Reinvesting Fishery Profits for Economic and Social Development: A Case Study of the Northern Coalition

Report Summary

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March 2021
The Northern Coalition Corporation (Northern Coalition) is the focus of the case study. The Northern Coalition is a federally incorporated non-profit organization, established in 1996 as an alliance of fisheries-based enterprises located in Canada’s Eastern Arctic and Labrador. Their commonality lies in their reinvestment of the profits generated from their fishing activities into their communities and regions for economic and social development purposes. The Coalition was formed because these enterprises believed that the issue of adjacency was not adequately considered in terms of licence and quota allocations which disadvantaged them relative to the privately-owned southern-based companies. They felt they needed to be heard by government and regulators as a separate voice.

The coalition approached the Leslie Harris Centre of Regional Policy and Development at Memorial University of Newfoundland to conduct this study to help document the cumulative impacts their member firms have had in their respective regions.

What Did the Researchers Do?
The researchers worked with the Coalition members to collect a range of data on their operations and impacts, including in-depth interviews with key coalition and community members in order to better understand the context and the impact the Northern Coalition members have had and continue to have on the communities in which they operate. Combining this information with data from government and industry sources, the researchers developed nine case studies to illustrate the range of ways fishery profits have been reinvested in the region.

What did the Researchers Find?
The economies within which the Coalition members operate are undeveloped compared with most of their southern counterparts, fragile and vulnerable by virtue of their dependence on a few sectors and constrained by a host of factors associated with their geographic, environmental, historical and social characteristics. The researchers found that the fishery represents a long-term, sustainable resource with fewer environmental risks compared with other types of resource development options while generating comparable benefits to that of other industrial sectors. The study also suggests that the Coalition’s members’ practice of reinvestment and diversification are offering economic and social development options that address many of the factors limiting their opportunities.
SOME OF THE IDENTIFIED BENEFITS OF REINVESTMENT IN NEW OR ESTABLISHED LOCAL BUSINESSES INCLUDE:

- Generation of new funds for further reinvestment and leverage of other capital;
- Business ownership and control, increasing capacity, self-reliance, self-determination and independence;
- Diversification and strengthening of the economy;
- Generation of employment, incomes and taxes;
- Growth and development of the workforce; and
- Building of partnerships and relationships.

The researchers also found there is a significant lack of knowledge and information about fishery resources in the North. Coalition members are already undertaking the research to help them share their knowledge of what is happening in their communities and the role that the fishery plays in Northern development. The study makes the case that greater support from local, provincial and territorial, and federal governments would strengthen those efforts to ensure sustainable development practices in accordance with the desires and aspirations of the people in the Canadian North.
Members of the Coalition can use this study in a variety of ways. The study will help them better communicate the range of benefits and the development projects their activities support across the North. It will help policy makers and others interested in regional development in the North understand broader context in which the members operate and provide an opportunity to strengthen the organization’s voice.

The report’s findings could be used by coalition members and regional organizations to support their efforts to develop shared agreement among members and to speak with one voice in discussions with government decision-makers.

The findings could also contribute to development of a comprehensive fisheries management and development framework that will support economic and ecologically sustainable fisheries, executed by and for Northerners.