



## Opening Statement Killybegs Fishermen's Organisation

### Joint Oireachtas Committee on Agriculture, Food and the Marine

20 June 2017

Chairman, committee members and other members of the Oireachtas, thank you for the opportunity to address you here today.

The Killybegs Fishermen's Organisation draws its membership from a diverse range of locations, we don't exclusively represent fishermen from Killybegs nor just Donegal. Indeed, I'm joined here today by one of our board members, Padraic Conneely from the Aran Islands. Neither are we just a representative organisation of pelagic fishermen, we also have vessels from the whitefish and shellfish sectors in our ranks.

Your invitation is a timely one since, as you are most likely aware, there are a number of live issues and very real challenges currently facing our sector which we would like your guidance and assistance to resolve in a fair and just manner.

#### **Sea-Fisheries (Amendment) Bill 2017**

At the outset I wish to make it very clear that the KFO was not consulted in advance of the publication on the 9<sup>th</sup> February of the Sea-Fisheries (Amendment) Bill 2017 and had no input whatsoever to its content.

The KFO does not support the Bill in its present form for a number of reasons.

The explanatory note published with the Bill states;

*"Section 1 of the Bill amends section 10 of the Sea-Fisheries and Maritime Jurisdiction Act 2006 to continue to assert Ireland's exclusive right to fish with the exclusive fishery limits of the State by maintaining previous provisions but also explicitly provides for access to fish by sea-fishing boats owned and operated in Northern Ireland within the 0-6 nautical miles of the baseline of the State's exclusive fishery limits."*

Firstly this Bill does not provide for a limitation on vessel size as envisaged under the "Voisinage agreement" agreed by exchange of letters between Ireland and Northern Ireland in 1965 as part of the 1964 London Convention. The Supreme Court in its judgement last year found this agreement to be unlawful. The KFO had always understood that a 75 feet limit applied. A vessel size limit is not included in the Bill and KFO would strongly support that the Voisinage agreement should be confined to the smaller vessels of less than 15 metres. We note this size limit has already been proposed by a number of Senators during the Committee stage.

Secondly we foresee major problems with enforcing the restriction in the Bill to *“sea-fishing boats owned and operated in Northern Ireland”*. This in our view is wide open to abuse and could be easily exploited by multinational and others and is totally contrary to what was envisaged in 1965 Voisinage Agreement which clearly states only *“boats owned and operated by fishermen permanently resident in the Six Counties will be permitted to fish within our new limits.”*

Thirdly and most importantly the UK Government had indicated prior to the UK Election that it also intends to withdraw from the 1964 London Convention. As the Voisinage Agreement was done under the Convention it follows that it would cease to apply if the UK withdraws from the London Convention. A new agreement if so desired would have to be negotiated with EU 27 Member States. In light of this likely UK withdrawal from the London Convention the KFO consider the proposed Bill should not now proceed.

## **Allocation of Fish Quotas**

### **1. Mackerel Review**

This brings me chairperson, to the elephant in the room, the issue of mackerel quota sharing arrangements and the wholly unprecedented, ill-advised and bitterly divisive mackerel quota review which was initiated earlier this year by Minister Creed.

In a nutshell, this flawed process could see the industry in the North West of Ireland deprived of more than €10million of a mackerel catch this year. If our current share of the quota was to be cut, it would ultimately result in the loss of jobs at sea in Donegal as well as employment ashore in the highly developed pelagic industry in the wider North West.

While we accept that no decision has been reached, we, in the Killybegs Fishermen’s Organisation believe that the course of action being adopted is fundamentally flawed and that its activation endeavours to penalise the Refrigerated Seawater or RSW sector in a disproportionate and unfair manner.

What’s more, the review is in direct contravention of a Ministerial policy decision of 2009 which was revised and confirmed in 2010. Minister Creed’s predecessor, Simon Coveney also rejected numerous requests to take quota from the RSW sector and allocate it to the 27 polyvalent vessel with mackerel entitlements. I quote directly from a letter dated May 23<sup>rd</sup> 2014 from Minister Coveney’s Private Secretary to the IS&WFPO which states, *“The Minister considers that the percentage based allocation between the segments can properly deal with year on year fluctuations in national quota in a fair, transparent and balanced way”* as he formally rejected their lobbying to take quota from RSW sector. I’m attaching a copy of that letter to my written remarks for consideration by the committee members.

Ireland’s quota was approximately 18,500 tonnes higher in 2014 than it is today so chairman, I would ask you what changed circumstances have occurred in the interim to prompt penalising the KFO?

Last year, our boats were hit with a 15% cut in mackerel quota. Then, when all of a sudden, there was supposedly an increase in quota last Autumn, the Minister appeared open to the idea of making it available to 27 vessels in the polyvalent sector which have a mackerel entitlement for no valid reason other than purely parochial. This is something we cannot, and will not, stand idly by and accept. We cannot countenance a situation whereby in a nutshell, the south is taking from the North West, from families who have spent generations building up businesses, borrowing to invest in their vessels and taking huge pride in being the best at what they do.

Let's be clear here, we are looking for no more than the current arrangements to be maintained, we are not looking for an increase. We need assurances and this cloud of uncertainty is doing nothing for the stability of our industry and the many businesses which are reliant on it.

Moreover, since the public consultation exercise on the review began last February, it has come to light that the scientific advice used to calculate the 2017 TAC was erroneous meaning that it actually represented a sizeable cut of 13% on the 2016 catches rather than the 14% increase it had previously advised. Aside from the obvious embarrassment of such a mistake by ICES in estimating stock size, it has created huge uncertainty for our members who are trying to run businesses thereby providing valuable employment. We could now in fact, be staring at a drop of 20% in quota next year.

In a county like Donegal where unemployment is running at a multiple of the national average, we can ill-afford anything which would threaten a cornerstone of the local economy. Only last month, there were 765 people on the live register in a relatively small town like Killybegs. In Killybegs, our economy is built around fishing. Our town, our region, our livelihood depends on pelagic fishing and with banks closely monitoring their exposure to industries like ours, we cannot live with the risk of somebody trying to impact on our bottom line. We cannot be victim to any change in the current arrangements which might jeopardise that vital industry.

Moreover, the review ignores the fact that those 27 polyvalent vessels who stand to benefit have already been boosted by a 750% increase in mackerel tonnage since the year 2000. The Irish South and West Fish Producers Organisation which has gone on record numerous times stating it has no wish to be the cause of job cuts in Donegal. With respect, while the sentiment expressed is noble, if the IS&WFPO gets its way and deprives us of 100% of the additional quota, there will be redundancies in the North West. I should also point out that these 27 vessel owners don't all agree with the IS &WFPO request to take 100% of the proposed additional quota. This was communicated in writing to the Department during the consultation process by a number of these polyvalent vessel owners. That in itself, is a damning indictment of what is going on here. Producer organisations which previously stood shoulder-to-shoulder and built up valuable relationships are now divided and the industry as a whole has lost focus at a very important time with Brexit looming on the horizon.

The Irish RSW fleet has invested heavily in specialised vessels which have played a major role in developing a mackerel fishery in this country and establishing a credible track record in catching mackerel prior to introduction of Total Allowable Catch (TAC) and quotas system in 1983. Without this excellent track record, Ireland's current 21.2 % percentage share of the western TAC would probably be only in the region of 1% to 2%.

When nobody else, most notably our colleagues in the South and West, wanted to invest in a fleet capable of fishing mackerel, the entrepreneurial, skilled and committed fishermen of the North West did just that. When nobody was interested in fishing mackerel, the KFO's members identified an opportunity, rose to the challenge and developed a fishery that is now the envy of many others. Chairman, I ask you, is it in any way just, that a change in quota sharing arrangements would now seek to take the metaphorical fish from our table.

Take for example, Marc Gallagher from Killybegs who at 38 years of age has worked as a fishermen since he left school. He makes huge monthly repayments in excess of €80,000, the majority of which is to pay the cost of his vessel's licence but he meets his bank's requirements and stays in business, in no small way, due to the mackerel fishery. Marc and the committed crew of the MFV Vigilant are staring down the barrel of oblivion if the Minister adjusts the current quota sharing arrangements. Chairperson and Oireachtas members, I can assure you that there are many more stark and frightening stories very similar to that of Marc, they can be read on the Department of Agriculture's website under the mackerel review public consultation section. I would encourage you to read these submissions to help understand the potential direct and indirect impacts of this sorry debacle.

The perception exists that the RSW vessels are hugely profitable and their earnings grossly exceed everybody else's. Well let me tell you chairman, there are lies, damned lies and statistics. When the earnings of KFO members are thrown around like snuff at a wake, there is no mention made of the corresponding outlay and huge investment which we have made in our fleet. We fish in the harshest conditions imaginable and must have vessels which are able to withstand such unforgiving elements.

On the other hand, the polyvalent fleet does not have the same level of investment. It enjoys a monopoly in the Celtic Sea herring fishery by way of dubious track record use by the then Minister. While the horse mackerel quota has been slashed, the polyvalent sector retains a percentage thereof while they also have whitefish. Unlike the polyvalent sector, we rely on mackerel as our main income.

It is ludicrous to suggest that the 27 vessels in the polyvalent sector which already have mackerel entitlements would forgo whitefish allowances in exchange for mackerel quota which would be of benefit to other 1400 vessels in whitefish sector. The giving up of whitefish entitlements by the 27 polyvalent vessels which have mackerel entitlements will have no effect on the monthly species allocations to the other approx. 1400 polyvalent general vessels as the Irish white fish quota management system is not based on allocation

to vessels but on monthly pressure stock (those stocks where the Irish quota is insufficient to have an open fishery and requires monthly restrictions) allocations to all polyvalent vessels under and over 55 feet in length.

We have nothing else to fish for apart from pelagic species. Our boats are tied to the pier for an inordinate amount of time when compared with our coastal neighbours. Robbing Peter to pay Paul is no answer to Ireland's fishery problems. Track record is the basis on which quota is shared out all over Europe. The polyvalent fleet already has much more than its fair share of mackerel quota when this logic is applied. Some of their vessels are actually larger than the RSW vessels they are targeting in this review. We cannot afford to lose any more of the only stock which keeps our businesses viable as well as shore side factories, their workers and the multitude of service industries which depend on us.

## **2. Brexit**

The serious concern caused to our members by the review in addition to the looming Brexit issue and the related uncertainty around fishing access and share, has heightened anxiety and created genuine fear about the future of the industry among our members.

We've just seen the formation of a new Government on the other side of the Irish Sea as the business of shaping Brexit becomes frighteningly real but equally chaotic. The Irish seafood sector is a €1billion industry and employs 11,000 people in coastal areas where other job opportunities are quite often limited.

I'm going to take the liberty of quoting former Taoiseach, John Bruton from a speech he gave in London last week when he said, "Fish do not respect territorial waters. While fishing boats can, in theory, be restricted to territorial waters, fish cannot.

"Overfishing in one jurisdiction affects the livelihood of fishermen in another. Conservation is vital. Who will adjudicate on this, 10 years from now? Will there be quotas? Who will allocate them?

"In the absence of agreement, one can easily envisage clashes, even physical clashes, in seas around us." While we, in the KFO and I'm sure I can speak for my fellow producer organisations, would hope it doesn't come to this, I don't think Mr Bruton is being unduly alarmist, or indeed scaremongering, when he made these comments.

The UK Fisheries Minister, George Eustice has already claimed that British fishermen will catch hundreds of thousands of tonnes more fish after Brexit while Ireland, which shares 47 out of its 50 Total Allowable Catches (TAC) with the UK, stands to lose catastrophically from an EU without Britain. Some 31% of 2015 Irish catches come from UK waters with the two main species for Irish fishermen, mackerel and nephrops, requiring anything from 40% to 60% access to British fishing grounds. Mackerel in particular, are in their prime when fished

off the Shetlands in the course of migrating from Norway to the Bay of Biscay annually. By the time they enter Irish waters, they carry 40% less fat and are a vastly inferior fish.

Prior to the election, Theresa May's Government was advocating calls to 'repair what went wrong in 1973' which means Britain will be fighting for higher quotas thereby endeavouring to eat our lunch. If Britain closes access to its waters for our boats, it would be a disaster while we're also potentially facing a mass displacement of other EU vessels into Irish waters. It's quite simple chairperson, fisheries negotiations must, under no circumstances, be separated from trade negotiations. The UK is 74% dependant on the EU market for its seafood exports.

With the unprecedented and particularly demanding challenges presented by Brexit, it's even more baffling why a ludicrous mackerel review is playing out in tandem with this issue causing unnecessary distraction and division as well as absorbing precious time and resources. The Irish Government must make fisheries a top priority in the negotiations around Brexit and to ensure that the sector is not used as a bargaining chip in reaching a final outcome. We're very concerned at recent claims that just four staff in the Department of Agriculture have been allocated to a dedicated Brexit unit and we would ask chairman that your Committee call for increased resources.

Make no mistake chairman, the KFO wants to work with you and at all times, we endeavour to engage positively and effectively with the Department as well as your committee and other stakeholders to ensure Ireland gets its fair share and our industry can continue to make a valuable contribution to our national economy. However, more than ever, we need your support and appreciation of the issues I've just addressed. These are our concerns and we want to see that justice is done and that our precious livelihoods at sea are not threatened by a parochial review.

I would like to acknowledge your attention and am more than happy to deal with any questions arising in due course. Go raibh maith agaibh.