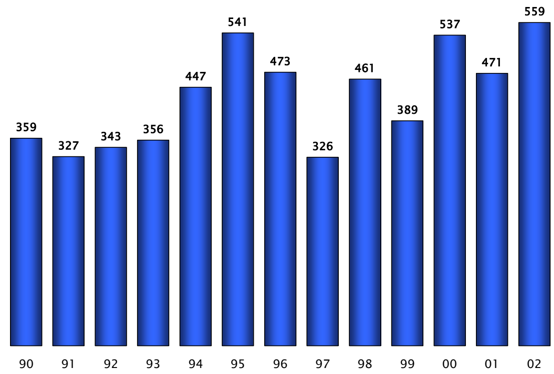
As in the case of other maritime sectors in Quebec, the composition of processing industry sales on the Upper North Shore has changed in the last few years. However, contrary to what was observed elsewhere, the share of groundfish in total sales has remained relatively stable. Snow crab, shrimp and mollusks have seen their share substantially vary between 1990 and 2002. Snow crab, whose catches are very sensitive to biological cycles and whose price can greatly vary from one year to the next, has seen its share of sales go from 70% in 1990 to 51% in 1998 and to 84% in 2002. However, the share of mollusks went from 6% in 1995 to 37% in 1997 and to 13% in 2002. Finally, although sales of shrimp only began in 1991, its share in total sales on the Upper North Shore reached 34% in 1998. However, this species only represented 1% of sales in 2002.

### 3.2.3 Labour

On the Upper North Shore, the number of people working in the marine product processing sector followed the same general trend as the sales, although fluctuations were not to the same extent. Just like sales, the number of jobs increased significantly in 1995 and then abruptly decreased in 1997. Afterwards, the number of jobs varied and finally reached a historic high in 2002.

It is estimated that out of the 559 jobs accounted for on the Upper North Shore in 2002, 370 were attributable to snow crab processing and sales, 60 to soft shell clam and 50 to whelk. It is to be noted that these figures represent the maximum number of employees and that the majority of these are jobs seasonal.

**Graph 50: Number of Jobs in the Marine Product Processing Sector, Upper North Shore, 1990 to 2002**




Source: Statistics Branch, DFO, Quebec Region
Compilation: DRPE, DFO, Quebec Region

**Table 5: Main Businesses on the Upper North Shore, Marine Product Processing Industry, 2002**

| BUSINESS NAME | COMMUNITY NAME | NUMBER OF JOBS | PRODUCTION |
|---|---|---|---|
| CRUSTACES BAIE TRINITE | BAIE-TRINITÉ | 225 to 250 | $10 to $25 M |
| LES CRABIERS DU NORD | STE-ANNE-DE-PORTNEUF | 125 to 150 | $5 to $10 M |
| POISSONNERIE LAPRISE | CHUTES-AUX-OUTARDES | 50 to 75 | Under $5 M |
| COQUILLAGES NORDIQUES | FORESTVILLE | 50 to 75 | Under $5 M |
| PÊCHERIE MANICOUAGAN | LES ESCOUMINS | 50 to 75 | Under $5 M |
| POISSONNERIE MANICOUAGAN | BAIE-COMEAU | 25 to 50 | N/A |
| **TOTAL** | | **559** | **$31.4 M** |

Sources: MAPAQ, CRIQ and MPO, Quebec Region
Compilation: DRPE, DFO, Quebec Region

## 3.2.4 Businesses

In 2002, the marine product processing sector on the Upper North Shore was composed of six businesses spread in as many communities. On average, this sub-sector's businesses employed 93 people and showed net sales of $5.2 million, which is far higher than businesses located in Quebec's maritime areas, which, on average, only employed 40 people and showed net sales of $2.8 million in 2002. Indeed, not only do Upper North Shore's businesses buy important quantities of fish and seafood from the fishermen, but they also execute different levels of processing and do not generally content themselves with resale.

## 3.2.5 Outlook for 2003

Although data about the processing industry is not yet available for 2003, it is possible to provide estimates thanks to the preliminary data on landings. These indicate that the landed value has decreased by 33% on the Upper North Shore to reach $9 million. In Quebec, the decrease in landed value was only of 8%. We can thus expect the 2003 data to reveal a significant decrease in sales and that the share of this maritime sub-sector regarding total production will decrease.

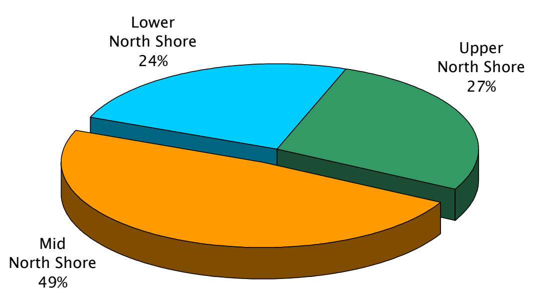
# 4. The Fishing Industry on the Mid North Shore: An Overview

## 4.1 Marine Fisheries

### 4.1.1 Evolution of Landings

The Mid North Shore maritime sub-sector represented, in 2003, nearly half of the North Shore's landings, both in value and volume. The landings in this maritime sub-sector amount to 5 300 t for a value of $17 million. These results represent about 10% of Quebec's commercial fishing activities, both in volume and value.

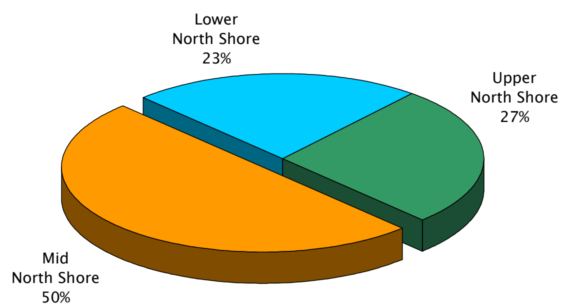
**Graph 51: Distribution of Landings in the North Shore's Maritime Sub-Sectors, in Volume, 2003p**




**Volume of Landings on the North Shore: 11 006 t**

Source: Statistics Branch, DFO, Quebec Region
Compilation: DRPE, DFO, Quebec Region

**Graph 52: Distribution of Landings in the North Shore's Maritime Sub-Sectors, in Value, 2003p**



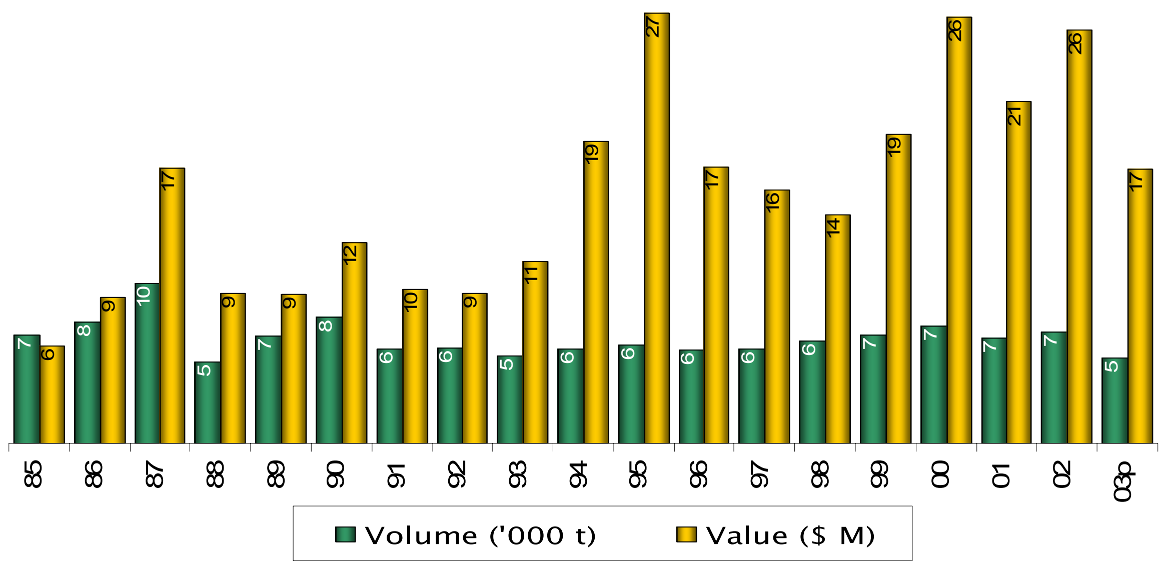

**Value of Landings on the North Shore: 34,0 M$**

Source: Statistics Branch, DFO, Quebec Region
Compilation: DRPE, DFO, Quebec Region

In 2003, commercial fishing landings were made in eleven ports on the Mid North Shore. The most important ports in terms of volume are, in order, Havre-Saint-Pierre, Sept-Îles and Mingan while the most important in terms of value are Sept-Îles, Havre-Saint-Pierre and Natashquan.

Thanks to landings of 1200 t for a value of $4.6 million in 2003, the Port of Sept-Îles ranks 12th in terms of volume and 11th in terms of value in Quebec. The Port of Havre-Saint-Pierre recorded landings slightly below those of Sept-Îles. For 2003, it ranks 11th in terms of volume (1 250 t) and 12th in terms of value ($4.3 M) in Quebec.

Graph 53 : Evolution of Landings in the Fishing Industry, Mid North Shore, 1985-2003p




Source: Statistics Branch, DFO, Quebec Region
Compilation: DRPE, DFO, Quebec Region

The evolution of landings on the Mid North Shore, the North Shore's main sub-sector, has generally varied according to snow crab landings in Area 16 since the mid 1990s. Moreover, snow crab represented more than 75% of landings in value in this maritime sub-sector in 2003.

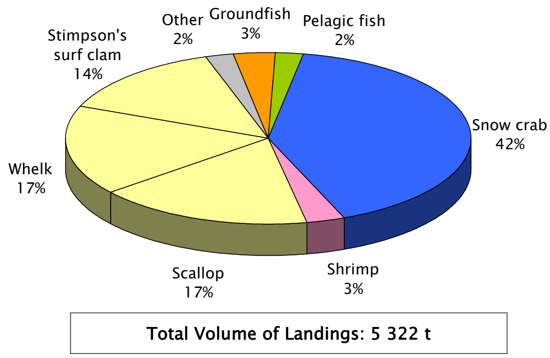
Results for 2003 also show a decrease of nearly 1 600 t (22%) in landed volume and a decrease of $9 million in commercial fishing income. Despite this decrease, landings in this maritime sub-sector remain higher than the historic average reached since 1985.

A look at the evolution of landed volume since 1985 also demonstrates that landed volumes on the Mid North Shore have varied very slightly since 1990. These have generally varied between 6 000 t and 7 000 t, except in 2003, when landings of 5 300 t constituted some of the lowest historic results.

### 4.1.2 Species Landed

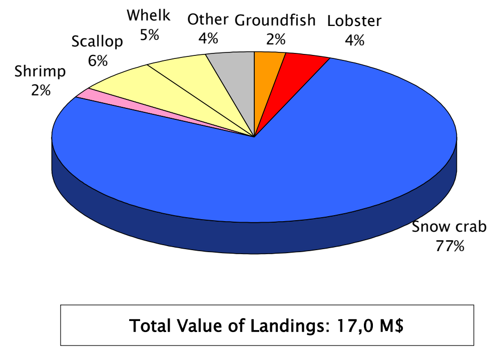
During 2003, catches of mollusks and crustaceans represented about 94% of landings on the Mid North Shore, both in volume and in value.

**Graph 54: Breakdown of Species Landed, in Volume, Mid North Shore, 2003p**




Source: Statistics Branch, DFO, Quebec Region
Compilation: DRPE, DFO, Quebec Region

**Graph 55: Breakdown of Species Landed, in Value, Mid North Shore, 2003p.**




Source: Statistics Branch, DFO, Quebec Region
Compilation: DRPE, DFO, Quebec Region

The main species landed was snow crab. This resource represented, in 2003, 41% of landed volumes and more than three quarters of this maritime sub-sector's landings in terms of value thanks to landings of 2 200 t for a value of $13 million.

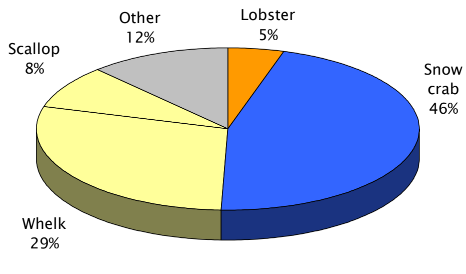
Moreover, when considering landed volumes, after snow crab there is scallop (900 t), whelk (900 t) and Stimpson's surf clam (700 t). Groundfish (200 t) landings are also made on the Mid North Shore. These landings are mainly composed of Greenland halibut. Finally, shrimp (200 t) and pelagic fish (100 t) landings complete the main fishing activities.

Regarding landed value, species other than snow crab represent a little less than one quarter of the Mid North Shore's total commercial fishing income. Besides snow crab, the three most important species are scallop ($1.1 million), whelk ($900,000) and lobster ($600,000).

### 4.1.3 Workforce

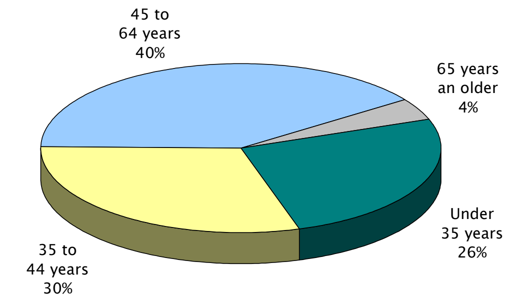
In 2003, there were 83 active commercial fishing businesses on the Mid North Shore, almost one third of the North Shore's businesses. Out of this number, there were 38 snow crab businesses, 24 whelk businesses, 7 scallop businesses and 4 lobster businesses.

**Graph 56: Distribution of Fishing Businesses According to Main Species Landed, Mid North Shore, 2003p**




Source: Statistics Branch, DFO, Quebec Region
Compilation: DRPE, DFO, Quebec Region

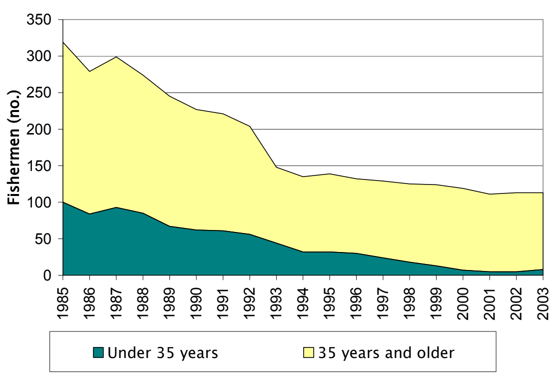
**Graph 57: Distribution of Fishermen and Fisherman's Helpers According to Age, Mid North Shore, 2003p**




Source: Statistics Branch, DFO, Quebec Region for fishermen and BAPAP for fisherman's helpers
Compilation: DRPE, DFO, Quebec Region

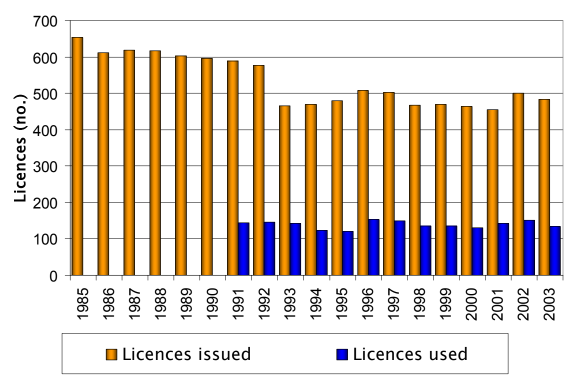
There were nearly 300 fishermen and fisherman's helpers in 2003 on the Mid North Shore. Out of this number, 4% of fishermen and fisherman's helpers were over 65 years of age, 40% were aged between 45 and 64, 30% were aged between 35 and 44 and 26% were aged less than 35. This distribution of fishermen and fisherman's helpers according to age is essentially identical to Quebec's average.

**Graph 58: Evolution of the Number of Fishermen According to Age, Mid North Shore, 1985-2003p**




Source: Statistics Branch, DFO, Quebec Region
Compilation: DRPE, DFO, Quebec Region

**Graph 59: Evolution of the Number of Licences According to Status, Mid North Shore, 1985-2003p**

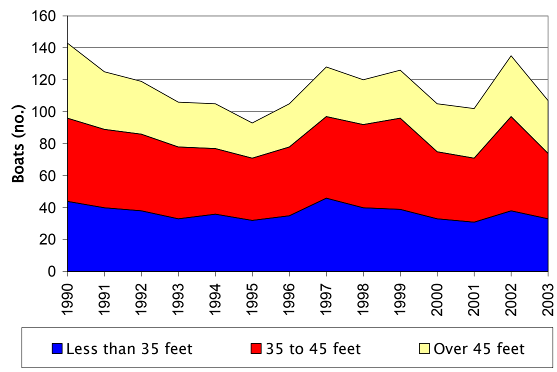



Source: Statistics Branch, DFO, Quebec Region
Compilation: DRPE, DFO, Quebec Region
*Note: Data on exploited licences is not available before 1991.

Since 1985, the number of fishermen on the Mid North Shore decreased by nearly 65% to reach a little over 100 fishermen in 2003. During this period, the number of licences issued decreased by a little over 25% to reach nearly 500 in 2003. Thus, the average number of licences held per fisherman went from 2 in 1985 to 4.3 in 2003.

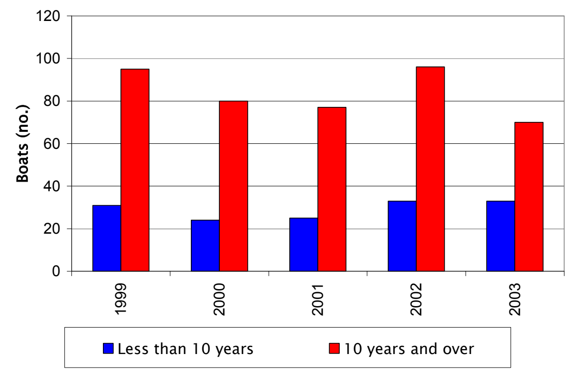
A large proportion of licences held by fishermen generally remains inactive. Indeed, the license exploitation rate has generally varied between 25% and 30% since the beginning of the 1990s.

**Graph 60: Evolution of the Number of Active Fishing Boats According to Size, Mid North Shore 1990-2003p**




Source: Statistics Branch, DFO, Quebec Region
Compilation: DRPE, DFO, Quebec Region

**Graph 61: Evolution of the Number of Active Fishing Boats According to Age, Mid North Shore, 1999-2003p**




Source: Statistics Branch, DFO, Quebec Region
Compilation: DRPE, DFO, Quebec Region

In 2003, there were a little over 100 active fishing boats on the Mid North Shore, which is quite lower than the 143 boats accounted for in 1990. However, the number of active boats has remained relatively stable since the mid 1990s. In 2003, 30% of boats were less than 35 feet long, 38% were between 35 and 45 feet long and 30% were more than 45 feet long.

The number of boats less than 10 years old has been relatively stable between 1999 and 2002, representing nearly 25% of the Mid North Shore's fishing fleet. In 2003, this rate increased by nearly three percentage points to reach 32%. Moreover, this 2003 result is slightly higher than Quebec's average of 28%.

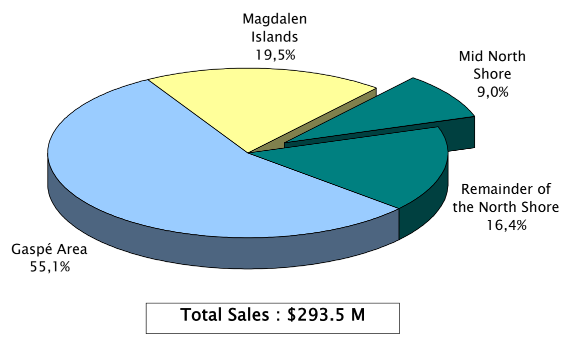
## 4.2 Processing of Fishery Resources

### 4.2.1 Evolution of Sales

The Mid North Shore's processing industry is composed of about ten businesses. In 2002, these businesses purchased for $16.4 million of fish and seafood from the fishermen and their sales amounted to $26.5 million,. 35.4 % of the North Shore's total sales and 9.0% of all of Quebec's maritime sectors.

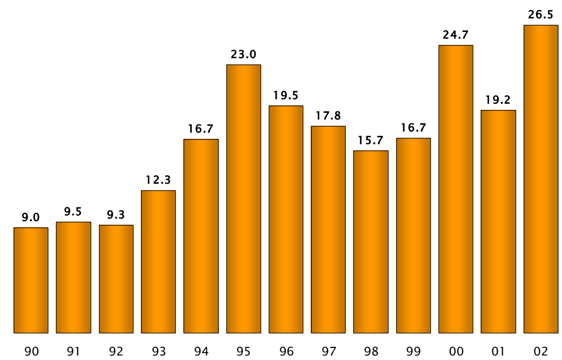
Since 1990, the sale of marine products from the Mid North Shore's businesses experienced important fluctuations. Indeed, between 1990 and 1995, sales have more than doubled, jumping from $9 million to $22 million. During the following years, sales have decreased to reach $15.7 million in 1997 and then increased to reach $26.5 million in 2002, an all-time high. Since snow crab represents an important share of the production by businesses on the Mid North Shore, sales have generally followed the same trend as landings of this species.

**Graph 62: Distribution of the Sale of Marine Products in the Maritime Sectors, 2002**




Source: Statistics Branch, DFO, Quebec Region
Compilation: DRPE, DFO, Quebec Region

**Graph 63: Evolution of Sales for Processing Businesses on the Mid North Shore, 1990 to 2002**

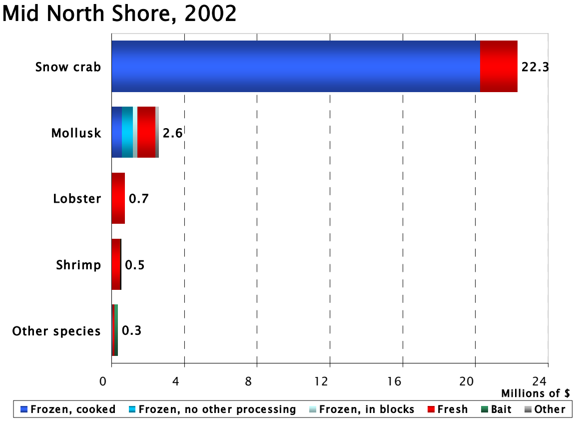



Source: Statistics Branch, DFO, Quebec Region
Compilation: DRPE, DFO, Quebec Region

## 4.2.2 Species Sold

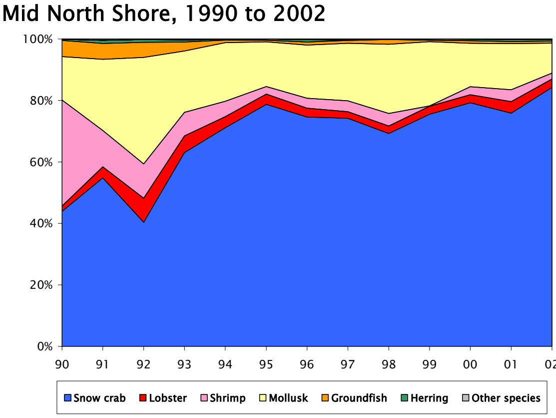
In 2002, $22.3 million of snow crab was sold on the Mid North Shore, which represents nearly 85% of this sub-sector's production. About 86% of this crab was sold cooked and frozen while the remaining was sold fresh or frozen, without any other processing. Two other species, whelk and scallop, have seen their sales exceed one million dollars with, respectively, $1.5 million and $1 million. Then, in order of importance, species whose sales have reached more than $100,000, but less than $1 million: lobster, shrimp and herring.

**Graph 64: Value and Composition of Production on the Mid North Shore, 2002**




Source: Statistics Branch, DFO, Quebec Region
Compilation: DRPE, DFO, Quebec Region

**Graph 65: Composition of Species Sold, in % of Value, Mid North Shore, 1990 to 2002**




Source: Statistics Branch, DFO, Quebec Region
Compilation: DRPE, DFO, Quebec Region

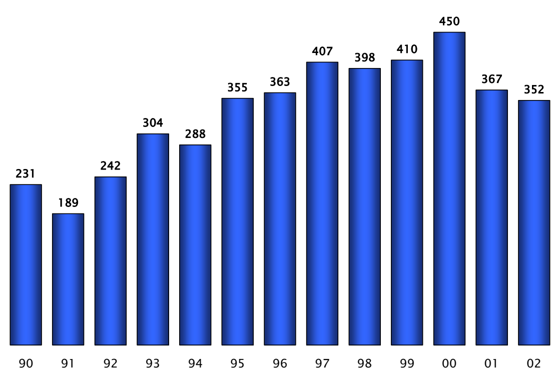
As in Quebec's other maritime areas, the composition of processing industry sales on the Mid North Shore has changed in the last few years, particularly between 1990 and 1995. However, contrary to what was observed elsewhere, the share of groundfish in total sales has remained relatively stable. Snow crab and shrimp have seen their share substantially vary. Indeed, the share of snow crab in total sales went from 44% in 1990 to 79% in 1995 while during the same period, the share of shrimp went from 35% to 2%.

### 4.2.3 Labour

Between 1990 and 2000, the number of people working in the processing industry on the Mid North Shore experienced a relatively stable increase from 221 to 450. However, the number of jobs decreased by nearly 20% in 2001 when there were only 367 people working in this industry.

In 2002, the number of jobs decreased slightly to reach 352. Out of this number, it is estimated that 230 jobs were attributable to snow crab processing and sales, 50 to scallop and 40 to whelk. It is to be noted that these figures represent the maximum number of employees and that the majority of these are jobs seasonal.

**Graph 66: Number of Jobs in the Marine Product Processing Sector, Mid North Shore, 1990 to 2002**




Source: Statistics Branch, DFO, Quebec Region
Compilation: DRPE, DFO, Quebec Region

**Table 6: Main Businesses on the Mid North Shore, Marine Product Processing Sector, 2002**

| BUSINESS NAME | COMMUNITY NAME | NUMBER OF JOBS | PRODUCTION |
|---|---|---|---|
| POISSONNERIE DU HAVRE | HAVRE-SAINT-PIERRE | 150 to 175 | $10 to $25 M |
| POSÉIDON | LONGUE-POINTE-DE-MINGAN | 125 to 150 | $5 to $10 M |
| POISSONNERIE CHEZ OMER | SEPT-ÎLES | 10 to 25 | N/A |
| POISSONNERIE FORTIER ET FRÈRES | SEPT-ÎLES | 10 to 25 | Under $5 M |
| 4 OTHER BUSINESSES | | 6 | $1,2 M |
| **TOTAL** | | **352** | **$26.5 M** |

Sources: MAPAQ, CRIQ, DFO, Quebec Region
Compilation: DRPE, DFO, Quebec Region

### 4.2.4 Businesses

In 2002, the marine product processing sector on the Mid North Shore was composed of eight businesses spread throughout five communities. The two greatest businesses of this sub-sector, Poissonnerie du Havre and Poséidon, represented the majority of jobs and production. The six other businesses employed on average of five people and showed net sales of $350,000. These smaller businesses generally specialize in sales and process little of the marine products purchased from the fishermen.

### 4.2.5 Outlook for 2003

Although data on the processing industry is not yet available for 2003, it is possible to make estimates using the preliminary data on landings. This data indicates that the landed value has decreased by 34% on the Mid North Shore in 2003 to reach $17 million. The decrease observed in Quebec was 8% and 33% on the North Shore. We can thus expect the 2003 data to reveal a significant decrease in sales and that the share of this maritime sub-sector will decrease compared with Quebec's total.

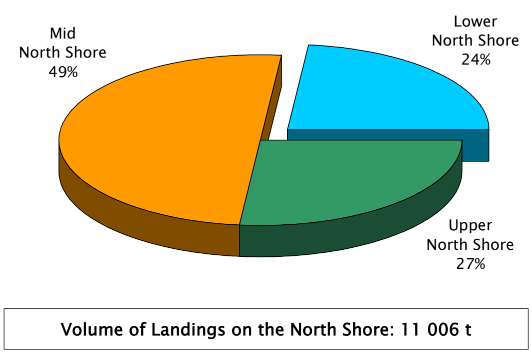
# 5. The Fishing Industry on the Lower North Shore: An Overview

## 5.1 Marine Fisheries

### 5.1.1 Evolution of Landings

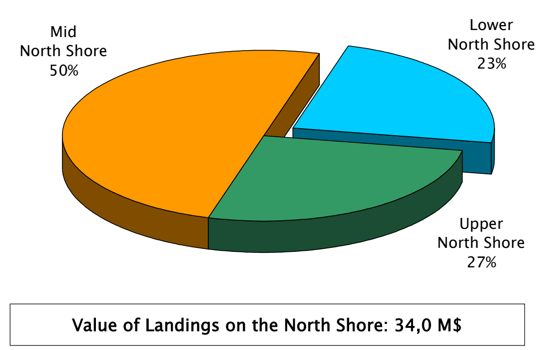
In 2003, the Lower North Shore's landings represented nearly one quarter of the North Shore's landings, both in value and volume. The landings in this maritime sub-sector amount to 2 700 t for a value of $7.9 million. These landings represent about 5% of Quebec's total landings, both in value and volume.

**Graph 67: Distribution of Landings in the North Shore's Maritime Sub-Sectors, in Volume, 2003p**




Source: Statistics Branch, DFO, Quebec Region
Compilation: DRPE, DFO, Quebec Region

**Graph 68: Distribution of Landings in the North Shore's Maritime Sub-Sectors, in Value, 2003p**



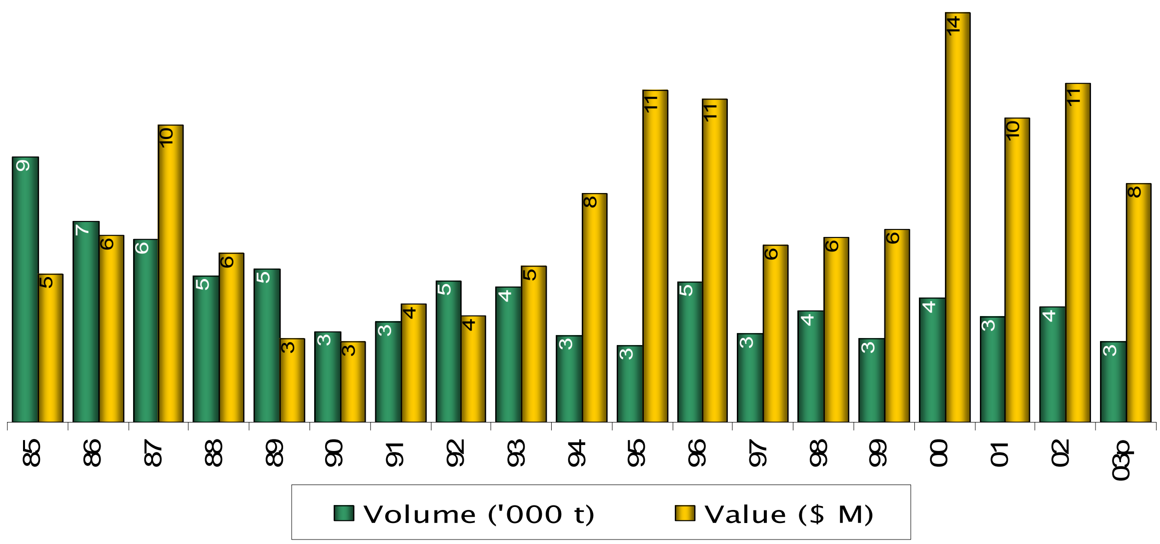

Source: Statistics Branch, DFO, Quebec Region
Compilation: DRPE, DFO, Quebec Region

In 2003, commercial fishing landings were realized in 16 fishing ports on the Lower North Shore. The most important ports in terms of volume are, in order, La Tabatière, Harrington Harbour and Kegaska. Moreover, the Port of La Tabatière is the North Shore's third most important and is Quebec's 14th most important port regarding landed volumes.

These three ports are also the most important on the Lower North Shore in terms of value. However, the Port of Kegaska recorded the highest landed value, followed by La Tabatière and Harrington Harbour. In Quebec, these three ports rank between 23rd and 27th regarding landed value.

In 2003, fishing activities on the Lower North Shore were affected by a moratorium on cod and snow crab fishing in Area 13, which explains the decrease of 30% in landed quantities in 2003. Moreover, in 2003, the lowest volume of landings since 1985 was recorded.

**Graph 69: Evolution of Landings in the Fishing Industry, Lower North Shore, 1985-2003p**



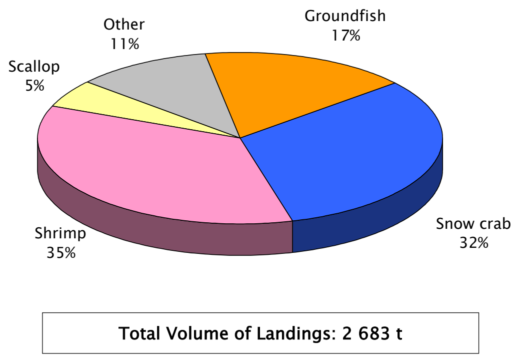

Source: Statistics Branch, DFO, Quebec Region
Compilation: DRPE, DFO, Quebec Region

However, between 2000 and 2002, the Lower North Shore realized three of the six best results of its history. Thus, despite two closings in 2003, this sub-sector showed a higher landed value of $800,000 compared with the historic average of the last 20 years.

### 5.1.2 Species Landed

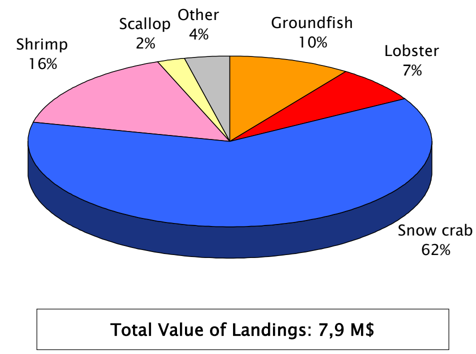
In 2003, catches of mollusks and crustacean remained significant for this sub-sector with more than three quarters of landed volumes realized on the Lower North Shore. The main landed species was shrimp with nearly 1 000 t, followed by snow crab with nearly 900 t and groundfish with a little over 400 t. Groundfish catches are mainly composed of Greenland halibut. Cod follows with landings of a little over 100 t. Landed species other than those mentioned are mainly composed of lumpfish. This species is landed by groundfish fishermen in order to harvest their eggs (caviar).

**Graph 70: Breakdown of Species Landed, in Volume, Lower North Shore, 2003p**




Source: Statistics Branch, DFO, Quebec Region
Compilation: DRPE, DFO, Quebec Region

**Graph 71: Breakdown of Species Landed, in Value, Lower North Shore, 2003p**



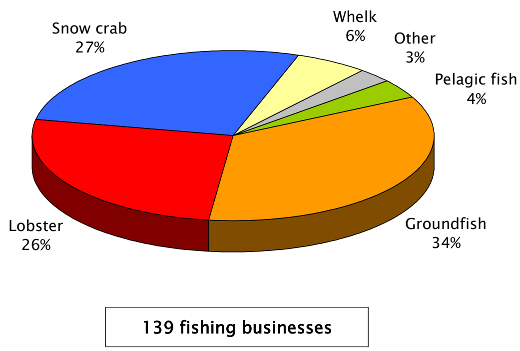

Source: Statistics Branch, DFO, Quebec Region
Compilation: DRPE, DFO, Quebec Region

Mollusks and crustaceans prevailed in terms of landed value with more than 85% of commercial fishing income on the Lower North Shore. Snow crab is first with a landed value of $4.9 million, which represents 62% of the Lower North Shore's total fishing income. Shrimp fishing comes next with $1.2 million, followed by groundfish fishing with $760,000 and lobster fishing with $566,000.

## 5.1.3 Workforce

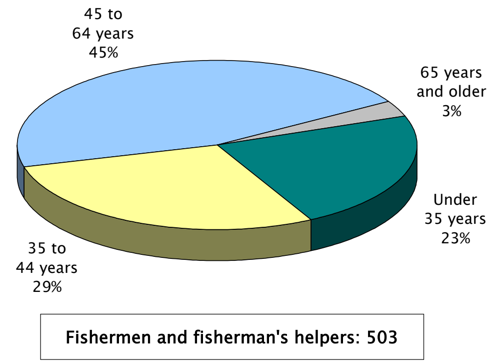
In 2003, there were 139 active commercial fishing businesses on the Lower North Shore, more than three quarters of the commercial fishermen on the North Shore. Out of this number, 48 were mainly active in groundfish fishing, 38 in snow crab fishing, 36 in lobster fishing, 8 in whelk fishing and 5 in pelagic fish fishing.

**Graph 72: Distribution of Fishing Businesses According to Main Species Landed, Lower North Shore, 2003p**




Source: Statistics Branch, DFO, Quebec Region
Compilation: DRPE, DFO, Quebec Region

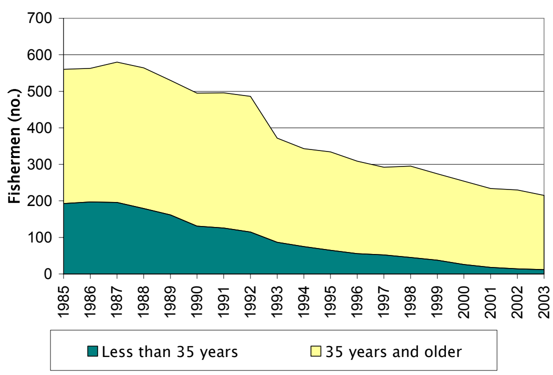
**Graph 73: Distribution of Fishermen and Fisherman's Helpers According to Age, Lower North Shore, 2003p**




Source: Statistics Branch, DFO, Quebec Region for fishermen and BAPAP for fisherman's helpers
Compilation: DRPE, DFO, Quebec Region

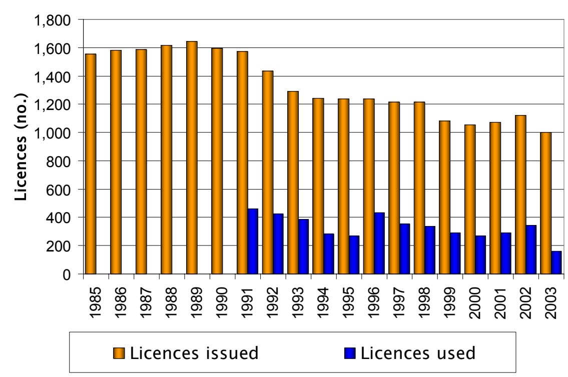
The Lower North Shore counted a little over 500 fishermen and fisherman's helpers in 2003. Out of this number, 48% were over 45 years of age, 29% were aged between 35 and 44 and 23% were aged less than 35. These results are essentially identical to Quebec's average.

**Graph 74: Evolution of the Number of Fishermen According to Age, Lower North Shore, 1985-2003p**




Source: Statistics Branch, DFO, Quebec Region
Compilation: DRPE, DFO, Quebec Region

**Graph 75: Evolution of the Number of Licences According to Status, Lower North Shore, 1985-2003p**

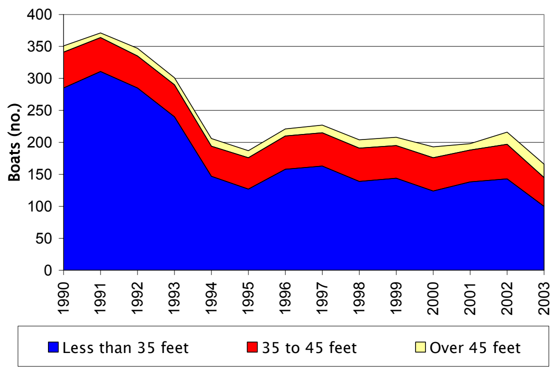



Source: Statistics Branch, DFO, Quebec Region
Compilation: DRPE, DFO, Quebec Region
*Note: Data on exploited licences are not available before 1991.

Since 1985, the number of fishermen on the Lower North Shore decreased by more than 60% to reach a little over 200 fishermen in 2003. During this period, the number of licences issued decreased by 36% to reach a total of 1 000 during the 2003 fishing season. Thus, the average number of licences held per fisherman went from 2.8 in 1985 to 4.8 in 2003.

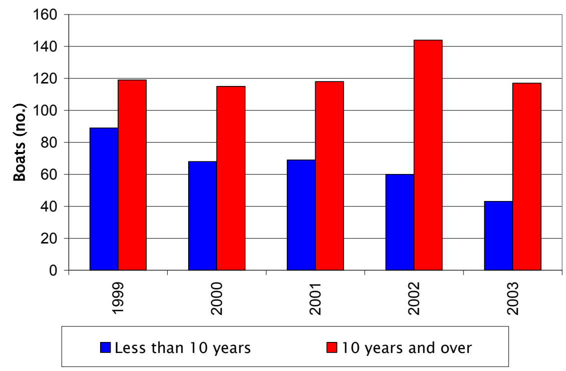
A large proportion of licences issued generally remains inactive and the closing of cod and snow crab fishing in Area 13 has emphasized this observation during the 2003 fishing season. Indeed, only 16% of licences issues were exploited in 2003. Between 1991 and 2002, this rate generally varied around 30%.

**Graph 76: Evolution of the Number of Active Fishing Boats According to Size, Lower North Shore 1990-2003p**




Source: Statistics Branch, DFO, Quebec Region
Compilation: DRPE, DFO, Quebec Region

**Graph 77: Evolution of the Number of Active Fishing Boats According to Age, Lower North Shore, 1999-2003p**




Source: Statistics Branch, DFO, Quebec Region
Compilation: DRPE, DFO, Quebec Region

The number of active fishing boats on the Lower North Shore has decreased by more than half during the last fifteen years, dropping from more than 350 boats in 1990 to nearly 170 in 2003. The decrease in groundfish catches is the main factor explaining the decrease in the number of active fishing boats at the beginning of the 1990s. Afterwards, a certain stability was observed in the number of active fishing boats between 1994 and 2002. The decrease observed in 2003 is attributable to the closing of cod and snow crab fishing in Area 13. Contrary to many sub-sectors, the proportion of boats less than 35 feet long remains significant on the Lower North Shore, decreasing from nearly 81% of the fleet in 1999 to a little over 60% in 2003. The use of boats more than 35 feet long has remained relatively stable since 1990.

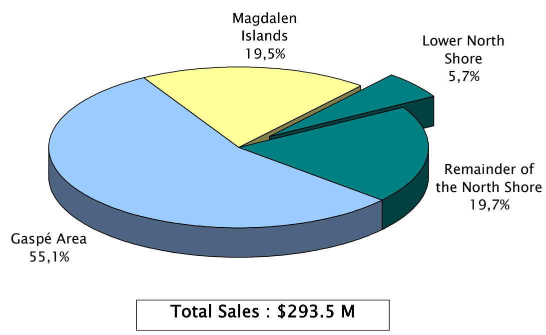
The number of boats less than 10 years old, as in Quebec's other maritime sub-sectors, has significantly decreased since 1999. These went from 42% of the fleet in 1999 to nearly 27% in 2003. This 2003 result is comparable to Quebec's average of 28%.

# 5.2 Processing of Fishery Resources

## 5.2.1 Evolution of Sales

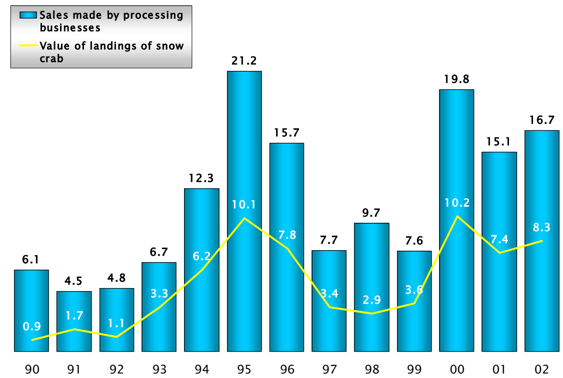
The Lower North Shore's processing industry is composed of about ten businesses. In 2002, these businesses purchased $10.1 million worth of fish and seafood from fishermen and their sales amounted to $16.7 million, 22.4 % of North Shore's total sales and 5.7% of all of Quebec's maritime sector sales.

**Graph 78: Distribution of the Sale of Marine Products in the Maritime Sectors, 2002**




Source: Statistics Branch, DFO, Quebec Region
Compilation: DRPE, DFO, Quebec Region

**Graph 79: Evolution of Sales for Processing Businesses, Lower North Shore, 1990 to 2002**



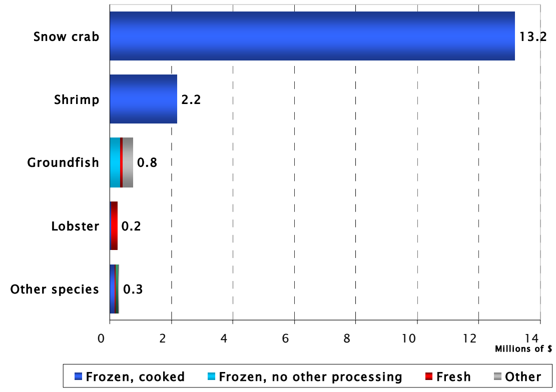

Source: Statistics Branch, DFO, Quebec Region
Compilation: DRPE, DFO, Quebec Region

On the Lower North Shore, an important share of the businesses' production is composed of snow crab. Landings of this species have greatly varied during the last twelve years. Between 1990 and 2002, the total sales of this maritime sub-sector have generally followed the same trend as that of the snow crab's landed value, as illustrated in Graph 78.

### 5.2.2 Species Sold

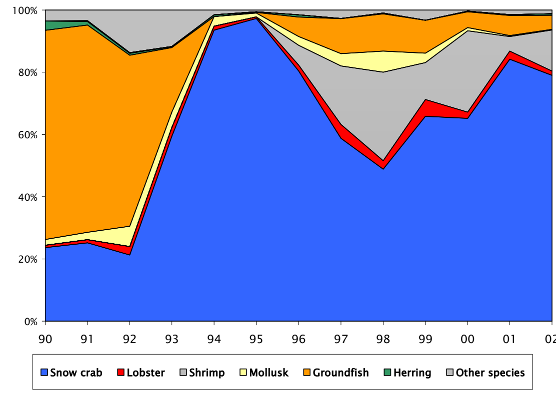
In 2002, $13.2 million worth of snow crab was sold on the Lower North Shore, which represents nearly 80% of this maritime sub-sector's total production. All of this snow crab was sold cooked and frozen. Only shrimp, which was also sold cooked and frozen, saw its sales exceed one million dollars in 2002 ($2.2 million). Then, in order of importance, species whose sales have reached more than $100,000, but less than $1 million: cod, lobster, toad crab and Atlantic halibut.

Graph 80: Value and Composition of Production on the Lower North Shore, 2002




Source: Statistics Branch, DFO, Quebec Region
Compilation: DRPE, DFO, Quebec Region

Graph 81: Composition of Species Sold, in % of Value, Lower North Shore, 1990 to 2002




Source: Statistics Branch, DFO, Quebec Region
Compilation: DRPE, DFO, Quebec Region

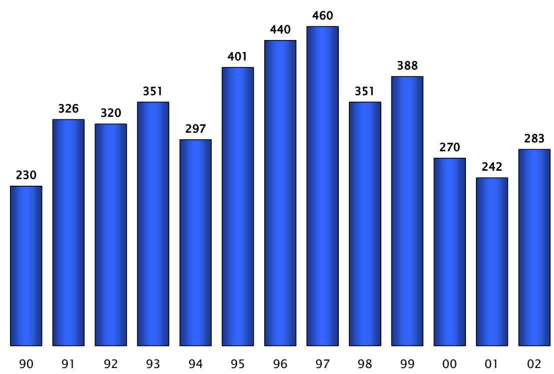
The composition of processing industry sales on the Lower North Shore has substantially changed in the last twelve years. In particular, the share of groundfish in total sales has significantly decreased between 1990 and 1994, plummeting from 67% to less than 1%. Between 1996 and 2002, the share of groundfish increased and represented, on average, 8% of sales. Snow crab, whose share in total sales rose from 24% to 94% between 1990 and 1994, has completely made up for the decrease in groundfish sales during the first half of the 1990s. Moreover, it is to be noted that during the second half of the 1990s and until 2002, shrimp, a formerly marginal species on the Lower North Shore, became increasingly important and accounted for 16% of sales on average between 1996 and 2002.

### 5.2.3 Labour

Evaluated at 282 in 2002, the number of people working in the marine product processing industry on the Lower North Shore was higher that the one observed in 2000 and 2001. However, it was largely lower that the average number of jobs in this industry during the 1990s (350 jobs). Between 1995 and 1997, the number of jobs even exceeded 400 and reached 460 in 1997.

It is estimated that out of the 282 jobs on the Lower North Shore's sub-sector in 2002, 130 were attributable to snow crab processing and sales, 75 to shrimp and 25 to cod. It is to be noted that these figures represent the maximum number of employees and that the majority of these jobs are seasonal.

**Graph 82: Number of Jobs in the Marine Product Processing Sector, Lower North Shore, 1990 to 2002**




Source: Statistics Branch, DFO, Quebec Region
Compilation: DRPE, DFO, Quebec Region

**Table 7: Main Businesses on the Lower North Shore, Marine Product Processing Sector, 2002**

| BUSINESS NAME | COMMUNITY NAME | NUMBER OF JOBS | PRODUCTION |
|---|---|---|---|
| L. A. SEAFOOD | LA TABATIÈRE | 100 to 125 | N/A |
| ST-PAUL'S SEAFOODS | RIVIÈRE ST-PAUL | 75 to 100 | Under $5 M |
| COMMUNITY SEA FOODS COOP | HARRINGTON HARBOUR | 50 to 75 | N/A |
| I & S SEAFOOD | RIVIÈRE ST-PAUL | 10 to 25 | N/A |
| 7 OTHER BUSINESSES | | 26 | $0.1 M |
| **TOTAL** | | **283** | **$16.7 M** |

Sources: MAPAQ, CRIQ and DFO, Quebec Region
Compilation: DRPE, DFO, Quebec Region

## 5.2.4 Businesses

In 2002, the marine product processing industry on the Lower North Shore was composed of eleven businesses spread throughout seven communities. However, the three greatest businesses of this maritime sub-sector represented about 97% of sales and 82% of jobs in the industry. In 2002, these businesses provided the Lower North Shore's entire snow crab and shrimp production. The eight other businesses employed on average six people and showed net sales of $70,000. These smaller businesses generally specialize in sales and process very little of the marine products they purchase from the fishermen.

## 5.2.5 Outlook for 2003

Although data on the processing industry is not yet available for 2003, it is possible to make estimations using the preliminary data on landings. These indicate that the landed value has decreased by 30% on the Lower North Shore in 2003 to reach $7.9 million while the decrease observed for the entire North Shore was 33% and 8% in Quebec. We can thus expect the 2003 data to reveal a significant decrease in sales and that the share of this maritime sub-sector will significantly decrease compared with all of the maritime sectors.

## SUMMARY AND CONCLUSION

The North Shore maritime sector has undergone some significant changes over the last several years. From a demographic point of view, the North Shore suffered, like other resource regions in Quebec, a decline in its population. Between 1996 and 2001, this sector lost more than 5% of its population because of the youth exodus, among other things. Such changes inevitably contribute to the aging of the population.

The fishing industry remains a very important activity in the North Shore's economy. In the primary and secondary sectors, fishing respectively generates 20% and 14% of jobs. However, great differences can be observed between the North Shore's different maritime sub-sectors. On the Lower North Shore, the dependence on the fishing industry is the strongest since fishing generates more than 80% of jobs. In the secondary sector, this proportion reaches nearly 90%. In 2001, nearly 2 000 people were working in the fishing industry on the North Shore, nearly 25% of the total number of jobs in Quebec's fishing industry.

With 20 % of catches in Quebec, North Shore fishermen landed fish and seafood for a value of nearly $34 million during the 2003 fishing season. The main species remains snow crab, which represents 70% of the total landed value and 37% of the total volume.

Snow crab is also the main landed species for a great number of North Shore fishermen. In fact, for the 2003 season, snow crab was the main landed species for 37% of fisheries. For many fishing businesses (22%), groundfish was the main fishing activity, while for 16% of businesses; lobster was the main fishing activity.

As in the harvesting industry, snow crab is first in sales made by processing businesses. More than 80% of sales stem from snow crab. This crustacean is unquestionably a major element of this maritime area's economic activity.

Even though the fishing sector generates important income, both in harvesting and processing, this area is also faced with many issues: a declining population and heavy reliance on the fishing industry, more particularly, on snow crab fishing. However, the emergence of a maricultural industry and the development of new fishing activities, such as soft shell clam and whelk fishing, can be observed.

# *APPENDIX*

# MARITIME SECTORS IN QUEBEC