



Summary of Recommendations from COVID-19 Impact Assessment Report

The impacts of the pandemic have been the most severe on markets that rely on concentrated sources of demand. Seafood products that have historically been dependant on the foodservice and hospitality industries have experience the most severe impacts. Lobster and oyster products have seen the greatest declines in market and shore prices due to their extreme reliance on restaurant sales. Conversely, products with more robust retail presence such as scallop and frozen snow crab have performed comparably to 2019 levels, in some cases reaching new record high prices.

Here are some recommendations for First Nation communities and how to mitigate the economical impacts of COVID-19:

Diversification: Diversification is an effective way of countering impacts from unexpected shocks to the economy. First Nation bands may wish to consider directing more seafood product to the retail market when possible. Consumers have demonstrated that their demand for seafood does not completely vanish when the foodservice industry encounters adverse conditions, and that they will seek out product from other sources.

Direct-to-consumer sales: While not enough to make up for losses from large volume buyers such as restaurants and cruise ships, this strategy would provide a modest but reliable source of income that is not as dependent on supply chains.

Diversifying the type of species harvested: If a community has heavy involvement in a restaurant-reliant industry such as lobster, it may be prudent to also participate in fisheries for more retail-oriented species such as whitefish. This would add a layer of resiliency to revenues should the foodservice or retail market experience adverse conditions. Many communities have begun implementing or have already implemented this practice.

Apply to the relevant federal aid programs to recoup lost income: Complicating this issue is the fact that to date, First Nation bands are not fully eligible for the currently released seafood industry aid



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packages. Moreover, the aid package developed for fish harvesters has not been released and the criteria associated with getting the support is not fully known.

A follow-up analysis of the status of the seafood market at year-end should be undertaken to properly assess the real impacts that the pandemic has had on the market. The impacts of the pandemic are becoming increasingly clear as the year advances. Importantly, many health experts expect a “second-51 wave” of the disease to emerge in the coming months as people begin confining themselves indoors as the weather cools. A second wave would have further negative consequences on the global economy and seafood industry, but now it is unknown if this wave will occur and to what degree. A year-end analysis would be able to account for the effects of a second wave and present a more accurate overall picture of the impacts of COVID-19 on the seafood industry in 2020.

First Nation communities should prepare for significantly reduced fishing revenues for the near future. The impacts of this pandemic are likely to be the dominant drivers of the economic conditions for the next year or more. The reduction of fishing revenue resulting from the COVID-19 pandemic will have a profound impact on First Nation communities for the foreseeable future. The full impact of the pandemic on the First Nation fishing operations will not be known until all the respective fishing seasons are completed.