Sector Profile

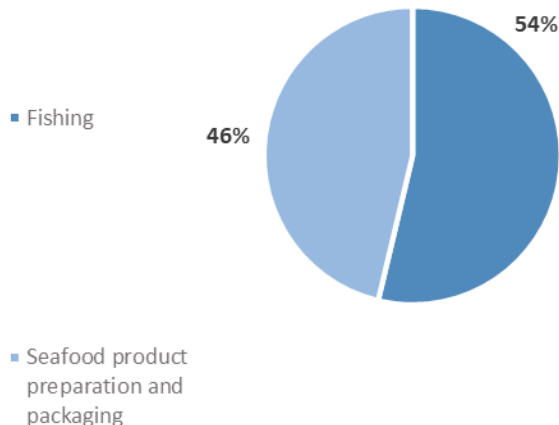## Fishing and Fish Processing

Atlantic Region

2023

HIGHLIGHTS

- The fishing and fish processing industry comprised 1.4% of Atlantic Canada's total economic output in 2022 at $1.53 billion.

- Employment in the sector is male-dominated and has a disproportionate number of older workers, with 39.6% of its job holders aged 55 and over compared to 24.0% in all industries.

- Snow crab prices plunged by 60% in 2022 due to a drop in US consumer demand due to inflation resulting in excess inventory which continue to depress prices.

- Employment in the fishing and fish processing industry between 2023-2025 in Atlantic Canada is expected to shrink by 1.0%. This is in contrast to 0.7% growth in employment across all industries in the region.

ABOUT THE INDUSTRY

Employment Share
by sub-industry

54%

46%

- Fishing

- Seafood product preparation and packaging

Source: Statistics Canada, Labour Force Survey 2022

Composition and Importance of the Sector

The fishing and fish processing industry is comprised of two highly integrated activities: commercial fishing and seafood product preparation and packaging, with the latter typically involving the addition of some value to seafood products through processes like portioning, canning, smoking, freezing and packaging.

The fishing and fish processing industry comprised 1.4% of Atlantic Canada's total economic output in 2022 at $1.53 billion. The sector's GDP in the region has not been consistent over the years due to regulation and the pandemic, leading to output being 10% lower in 2022 than 10 years prior. Due to proximity to the Atlantic Ocean, the industry has a far larger importance in the region compared to Canada as a whole as the sector's output represents only 0.1% of the country's GDP.

The industry's two subsectors, fishing and seafood product preparation and packaging, employ 13,400 and 11,400 people in Atlantic Canada, respectively.

Geographic Distribution of Employment

Nova Scotia has the highest employment in the fishing and fish processing industry in Atlantic Canada, with 9,600 jobs, making up 2.0% of the province's employment in 2022. Newfoundland and Labrador and New Brunswick host 7,100 and 4,900 jobs in the industry, comprising 3.1% and 1.3% of their employed workforces, respectively. Although Prince Edward Island maintains the fewest jobs in the sector in the region, the industry has the largest share of provincial employment at 3.9%.

In Atlantic Canada, the industry has particular importance in rural areas as economic activity is spread along the shores of the provinces.

	Employed 2022	Industry Share (%)
Atlantic Canada	24,800	2.1%
Newfoundland and Labrador	7,100	3.1%
Prince Edward Island	3,300	3.9%
Nova Scotia	9,600	2.0%
New Brunswick	4,900	1.3%

Source: Statistics Canada, Labour Force Survey

WORKFORCE

Workforce Characteristics

The Atlantic Canadian fishing and fish processing industry is male-dominated, with its employment being composed of 72.8% males and 27.2% females in 2022. In comparison, the distribution across all industries in the region is 49.3% male and 50.7% female. Employment in the sector has a disproportionate number of older workers, with 39.6% of its job holders aged 55 and over compared to 24.0% in all industries.

The vast majority of workers in the sector are employed full-time, however, permanent employment is not as common as most other industries. Part-time employment makes up 7.2% of the jobs in the industry, compared to 15.7% across the region's entire economy. In 2022, temporary employees comprised 34.6% of jobs in the sector and another 28.7% were self-employed.

Jobs in this sector do not tend to have high educational attainment. In 2022, 27.3% of workers in the sector had not completed high school, compared to 8.1% across all industries. Only 7.5% of jobs in the industry were held by people with university degrees.

Main Occupations

The two most common occupations in Atlantic Canada's fishing and fish processing industry belong to the fishing subsector and are fishermen/fisherwomen and fishing vessel deckhands. Fishermen/women operate fishing vessels less than 100 gross tonnes to pursue and land fish and other marine life. They are usually self-employed owner-operators of fishing vessels. Fishing vessel deckhands perform a variety of manual tasks on commercial fishing voyages, and maintain fishing vessels.

The largest seafood product preparation and packaging occupation is labourers in fish and seafood processing. Employed in processing and packaging plants, labourers perform clean-up, packaging, material handling and other elemental activities related to fish and seafood processing.

Top 5 largest occupations	Employed 2021	% Share of Industry
Fishermen/women	6,950	21.9%
Fishing vessel deckhands	5,400	17.0%
Labourers in fish and seafood processing	4,350	13.7%
Fish and seafood plant workers	3,275	10.3%
Aquaculture and marine harvest labourers	775	2.4%

Source: ESDC/Service Canada

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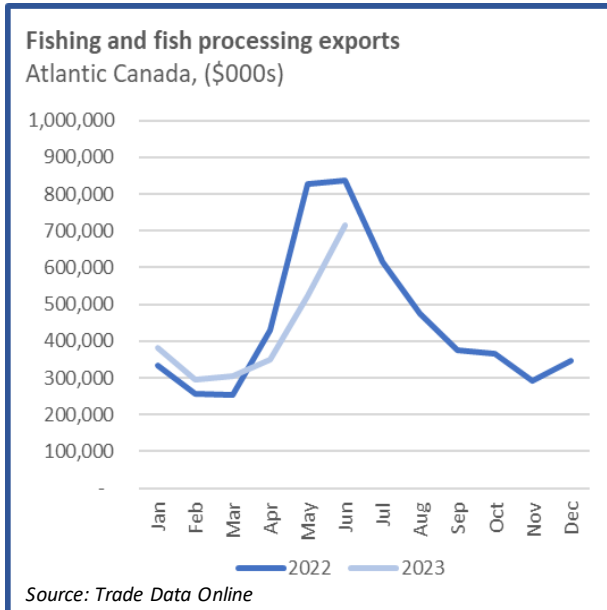Emploi et Développement social Canada

Canada

RECENT HISTORY

Since the beginning of the global pandemic, the fishing and fish processing industry in Atlantic Canada has experienced volatile economic activity. Setbacks due to the pandemic in 2020 included delayed openings of various fishing seasons and a temporary, but steep drop in both domestic (mainly restaurant) and international demand. This was particularly the case for lobster, which depends heavily on international demand, as well as cruise ship and dining room activity. As a result, the price of lobster plummeted to, in some areas, half of what it had been prior to the pandemic. By 2021 the price of lobster had spiked as international demand soared above pre-pandemic levels.

Snow crab prices plunged by 60% in 2022 as a result of lower US consumer demand due to inflation. This has resulted in excess inventory which continue to depress prices. Atlantic lobster prices also fell about 30% in 2022 and has continued at that level throughout 2023.

The Department of Fisheries and Oceans 2022 NL snow crab stock assessment showed that stocks have rebounded from 2019 when landings were at a 25-year low.

Fishing and fish processing exports
Atlantic Canada, ($000s)

Source: Trade Data Online

Historical Employment Trend
Atlantic Canada

Source: Statistics Canada, Labour Force Survey

Due to the pandemic, the sector's GDP in Atlantic Canada fell by 14.2% in 2020, from $1.62 billion in 2019 to $1.39 billion. After making a full recovery in 2021, with $1.71 billion in output, it fell again in 2022 by 10.4% to $1.53 billion. This was due to a 16.4% decrease in seafood product preparation and packaging after an impressive year in 2021.

Each year, fishing and fish processing exports from the region rise and fall in sync with lobster and crab fishing seasons that operate in periods between April and August, depending on the catch's local fishing zones. Exports of fishing and fish processes products from Atlantic Canada have grown from $2.6 billion in 2012 to $5.8 billion in 2022. A $2.0 billion growth in the sector's shipments to the US is the most prominent cause of the rise over the last decade. Shipments peaked in 2021 at $6.3 billion.

Similar to its exports, employment in the fishing and fish processing industry is highly seasonal due to the importance of lobster and crab fishing and their tightly regulated fishing seasons. In 2022, the sector had an employment low of 17,300 workers in March and peaked at 38,800 in May, a variation of 125%.
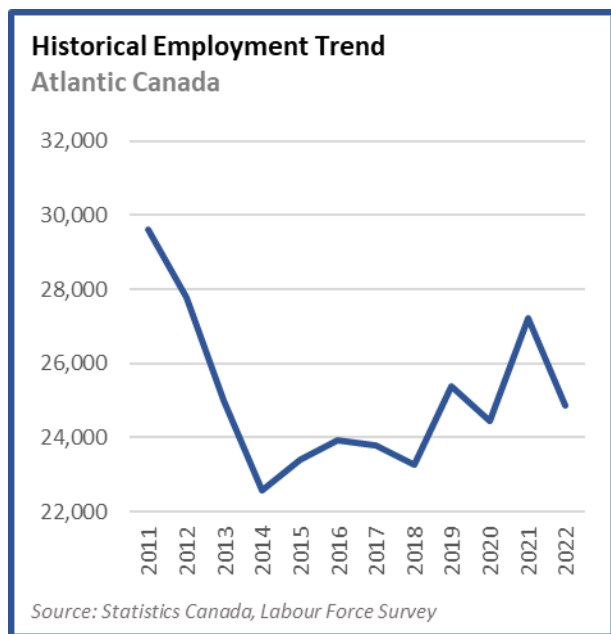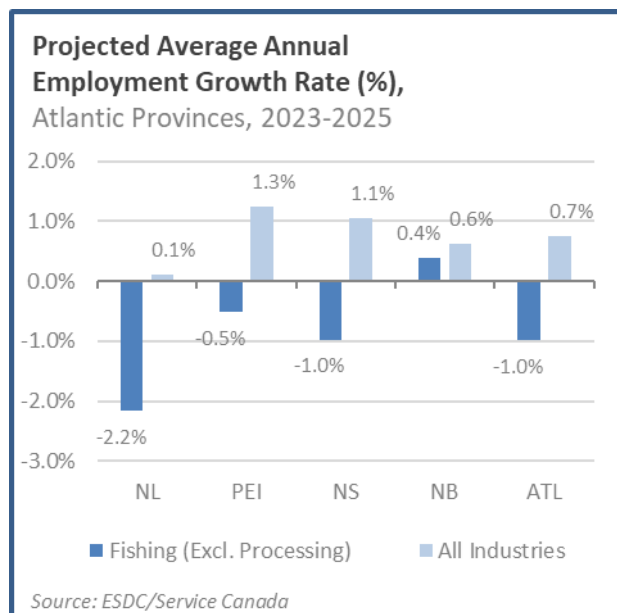
OUTLOOK

Employment in the fishing and fish processing industry between 2023-2025 in Atlantic Canada is expected to shrink by 1.0%. This is in contrast to 0.7% growth in employment across all industries in the region. Activity and growth of the fishing and fish processing sector is restricted by licenses and quotas. There is no expectation of increased quotas for major species.

The number of jobs in the fish and fish processing industry in Nova Scotia is expected to fall by 1.0% in the forecast horizon, compared to growth of 1.1% in all industries. This is anticipated due to ongoing mackerel and herring moratoriums, low crab prices and increased costs of fuel and bait. Nova Scotia will be ending its moratorium on issuing new seafood processing licences, which has been in place since 2018. Ottawa is giving 14% of the Maritime fishery for baby eels (or elvers) to several First Nations in Nova Scotia and New Brunswick.

New Brunswick is the only province in Atlantic Canada that is forecasted to experience an increase in fish and fish processing employment in the next few years, albeit only a mild 0.4% bump. The province's lobster population is healthy, sustainable and is by far its most lucrative species.

The industry in Newfoundland and Labrador is expected to be the hardest-hit out of the Atlantic provinces over the 2023-2025 forecast horizon. Employment in the sector is projected to drop by 2.2% over the forecast period, whereas the province is expected to remain stable across all industries. Part of the decline is attributed to retirements, as fish harvesters are relatively older than

Projected Average Annual Employment Growth Rate (%), Atlantic Provinces, 2023-2025

	NL	PEI	NS	NB	ATL
Fishing (Excl. Processing)	-2.2%	-0.5%	-1.0%	0.4%	-1.0%
All Industries	0.1%	1.3%	1.1%	0.6%	0.7%

Source: ESDC/Service Canada

workers across all industries, on average.

Employment in the fish and fish processing industry in Prince Edward Island is expected to fall by 0.5%. The P.E.I. Seafood Processors Association expects challenging conditions moving forward, with concerns that there will be a recession and that since lobster is considered a luxury product, it may be susceptible to reduced demand. P.E.I.-based Abegweit First Nation has signed a 5-year agreement with the federal government, allowing them to participate in a moderate livelihood fishery.

Note: In preparing this document, the authors have taken care to provide clients with labour market information that is timely and accurate at the time of publication. Since labour market conditions are dynamic, some of the information presented here may have changed since this document was published. Users are encouraged to also refer to other sources for additional information on the local economy and labour market. Information contained in this document does not necessarily reflect official policies of Employment and Social Development Canada.

The analysis in this report was finalized as of August 2023.

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APPENDIX

Real GDP (2022) and Employment (2022) for Atlantic Canada						
	Fishing and Fish Processing			**All Industries**		
	Number	**Share of Total**	**AAGR***	**Number**	**Share of Total**	**AAGR***
Real GDP (M$)	$1,532.8	100.0%	-1.1%	$109,227.1	100.0%	1.0%
Newfoundland and Labrador	$461.3	30.1%	-2.6%	$30,150.3	27.6%	0.1%
Prince Edward Island	$157.6	10.3%	2.1%	$6,542.6	6.0%	2.5%
Nova Scotia	$499.4	32.6%	-2.4%	$40,011.5	36.6%	1.5%
New Brunswick	$414.5	27.0%	2.1%	$32,522.7	29.8%	1.1%
Employment (000s)	24.9	100.0%	-1.1%	1175.2	100.0%	0.4%
Male	18.1	72.8%	-1.0%	596.0	50.7%	0.4%
Female	6.8	27.2%	-1.5%	579.2	49.3%	0.5%
15-24 years old	2.2	8.8%	-1.9%	158.7	13.5%	0.4%
25-54 years old	12.8	51.6%	-2.8%	734.4	62.5%	-0.2%
55 years and older	9.9	39.6%	1.9%	282.1	24.0%	2.2%
Worked full-time	23.1	92.8%	-0.9%	990.6	84.3%	0.6%
Worked part-time	1.8	7.2%	-3.2%	184.6	15.7%	-0.4%
Self-employed	7.1	28.7%	-1.3%	123.2	10.5%	-1.0%
Employees	17.7	71.2%	-1.0%	1052.0	89.5%	0.6%
Permanent job	9.1	36.6%	3.3%	884.4	75.3%	1.0%
Temporary job	8.6	34.6%	-4.1%	167.6	14.3%	-1.4%
Less than high school	6.8	27.3%	-5.5%	95.5	8.1%	-3.9%
High school graduate	7.6	30.8%	0.5%	275.3	23.4%	-0.5%
Postsecondary cert. or diploma	8.6	34.5%	1.4%	456.3	38.8%	0.3%
University degree	1.9	7.5%	5.5%	348.2	29.6%	3.3%
Newfoundland and Labrador	7.1	28.7%	-1.2%	232.5	19.8%	-0.3%
Prince Edward Island	3.3	13.2%	1.4%	84.3	7.2%	1.5%
Nova Scotia	9.6	38.5%	-0.9%	484.9	41.3%	0.6%
New Brunswick	4.9	19.6%	-2.8%	373.5	31.8%	0.5%

Source: Statistics Canada, Labour Force Survey - Custom Table; Table 36-10-0402-01

Average annual growth rate for last ten years of available data (GDP 2013-22 and Employment 2013-22)

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