

STANDING FISH PRICE-SETTING PANEL

LUMPFISH (ROE) FISHERY – 2010

The Standing Fish Price-Setting Panel, hereinafter referred to as “the Panel” issued its Schedule of Hearings for 2010 on January 26, 2010. Pursuant to Section 19 of the *Fishing Industry Collective Bargaining Act*, hereinafter referred to as “the Act”, the Panel set Thursday, April 15, 2010, as the date by which collective agreement(s) binding on all processors in the province, that process the species lumpfish (roe), must be in effect. In the absence of such collective agreement(s), the Panel set Friday, April 16, 2010, as the date on which the Panel would conduct a hearing regarding prices and conditions of sale for the species lumpfish (roe).

The Panel also noted, at that time, that it had been advised by the Department of Fisheries and Aquaculture that the Association of Seafood Producers, hereinafter referred to as “ASP” represented processors that process the majority percentage of the species lumpfish (roe). Accordingly, under Section 19(11) of the Act, should a hearing be required for lumpfish (roe), the parties appearing before the Panel would be the Fish, Food and Allied Workers, hereinafter referred to as “FFAW”, and ASP. Section 19.11(1) of the Act and regulations made pursuant thereto required that the decision of the Panel must be in accordance with one of the positions on price and conditions of sale submitted to the Panel by the parties at the hearing. The Panel further advised that no other positions would be accepted by the Panel and, should other representatives of this species wish to attend the hearing, concurrence from both parties to the collective bargaining must be obtained. The hearing for lumpfish (roe), if required, was scheduled to take place at 2:00 pm on Friday, April 16, 2010, at the Labour Relations Board Hearings Room, Beothuck Building, 20 Crosbie Place, St. John’s.

ASP advised the Minister of Human Resources, Labour and Employment, by letter dated February 22, 2010 (copy attached) stating in part: “...ASP members agreed unanimously in a meeting of February 17th to notify you of our decision not to participate in any meetings, hearings or collective bargaining associated with the Standing Fish Price-Setting Panel.” ASP has not responded to any Panel correspondence, including the Schedule of Hearings for 2010.

At the request of the FFAW, the Panel rescheduled the date for a hearing, to April 23, 2010 at the Battery Hotel and Suites, at 10:00 a.m. The Panel convened the hearing on the species lumpfish (roe) at 10:00 a.m. on Friday, April 23, 2010, at the Battery Hotel and Suites in St. John’s. The only party to appear before the Panel was the FFAW, which filed a written submission (copy attached). The Panel and the parties had the benefit of a lumpfish (roe) update from Gemba Seafood Consulting dated April 12, 2010 (copy attached).

The issues related to setting a price for the lumpfish (roe) fishery are simple and extremely effective. The initial price, of \$1.50 lb, for the past two years, has been augmented by the final settlement tied to actual prices realized in the market. The methodology adopted in 2007, in

determining increased market prices has been extremely successful. The Panel outlined the issues involved in the lumpfish (roe) fishery and the well defined market in 2007.

The factors that contributed to the successful fisheries in 2008 and 2009 are still in effect. The FFAW is proposing a roll-over of the terms and conditions that existed in 2009. The Gemba Report indicates that inventories at the start of this season are low. The spread between the initial price and the prices reflected in the final market return is more than sufficient to accommodate the FFAW proposal. In 2008, the supplementary payment to harvesters was \$2.25 lb. In 2009, it was \$2.49 lb. This margin is unlikely to decrease in a significant manner in 2010.

It is the decision of the Panel that:

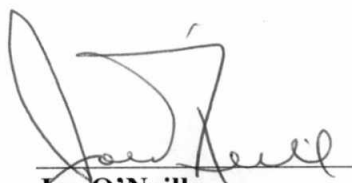
1. At market prices up to \$900 Cdn CIF Europe, fish harvesters will be paid \$1.50 per pound for lumproe.
2. If the market price as outlined in paragraph 3 below exceeds \$900 per barrel, prices to fish harvesters will be increased retroactively based on sales and shipments up to November 30, 2010. Retroactive payments will be due and payable no later than December 10, 2010.

The raw material price will be increased at a rate of \$.01/lb for each \$4 per barrel market price increment in excess of \$900 per barrel. (For example, at \$1,000 per barrel the raw material price would be \$1.75 per pound).


3. Confirmation of average market prices received will be based on sales reports up to and including November 30, 2010 showing volumes and weighted average prices received per barrel (Cdn\$ CIF Europe) from Ocean Choice International (OCI), Beothic Fish Processors and Icewater Fisheries. Verification through independent audit of prices received is at the discretion and cost of FFAW.
4. There will be no deductions from these prices for ice and/or water.
5. The parties agree to a three-week lump season in each area. The parties agree to variable seasons by area, provided that no individual license holder can fish in more than one three-week season. A committee of the FFAW, ASP and Icewater will be established to monitor landings during the first two weeks with a view to increasing/shortening the season should there be a perceived shortfall/oversupply.
6. Temperatures must be controlled by icing and landed roe must be free of foreign material and excess water.

The Lumpfish (roe) Schedule of 2010 will be incorporated with the Master Collective Agreement, which document, without any substantive change unless approved by the Panel, or arrived at by mutual agreement between the parties, will form a collective agreement binding on all processors that process the species lumpfish (roe).


Dated the 26th of April, 2010.



Joe O'Neill
Chairperson



Bill Wells



Max Short