

2020 ANNUAL REPORT

Newfoundland and Labrador
Fish Harvesting Safety Association



P.O. Box 8277

368 Hamilton Avenue

St. John's, NL A1B 3N4

tel: 709-722-8177

fax: 709-722-8201

email: info@nlfhsa.com

www.nlfhsa.com

TABLE OF CONTENTS

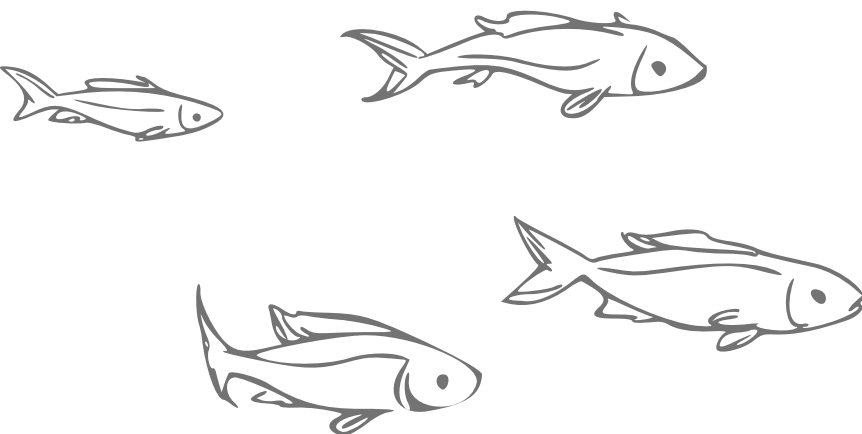
About the NL-FHSA	1
Strategic Foundations	2
• Vision	2
• Mission	2
• Values	3
• Mandate	4
• Primary Clients	4
A Word from the Chairman	5
The Board of Directors	6
The Advisory Committee Members	7
A Message From the Executive Director	8
Strategic Issues, Goals, Indicators and Performance	9
Financial Stability	9
• Goal	9
• Indicators	9
• Performance	10
Health and Safety Leadership Through Engagement and Collaboration	12
• Goal	12
• Indicators	12
• Performance	13
Industry Best Practices	17
• Goal	17
• Indicators	17
• Performance	18
Industry Highlights at a Glance	21
• Employment Data	21
• Assessment Rates	22
• Injury Data	24
• Fish Harvesting Industry Demographics	25
2020 Financial Statements and Independent Auditor's Report	26

ABOUT THE NL-FHSA

The Newfoundland and Labrador Fish Harvesting Safety Association (NL-FHSA) Incorporated is a not-for-profit organization without capital share which is incorporated under the Corporation's Act of Newfoundland and Labrador. The association was established to promote and improve all aspects of occupational health and safety, and where appropriate, return-to-work in the Newfoundland and Labrador fish harvesting sector.

The NL-FHSA was established in 2012 as a joint venture of the Government of Newfoundland and Labrador, WorkplaceNL (then known as the Workplace Health, Safety and Compensation Commission) and the Professional Fish Harvesters Certification Board (PFHCB).

The association represents a tremendous co-operative effort from the fish harvesting sector working collaboratively to have a genuine impact on the safety of the men and women who fish for a living in the province. Enterprises are scattered throughout the 17,542 miles of coastline within Labrador and the island portion of the province. The industry is characterized by a diverse fleet ranging from small open vessels that fish nearshore, to large multi-decked vessels that fish offshore. The business model for the industry is characterized by complex employer/employee relationships.



STRATEGIC FOUNDATIONS

VISION

The vision of the NL-FHSA is a fish harvesting sector in which the necessary skills, knowledge, technology, commitment, and support enables professional fish harvesters to work and return home safely and successfully without injury, illness, or fatality.

MISSION

The NL-FHSA leads the fish harvesting sector in the promotion and development of a positive industry-wide safety culture, and creates added value for members through the identification, development, and coordination of relevant, accessible, timely, and cost-effective safety education and resources.

VALUES

STEWARDSHIP

sustaining the fish harvesting sector association through accountability and fiscal responsibility

ACCESSIBLE

ensuring meaningful participation and engagement

FAIRNESS

clear and transparent, honouring commitments with respect and dignity

EXCELLENCE

efficient and service-focused, keeping ourselves and others safe

MANDATE

The NL-FHSA is committed to reducing workplace injuries, illnesses, and fatalities in the fish harvesting industry. Focusing on the health and safety of those in the fish harvesting sector and working with stakeholders who have expertise in the industry will help to ensure fish harvesters keep safe so they can return to their families and the next fishing season. This mandate includes:

- Leading the fish harvesting sector in the promotion and development of a positive industry-wide safety culture
- Promoting best practices for safety on board fishing vessels through education and awareness initiatives
- Supporting and promoting research on fishing industry safety
- Creating added value for harvesters through the identification and coordination of timely, accessible, affordable, and relevant education and resources
- Providing advice to federal and provincial levels of government on industry health and safety issues

PRIMARY CLIENTS

The NL-FHSA engages primarily with over 9,000 fish harvesters, industry stakeholders, and research institutes, as well as federal and provincial regulatory bodies, in facilitating regulatory compliance and industry-wide safety improvements. Collaboration with 3,400 enterprises (boat owners/operators), crew members, and other key industry representatives is inherent in the day-to-day operation of the association. This practice ensures that collective expertise and experience is reflected in all safety association initiatives.

A WORD FROM THE CHAIRMAN

On behalf of the Board of Directors of the NL-FHSA, I am pleased to present the 2020 Annual Report.

Living and working in the midst of the COVID global pandemic in 2020 set the stage for new challenges in the fish harvesting industry, where it was no longer business as usual. It also created a tipping point for the NL-FHSA, where it had to adapt quickly in order to address new priorities arising out of the global health and economic crisis, while holding fast to the realistic goals and objectives in the annual plan.

The COVID pandemic crisis was tackled head-on as the NL-FHSA and the FFAW/Unifor began working to gain an understanding of COVID-19 and its potential impact on the fish harvesting industry in the province.

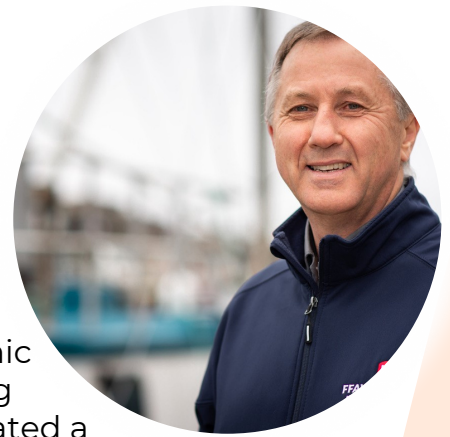
This work culminated in the development of a Communicable Disease Briefing COVID-19 Safe Work Practice, which was released in April as a guideline for fish harvesters to use to ensure the safest work environment possible, to prevent the spread of COVID-19 on their vessels.

In response to the challenges facing the industry, the NL-FHSA abruptly changed course in the Fall of 2020 and began development on a five-year strategic plan in collaboration with representatives of the FFAW/Unifor, the PFHCB, and fish harvesters in all three fleet sectors. Early in November, the Board of Directors approved the Strategic Plan for 2021 – 2025, *A Plan to Bring Fish Harvesters Safely Home*, along with a submission to WorkplaceNL seeking continued funding. On December 16, 2020, WorkplaceNL approved the plan and \$1.75 million in funding over five years to carry out the strategy and to support the Association's on-going operations. As a living document, this plan will evolve through successive updates, and be expanded as needed as the global crisis continues to play out.

Despite these challenging and uncertain times, the Board of Directors of the NL-FHSA remains committed to addressing emerging issues through the Strategic Plan 2021 – 2025, *A Plan to Bring Fish Harvesters Safely Home*. Implementation of these initiatives are slated to begin in 2021, and will result in improved decision-making, assisting fish harvesters to return home safely to their communities and their families. Overall success of this plan will be determined by how well fish harvesters thrive in the global health crisis, and the daily adversities they face working in the most dangerous occupation in the world.



DAVID DECKER
NL-FHSA Board Chair



THE BOARD OF DIRECTORS

The NL-FHSA Board of Directors is comprised of 15 individuals having the required depth of knowledge and experience in all aspects of the fish harvesting industry to improve safety and save lives at sea. Board members are nominated by their stakeholder group.

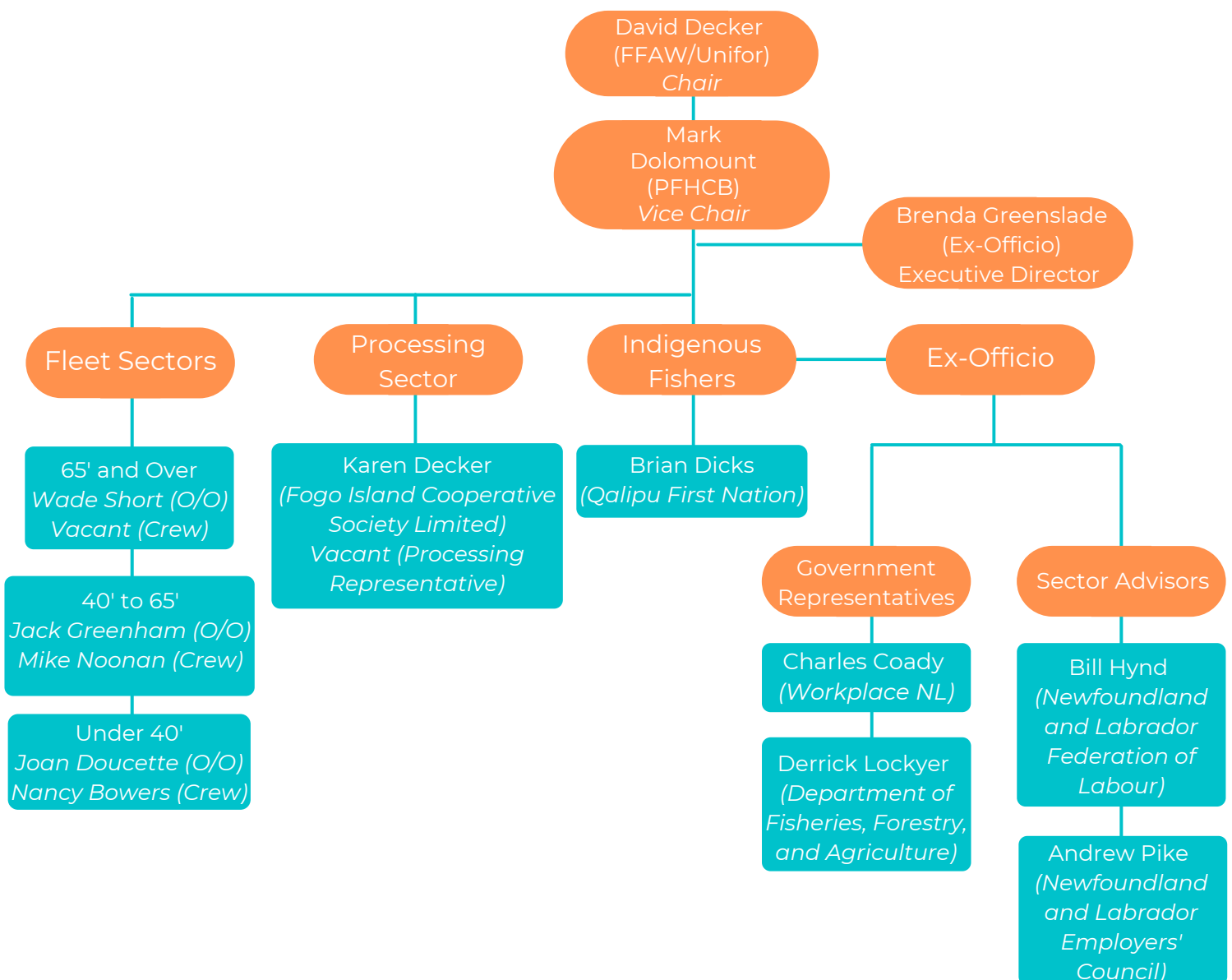


Figure 1. NL-FHSA Board of Directors

THE ADVISORY COMMITTEE MEMBERS

The NL-FHSA believes that any initiatives to advance safety must be industry-led and industry-driven. As such, the association utilizes the vast expertise of Advisory Committee members representing government departments and agencies at the federal and provincial levels, as well as non-governmental stakeholders.

The members of the Advisory Committee provide advice on health and safety issues, promotion of best practices for safety onboard fishing vessels, and support research of fishing industry safety.



Figure 2. *Advisory Committee Members Representing Stakeholder Organizations*

A MESSAGE FROM THE EXECUTIVE DIRECTOR

Throughout 2020 we lived in a period of constant change and upheaval as the COVID-19 pandemic spread across the world. Along with the virus came a period of heightened anxiety and uncertainty, and we had to draw on our strength and resilience to adapt to the times. Sometimes the days were difficult. As we tried to navigate our way forward, there were new complexities added to an already complex industry. To say that these were trying times would be an understatement, and for everyone involved in the fishing industry, the big question on everyone's mind in the spring of 2020 was "can you fish during a pandemic?" We now know the obvious answer to this question is yes, as fish harvesters have been able to fish successfully during this very trying time.



The work has been challenging but the NL-FHSA is fortunate to have an engaged Board of Directors comprised of fish harvesters representing all three fleet sectors, as well as stakeholders who are committed to advancing the health and safety culture in this industry. Together we have tackled the challenges of the pandemic head-on and collectively adjusted our approaches in the best way we know how. At this point, we still don't know how long the COVID-19 pandemic will continue, nor are we fully able to comprehend the impact it will have in the days ahead. What we do know is that COVID-19 remains a serious health threat and the situation is evolving daily. The risks for exposure are still considered high and physical distancing, masks, and hygiene practices are here to stay for quite some time yet.

In the fall of 2020, the NL-FHSA received approval of its Strategic Plan for 2021–2025, *A Plan to Bring Fish Harvesters Safely Home* along with \$1.75 million in funding over five years to carry out the plan and to support the Association's on-going operations. This plan has been designed to be flexible enough to weather the uncertainties we currently face, address the challenges and priorities as we know them to be, and to evolve to capture new issues as they arise in the longer term. The framework for the plan focuses on continuous improvement by refining the foundation for workplace safety and enhancing the culture of empowerment where all fish harvesters participate and are involved in protecting and promoting the health and safety of everyone working in the industry.

These are the obvious challenges facing the NL-FHSA as we begin year one of this five-year strategic plan and assuredly, there will be others as time progresses. What we know for certain in this climate, is that doing things the same way and expecting different results is no longer acceptable. As we progress through the five-year cycle, we look forward to regularly providing reports and updates on activities and monitoring of performance measures to determine what is working, what is not, and what are the impediments to success. It's sure to be an interesting journey!

Kindest Regards,

Brenda Greenslade
Executive Director

STRATEGIC ISSUES, GOALS, INDICATORS AND REPORT ON PERFORMANCE

Throughout the 2019 – 2021 planning cycle, the NL-FHSA identified three priorities of strategic importance:

1. Financial Sustainability
2. Health and Safety Leadership through Engagement and Collaboration
3. Industry Best Practices.

A new five-year strategic plan was developed and approved in 2020 for implementation in 2021. Consequently, reporting on these three strategic issues will end with this annual report.

Each strategic issue is discussed individually together with the associated goals, objectives, and indicators. A report on performance is provided for each. The order of these strategic issues is not reflective of ranking according to priority.

FINANCIAL STABILITY

GOAL

By December 31, 2020, the NL-FHSA will have completed a review of WorkplaceNL requirements as it relates to the focus on health and safety compliance training, PRIME compliance and return to work outcomes in the fish harvesting sector.

INDICATORS

Engaged stakeholders on WorkplaceNL recommendations to strengthen prevention and return-to-work programs within the fish harvesting sector.

PERFORMANCE

Critical to the NL-FHSA's successful future operation and long-term planning is a stable funding position. Obtaining critical funds is a daunting task but a necessary one if the association is to become stronger with sustaining, lasting capacity to pursue its mission, cover administrative costs, and make autonomous decisions that reflect the needs and priorities of fish harvesters. The funding provided to date by WorkplaceNL and the FFAW/Unifor has enabled the NL-FHSA to engage with fish harvesters, the regulators, and stakeholders to build awareness of the need for an occupational health and safety regime within the industry as well as support for an enhanced culture of safety. It has also enabled the NL-FHSA to build communication tools, promoting the association to the fishing industry and advancing collaboration with key stakeholders. Achieving financial sustainability is a long-term goal that requires concerted efforts and is an ongoing process which is part of the NL-FHSA's day-to-day management.

The NL-FHSA remained committed to maintaining an open and transparent relationship with WorkplaceNL in its business operations and strategic deliverables, submitting quarterly reports outlining progress on the annual business plan, along with detailed cash flow statements. The Board of Directors approved the 2019 Annual Report on September 10, 2020.



In September 2020, the NL-FHSA provided input to the Statutory Review Committee (SRC) in their review of efficiencies in the review processes, balance in the provision of benefits, and financial sustainability of the Newfoundland and Labrador's workers' compensation system. A number of recommendations were provided to the SRC. These included:

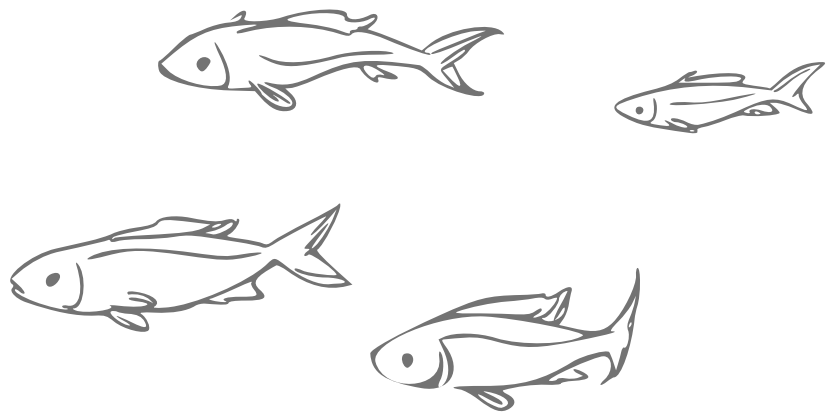
- Continued support of sector safety councils in high risk industries, through the need for long-term funding, and enhancements of the role of sector council advisors who are critical to the success of sector council development
- Exploration of new processes to enhance injured workers knowledge about the claims application process, and provision of supportive anticipatory guidance to them that will help to reduce fragmentation and mitigate barriers in the claims process on the front end so that burdensome appeal wait times can be decreased
- Extensive consultation by WorkplaceNL with the NL-FHSA as options that provide incentives to improve the health and safety of fish harvesters are explored

In 2020, the NL-FHSA explored funding opportunities through Service Canada, WorkplaceNL and the FFAW/Unifor. The NL-FHSA was successful in obtaining approval of funding from the three sources. In 2020, through application to Service Canada, funding was approved to cover a portion of the association's costs to hire a summer student for an eight-week placement. In the fall of 2020, the NL-FHSA's Strategic Plan, *2021-2025 A Plan to Bring Fish Harvesters Safely Home* was approved by the Board of Directors. As per Sector Council Guidelines, the plan was presented at the Sector Council Forum held November 10, 2020. On December 16, 2020, the Board of Directors at WorkplaceNL approved the NL-FHSA's five-year strategic plan 2021-2025 and funding request of \$1.75 million contingent on completion of work according to the terms and conditions as outlined in the agreement between WorkplaceNL and the NL-FHSA. In 2020, the FFAW/Unifor also approved 2021 funding in the amount of \$27,000 in-kind, in support of harvester involvement at meetings and events.

Additional research opportunities for funding contribution to fish harvester training development and delivery were also explored in 2020 and prepared for submission in 2021.

HEALTH AND SAFETY LEADERSHIP THROUGH ENGAGEMENT AND COLLABORATION

The NL-FHSA is uniquely positioned to engage and partner with fish harvesters, industry, research initiatives, and regulatory bodies, in facilitating best practices, regulatory compliance, and industry-wide safety improvements. Responsibility for fish harvesting safety is shared among fish harvesters, the federal government (as the regulator of fishing vessel safety and fisheries), the province (as a regulator of workplace safety), and worker's compensation (as a regulator of certification training). The association is responsive to the need to facilitate knowledge transfer of regulatory requirements and expedite improvements in safe work practices of harvesters. Consequently, collaboration is essential in the day-to-day operation of the association where owner/operators and crew members, as well as government, industry stakeholders and other interested parties are active participants.



GOAL

By December 31, 2020, the NL-FHSA will have produced concerted efforts with key stakeholders to build and maintain partnerships which support strong decision-making and action.

INDICATORS

Regular and innovative consultations with key stakeholders on individual and group basis.

PERFORMANCE

The Board of Directors remained actively engaged throughout 2020, meeting five times, while the Executive Committee of the Board met on four occasions. The Advisory Committee consisting of stakeholders did not meet formally in 2020, primarily due to the disruptions associated with the COVID pandemic. However, numerous times during the year, the NL-FHSA was in contact with the stakeholders represented on the committee on common issues and concerns.

In January, 2020 a call for Expressions of Interest was issued by the NL-FHSA to seek interest from fish harvesters working in NAFO zone 2J3KL who were interested in obtaining an Automatic External Defibrillator (AED's) for their fishing vessel. This initiative began in 2018 through the support of One Ocean and the Hibernia Management and Development Company Ltd. (HMDC) who is making a funding contribution towards the implementation of a program focused on equipping fishing vessels with AEDs for improved preparedness for marine cardiac emergencies. HMDC asked the NL-FHSA in consultation with the FFAW/Unifor and the PFHCB to reach out to fish harvesters in the three fleet sectors, licensed to fish in 2J3KL to determine their interest in obtaining one of 95 AEDs. The draw will take place in 2021.

The NL-FHSA met with officials from DFO's Small Craft Harbour Authority in March 2020, to explore opportunities for distribution of the NL-FHSA's NL Fish Harvester Safety Logbook at individual harbour authorities. The NL-FHSA also worked in partnership with the Fisheries Resource Centre (FRC) to aid in the revision of their OH&S Orientation Guide for its employees.

Prior to the onset of the COVID-19 pandemic in the spring of 2020, the NL-FHSA was able to participate in a series of Young Worker Forums hosted by the Canadian Council Professional Fish Harvesters (CCPFH), exploring issues and barriers to the recruitment of young workers and retention of young harvesters in the fishing industry.

The association's participation was on the practical application of safety in dangerous work environments. The Atlantic CCPFH Forum which was to follow the local focus group sessions was postponed in 2020 due to COVID-19 travel restrictions.



The COVID-19 pandemic was declared on March 11, 2020 resulting in unprecedented times and introducing unique and complex challenges world-wide. Three days later, on March 14, 2020, there was evidence of the virus in Newfoundland and Labrador just when plans were underway to open the crab fishery, mobilizing in excess of 10,000 people across the province. By the end of March, Newfoundland and Labrador had the second highest incidence of COVID-19 per capita in Canada. To say that COVID-19 had a tremendous impact on how engagement with fish harvesters and industry stakeholders was conducted in 2020 would be an understatement. Physical distancing was proven to be one of the most effective ways of reducing the spread of illness and subsequently, in addition to stepping up communication through phone and email, the NL-FHSA had to focus on finding other means of collaboration through online audio and web conferencing platforms.

In order to gain an understanding of COVID-19 and its potential impact on the fish harvesting industry, the NL-FHSA began collaborating with a working group comprised of its board members, the FFAW/Unifor inshore council members, and the PFHCB. In addition, individual consultation took place with members of the Advisory Committee, fish harvesting safety associations across the country, as well as the Provincial Chief Medical Officer of Health (CMOH) and her team, for guidance. The NL-FHSA also participated in virtual meetings in 2020 with SafetyNet/OFI researchers on a potential qualitative research project of how COVID-19 is impacting fish harvesters.

Throughout April – May 2020, the NL-FHSA participated in several media bytes and print interviews on a number of relevant topics.



Collaboration continued throughout May and June 2020 by means of on-going individual discussions with specific members of the NL-FHSA's Advisory Committee (particularly those representing Transport Canada, the Canadian Coast Guard, PFHCB and the FFAW/Unifor), and the Transportation Safety Board, on matters relating to compliance with regulation, risk assessment, and emergency response, accident/incident investigation, EPIRBS, and PLB's. Discussions were also held with the members representing SafetyNet and the Ocean Frontier Institute (OFI) on research initiatives pertaining to marine safety, COVID-19, fishery-related research and governance. Fish harvesters were also actively engaged in providing information and guidance in the content and resources utilized in several safety videos produced in 2020. However, the annual safety symposium was cancelled and plans to foster relations with the Newfoundland and Labrador English School District (NLESD), and collaboration with post-secondary educational institutions that deliver marine-safety related training, was postponed.

In November 2020, the NL-FHSA attended a series of five sessions of the Canadian Marine Advisory Committee (CMAC), and on November 10, 2020, showcased two videos which were produced in collaboration with SafetyNet, MITACS, OFI, and Continuing Innovation Technology and Learning (CITL) at Memorial University of Newfoundland (MUN). The content for the videos was based on a research study that was carried out to monitor noise exposure of fish harvesters in small fishing vessels and find practical and feasible solutions to mitigate hazardous noise levels. The videos were very well received at CMAC and they have since been posted on the NL-FHSA website and the NL-FHSA YouTube channel.

INDUSTRY BEST PRACTICES

It is accepted internationally that fishing is considered the world's most dangerous occupation. Workers in this occupation face many unique life-threatening hazards such as unpredictable, hostile marine environments; unstable work platforms; and heavy equipment exposing them to a variety of risks including falling overboard, entanglement, soft tissue injuries, and occupational illnesses. Exposure to risks may vary according to the commercial fishing methods utilized, the areas of operation, vessel equipment and conditions, and crew experience.

Improving safety culture in the fish harvesting industry has its inherent challenges. Consequently, there is need for an intense industry-driven effort to improve safety. The fishing industry regulatory framework poses particularly unique challenges for fish harvesters. There are multi-tiered governmental agencies and departments both federally and provincially with responsibility for legislative and regulatory compliance, enforcement, and prevention.

GOAL

By December 31, 2020, the NL-FHSA will have enhanced competency of fish harvesters and adoption of safe work practices based on their assessment of risk and control of hazards.

INDICATORS

Development of best practices for the fish harvesting industry.

PERFORMANCE

Fish harvester engagement was critical in the early months of 2020 as the NL-FHSA tackled the COVID pandemic head-on, working to gain an understanding of the crisis and the potential impact on the fish harvesting industry in the province. The goal was to develop sound, reasonable, achievable safe work practices that could be applied to all fishing vessels, taking into consideration their vessel design and crew size, and using the most up-to-date health and safety information available, all the while being mindful of the concerns of fish harvesters. Through the collaborative efforts of FFAW/Unifor crab committee, inshore council, the NL-FHSA Board of Directors and the Advisory Committee, the Provincial Chief Medical Officer of Health, fish harvesting safety associations across the country, and provincial and federal regulators, the work culminated in the development of a Communicable Disease Briefing COVID-19 Safe Work Practice for Fish Harvesters. It was released in April as a guideline for fish harvesters to use to ensure the safest work environment possible to prevent the spread of COVID-19 on their vessels, and has been updated periodically as new information becomes available.

Despite COVID restrictions, the NL-FHSA consulted with stakeholders at government agencies (WorkplaceNL, Department of Digital Government & Service NL, Department of Fisheries and Aquaculture, Transport Canada, Department of Fisheries and Oceans, and the Canadian Coast Guard) on issues of concern including COVID, risk assessment, and specific occupational requirements related to fatigue management, emergency preparedness, and personal protective equipment.

Four video productions were also completed in 2020 in collaboration with the NL-FHSA and fish harvesters and focused on risk assessment, safe work practices, and the importance of safety in the fishing industry.



In the fall of 2020, the NL-FHSA began working on the design and development of a competency-based health, safety, and return to work training model for fishing vessel safety designates. A scoping document for the draft training model for fishing vessel safety designates was initiated in preparation for consultation with stakeholders. This phase of the project culminated in a focus group with fish harvesters and industry key informants. On December 21, 2020, the NL-FHSA invited a cross-section of fish harvesters representing all three fleet sectors, the PFHCB, FFAW/Unifor and the FRC to participate in a focus group facilitated by Training Works. The purpose of the focus group was to provide a platform for participants to share their personal experiences and suggestions to improve fishing industry health and safety training methodologies.

Newfoundland & Labrador Fish Harvester Safety Logbook



NL-FHSA
FISH HARVESTING
SAFETY ASSOCIATION

P.O. Box 8277
368 Hamilton Avenue
St. John's, NL A1B 3N4

tel. 709-722-8177
fax. 709-722-8201
www.nlfhsa.com

Throughout 2020, the NL-FHSA was able to distribute in excess of 2,200 copies of the NL-FHSA's NL Fish Harvester Safety Logbook to fish harvesters through FFAW/Unifor community meetings and in-person counter services at the PFHCB/NL-FHSA offices. A number of print ads and advertorials were also prepared for publication in the *Union Forum* and *Navigator* issues. Topics included COVID-19, PFDs Safety Responsibilities, Safety Drill, EPIRBS, and the Fish Harvester Safety Logbook.

INDUSTRY HIGHLIGHTS AT A GLANCE

The NL-FHSA serves professional fish harvesters spread throughout Newfoundland and Labrador.

EMPLOYMENT DATA

Based on preliminary figures released in 2021 by the Department of Fisheries, Forestry and Agriculture, the fishery and aquaculture sectors continued to be a significant source of employment for Newfoundland and Labrador, particularly in rural areas of the province. Information currently available indicates that in total, the fish harvesting industry employed 15,804 people in the province. This represents an overall decrease of 1.5% from the previous year. There were 8,801 people employed in the Wild Fisheries Harvesting Sector in 2020 compared to 9,099 in 2019. The aquaculture employment estimates increased in 2020, with 844 workers engaged in grow-out and hatchery activities. This represents a 53.5% increase from the previous year.

Seafood Industry Employment

Industry Sector	2019R	2020P	%Change
Aquaculture	550	844	53.5
Harvesting (Wild Fisheries)	9,099	8,801	-3.3
Processing (Aquaculture and Wild Fisheries)	6,397	6,159	-3.7
Total	16,046	15,804	-1.5
R=Revised; P=Preliminary			
Source: FFA; PFHCB			

Figure 3. Seafood Industry Employment

ASSESSMENT RATES

Assessment rates are premiums paid by employers to cover expected costs of workplace injuries, return-to-work programs, prevention initiatives, and the cost of administering the workers' compensation system.

For the purpose of assessments, employers are classified by the industry or industries in which they are operating, represented by Newfoundland Industrial Classification (NIC) Codes. Each industry group collectively pays the cost of all injuries that arise within the industry group. Industry groups, which are reviewed and modified periodically, are sufficiently large enough to provide for an adequate spread of risk and some stability in the assessment rates.

The fish harvesting industry captures the inshore and offshore harvesting of sea species, including aquaculture. For the purpose of assessments, fish harvesting, fish buying, and fish processing are the three main industry components.

Fish harvesting refers to commercial fisheries who are usually not required to register and are generally covered by the assessments paid by fish processing establishments, other fish buyers, vessel owners, or fishing enterprises. Fish buyers are required to register with workers' compensation and pay assessments on the value of fish purchased from commercial fisheries. The standard unit of measure in this case is per \$100 of fish purchased. Employers operating a factory freezer trawler pay assessments in the same manner as other industries determined by their assessment rate and assessable earnings.

The average assessment rate for the fish harvesting industry was \$1.29 in 2020 compared to \$6.34 in 2011. Of the components which make up the fish harvesting industry, in 2020 the highest rate \$5.31 per \$100 of assessable payroll was paid by factory freezer trawlers. Fish farms followed with a rate of \$3.95 per \$100 of assessable payroll. The lowest assessment rates were \$0.91 for Fishing (per \$100 fish purchased) and Fish Purchase (Restaurants). The annual assessment rates for factory freezer trawlers, fish farms and fishing (per \$100 of fish purchased) have been declining since 2015. The assessment rates for Fish Purchase (Restaurants) have also shown an annual decline since it became active in 2015.

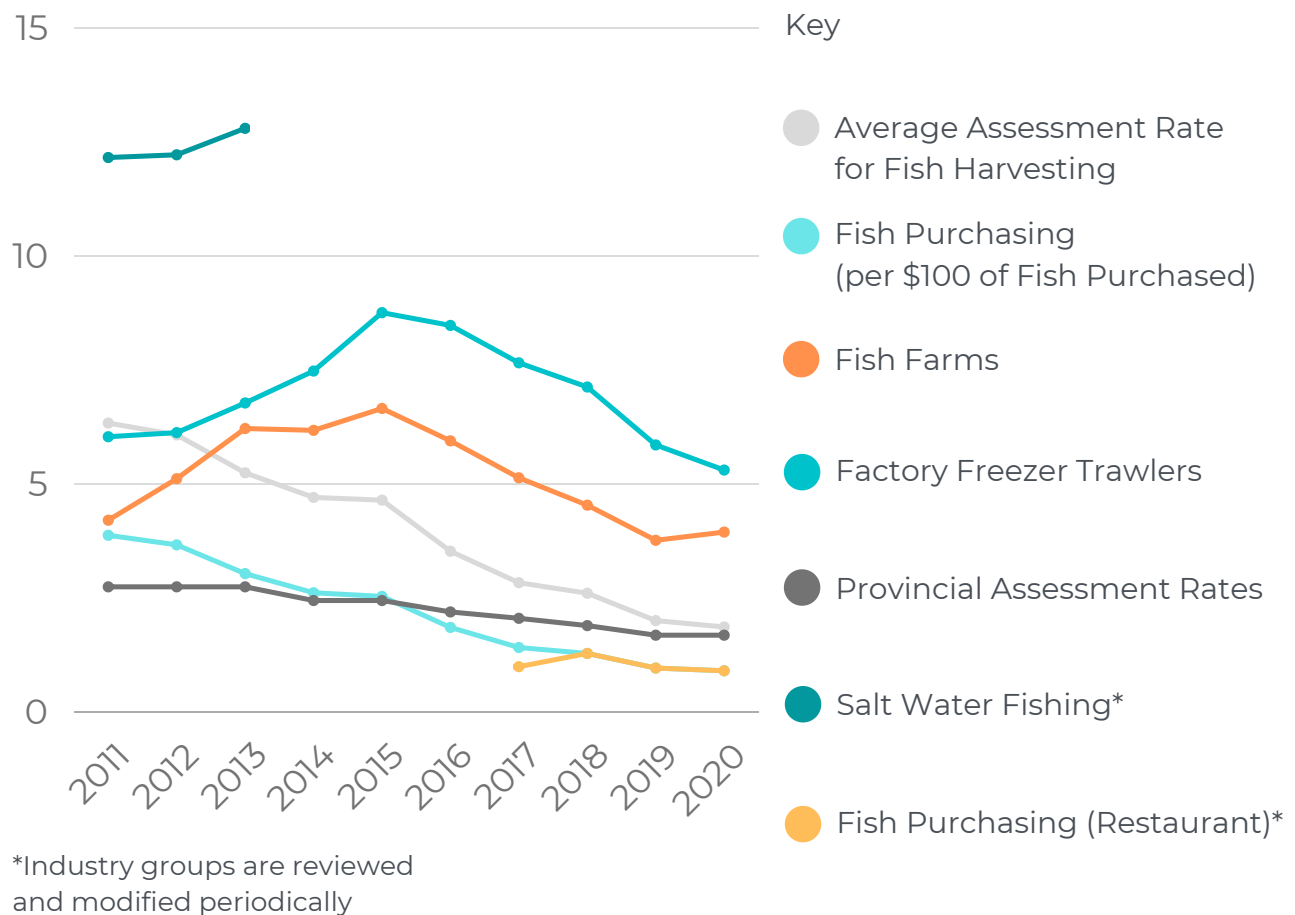
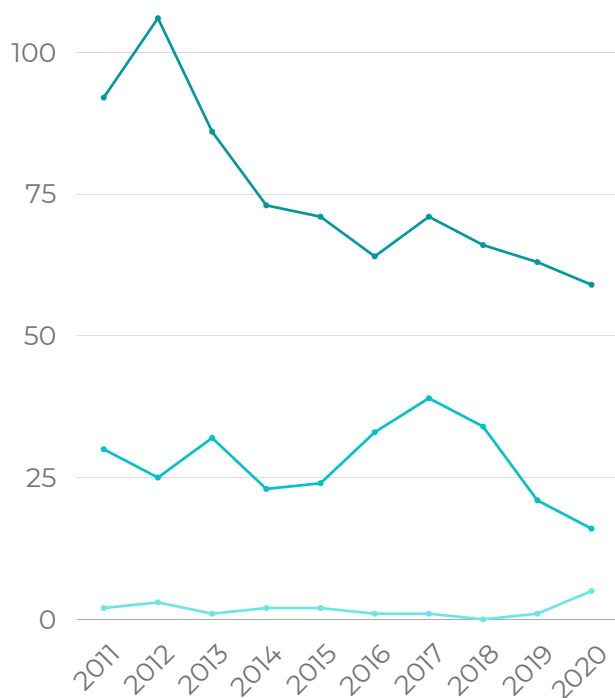


Figure 4. Assessment Trends Fish Harvesting Industry (2011 – 2020) (Source: WorkplaceNL)

INJURY DATA

The NL-FHSA utilizes the annual injury data pertaining to fatality, healthcare only, and lost time injury data, published by WorkplaceNL. Accepted fatality claims are the total number of fatalities that were accepted in the fishing industry in the calendar year. Healthcare only claims are claims that do not involve lost time from work and include the number of new claims reported, accepted and paid up to March 31 of the following calendar year. Short term duration claims (lost-time) is defined as the number of days from which temporary earnings loss benefits are paid for injuries occurring in the same reference year. Claims costs includes current year payments plus expected future payments for all injuries occurring and accepted in the year, excluding actuarial adjustments.



- Fatalities
- Healthcare Only
- Lost-Time

Figure 5. Total # Fatalities, Healthcare Only and Lost-Time Claims in the Fish Harvesting Industry (inshore, off-shore and aquaculture) (2011 – 2020) (Source: WorkplaceNL)



- # of Paid Weeks
- Claim Payments

Figure 6. # of Paid Weeks (000's) vs Claim payments (\$, 000's) in the Fish Harvesting Community (2011 – 2020) (Source: WorkplaceNL)

FISH HARVESTING

INDUSTRY DEMOGRAPHICS (2020)

8 384 professional fish harvesters

spread throughout 17 542 miles
of coastline

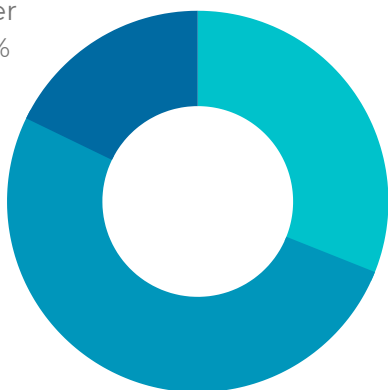


76.8% men

| 23.2% women

years of age of fish harvesters

40 and
Under
17.8%



41 to
59
51.2%

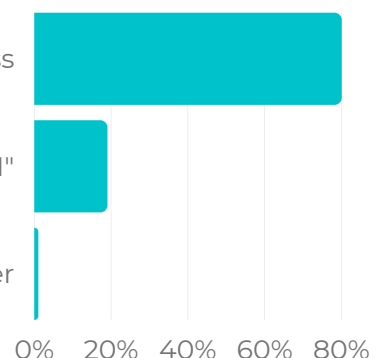
60 and
Over
31%

fleet sector
comprised of 3 400 enterprises

39'11" and less

40' to 64'11"

65' and over



**NEWFOUNDLAND AND LABRADOR FISH HARVESTING SAFETY ASSOCIATION
INCORPORATED**

Financial Statements

Year Ended December 31, 2020

**NEWFOUNDLAND AND LABRADOR FISH HARVESTING SAFETY ASSOCIATION
INCORPORATED**

**Index to Financial Statements
Year Ended December 31, 2020**

	Page
INDEPENDENT AUDITOR'S REPORT	1 - 2
FINANCIAL STATEMENTS	
Statement of Financial Position	3
Statement of Revenues and Expenditures	4
Statement of Changes in Net Assets	5
Statement of Cash Flows	6
Notes to Financial Statements	7 - 8

INDEPENDENT AUDITOR'S REPORT

To the Members of Newfoundland and Labrador Fish Harvesting Safety Association Incorporated

Opinion

We have audited the financial statements of Newfoundland and Labrador Fish Harvesting Safety Association Incorporated (the association), which comprise the statement of financial position as at December 31, 2020, and the statements of revenues and expenditures, changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the association as at December 31, 2020, and the results of its operations and cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO).

Basis for Opinion

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

Other Matter

The financial statements for the year ended December 31, 2019 were audited by another auditor who expressed an unmodified opinion on those financial statements on June 30, 2020.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with ASNPO, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

(continues)

Independent Auditor's Report to the Members of Newfoundland and Labrador Fish Harvesting Safety Association
Incorporated *(continued)*

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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



CHARTERED PROFESSIONAL ACCOUNTANTS

St. John's, Newfoundland and Labrador
June 24, 2021

**NEWFOUNDLAND AND LABRADOR FISH HARVESTING SAFETY ASSOCIATION
INCORPORATED**

Statement of Financial Position

December 31, 2020

	2020	2019
ASSETS		
Current		
Cash	\$ 289,618	\$ 139,525
Prepaid expenses	563	-
	\$ 290,181	\$ 139,525
LIABILITIES AND NET ASSETS		
Current		
Accounts payable	\$ 23,754	\$ 3,140
Net assets		
General fund	266,427	136,385
	\$ 290,181	\$ 139,525

ON BEHALF OF THE BOARD

 _____ Director

 _____ Director

See accompanying notes

**NEWFOUNDLAND AND LABRADOR FISH HARVESTING SAFETY ASSOCIATION
INCORPORATED**

Statement of Revenues and Expenditures

Year Ended December 31, 2020

	2020	2019
Revenues		
Workplace NL funding	\$ 350,000	\$ 350,000
Symposium sponsorship	-	5,000
Service Canada funding	3,696	3,055
	353,696	358,055
Expenses		
Accounting & HR services	25,000	25,000
Board governance	658	301
Harvester engagement	-	4,452
Human resources	121,109	187,338
Media outreach	13,398	12,884
Miscellaneous	3,077	2,203
OHS learning resources	29,228	-
OHS program	1,725	54,859
Office space (<i>Note 4</i>)	29,033	23,984
PFD campaign	-	575
Safety promotion	-	13,591
Safety symposium	-	11,151
Safety video	-	9,339
Staff education & training	-	792
Transport Canada engagement	426	3,810
	223,654	350,279
Excess of revenues over expenses for the year	\$ 130,042	\$ 7,776

See accompanying notes

**NEWFOUNDLAND AND LABRADOR FISH HARVESTING SAFETY ASSOCIATION
INCORPORATED**

**Statement of Changes in Net Assets
Year Ended December 31, 2020**

	2020	2019
Net assets - beginning of year	\$ 136,385	\$ 128,609
Excess of revenues over expenses	130,042	7,776
Net assets - end of year	\$ 266,427	\$ 136,385

See accompanying notes

**NEWFOUNDLAND AND LABRADOR FISH HARVESTING SAFETY ASSOCIATION
INCORPORATED**

**Statement of Cash Flows
Year Ended December 31, 2020**

	2020	2019
Operating activities		
Excess of revenues over expenses	\$ 130,042	\$ 7,776
Changes in non-cash working capital	20,051	100,712
Increase in cash flow	150,093	108,488
Cash - beginning of year	139,525	31,037
Cash - end of year	\$ 289,618	\$ 139,525

Cash flows supplementary information

See accompanying notes

**NEWFOUNDLAND AND LABRADOR FISH HARVESTING SAFETY ASSOCIATION
INCORPORATED**

**Notes to Financial Statements
Year Ended December 31, 2020**

1. PURPOSE OF THE ASSOCIATION

The Newfoundland and Labrador Fish Harvesting Safety Association Incorporated is a not-for-profit organization without share capital which is incorporated under the Corporations Act of Newfoundland and Labrador. The Association was established to promote and improve all aspects of occupational health and safety, and where appropriate, return-to-work in the Newfoundland and Labrador fish harvesting sector. The company is exempt from income taxes in accordance with Section 149(1) of the Income Tax Act.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

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

Use of estimates

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

Cash and cash equivalents

Cash and cash equivalents are defined as cash and short-term investments with maturity dates of less than three months.

Revenue recognition

Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Property, plant and equipment

Property, plant and equipment are not capitalized by the association. Under the ASNPO policies that are in place, it is up to the association as to whether or not they want to capitalize their assets as long as they do not exceed a revenue threshold. The threshold is not exceeded at year end.

**NEWFOUNDLAND AND LABRADOR FISH HARVESTING SAFETY ASSOCIATION
INCORPORATED**

**Notes to Financial Statements
Year Ended December 31, 2020**

3. RELATED PARTY

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

	2020	2019
<u>Related party transactions</u>		
Professional Fish Harvesters Certification Board (Overlapping directors)		
Administrative assistance	\$ 25,000	\$ 25,000
Office space	20,000	20,000
	\$ 45,000	\$ 45,000

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

4. PROPERTY, PLANT AND EQUIPMENT

The Newfoundland and Labrador Fish Harvesting Safety Association expenses capital assets when acquired. In the current year, the association purchased a Macbook in the amount of \$5,779.

5. FINANCIAL INSTRUMENTS

The association is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. The following analysis provides information about the association's risk exposure and concentration as of December 31, 2020.

(a) Credit risk

Credit risk arises from the potential that a counter party will fail to perform its obligations. The association is exposed to credit risk from customers. In order to reduce its credit risk, the association reviews a new customer's credit history before extending credit and conducts regular reviews of its existing customers' credit performance. An allowance for doubtful accounts is established based upon factors surrounding the credit risk of specific accounts, historical trends and other information.

(b) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The association is exposed to this risk mainly in respect of its receipt of funds from its customers and other related sources, long-term debt, obligations under capital leases, contributions to the pension plan, and accounts payable.

