

Lobster Fishery 2014

The Standing Fish Price-Setting Panel hereinafter referred to as "the Panel", issued its Schedule of Hearings for 2014, dated February 11th, 2014, for inter alia the species Lobster. In the event that no binding collective agreement was in effect by Tuesday, the 6th day of May, 2014, the Panel set Wednesday, the 7th day of May, 2014, as the date for a Panel Hearing on prices and conditions of sale for the species Lobster. These dates were set following notification from the Minister of Fisheries and Aquaculture, dated February 7th, 2014, that May 16th, 2014 had been set as the date by which price and conditions of sale for the species Lobster must be in place.

The Panel had been advised previously by the Department of Fisheries and Aquaculture, that there was no majority processor or processor's organization identified for the species Lobster.

The Panel advised in the Schedule that in the absence of a collective agreement, the Panel would conduct a hearing on price and conditions of sale. The Panel further advised that the parties appearing before the Panel may include a processor, a processor's organization and the Fish, Food and Allied Workers. Presentations would be accepted by the Panel from a processor, a processor's organization and the Fish, Food and Allied Workers representative's at the hearing. The Panel also advised that it would decide on all matters in dispute between the parties relating to price and conditions of sale for the species Lobster and that the decision of the Panel is final and binding on the parties and all other processors that process the species Lobster and constitutes a collective agreement, or part of a collective agreement, between them.

In the event of a hearing on Lobster, the parties were to provide the Panel with written submissions not later than 24 hours before the scheduled hearing time and date at fax number (709) 729-5905, or the Panel's office at the Labour Relations Agency, 3rd Floor, Beothuck Building, 20 Crosbie Place, P.O. Box 8700, St. John's, NL, A1B 4J6. A hearing, if required, was scheduled for 2:00 p.m. on the date indicated in the Schedule at the Labour Relations Board Hearings Room, on the ground floor at the Beothuck Building, 20 Crosbie Place, St. John's, NL.

The parties were also reminded of the latest amendment to the Act, 19.9 (2.1) that requires a party, who has engaged in collective bargaining, may not make a submission to the Panel at a hearing unless that party has submitted an offer respecting price and conditions of sale to the other party not less than 48 hours before the commencement of the hearing.

By notice dated the 9th date of April, 2014, the Panel amended the dates set out in its schedule dated February 11th, 2014 for the species Lobster. For the species Lobster, the date by which a binding collective agreement is to be in effect was Tuesday, April 22nd, 2014.

A hearing, if required, would take place at 10:00 a.m. on the 24th day of April at the Labour Relations Board Hearings Room. The amendment also repeated the requirements of the Act and the Panel with respect to submissions as set out above in the February 11th schedule.

The Panel convened the hearing for the species Lobster at 10:00 a.m. on the 24th day of April 2014. The only submission received by the Panel was submitted by the FFAW. The only party

to appear before the Panel was the FFAW, who appeared in support of its submission. No other party or processors made any representation to, or appeared before the Panel.

This is the fourth year that the Panel has held a hearing with respect to the price and conditions of sale for the species Lobster. The FFAW has proposed to roll over the 2013 price schedule, which is a roll over of the 2012 price schedule. They did not receive any response from the Seafood Producers of Newfoundland and Labrador, hereafter referred to as "SPONL", who in past years represented the majority of processors who processed the species Lobster, beyond the discussion referred to in their submission.

The FFAW proposed a wording change to the 2013 schedule in relation to soft-shell Lobster. The Panel notes that in its 2013 decision dated the 2nd day of April 2013, it stated at page 1:


"...based on Urner Barry price reports for the 1 1/4 lb (hard shell) Lobster sales in the Boston market. The price reports were the index used to calculate the 'ups and downs', of the market place."

The proposal of the FFAW is not therefore a substantive change, it confirms what had been intended in the previous price schedules.

The Panel in its 2013 decision reviewed the issues advanced by the parties with respect to the setting of Lobster prices in some detail. At this time and, in the absence of any other representations, the Panel accepts the submission of the FFAW.

The prices for Lobster will be set in accordance with the 2014 Lobster Schedule attached, which will form a collective agreement or part of a collective agreement, binding on all processors that buy and process the species Lobster.

DATED the 24th day of April, 2014.



Joe O'Neill



Bill Wells



Max Short

2014 Lobster Schedule

The prices and related terms and condition for lobster for 2014 are set out in this Schedule.

- (1) The minimum price for lobster in NL in 2014 shall be determined on a weekly basis, adjusted in accordance with the Urner Barry price listing for 1 ¼ pound live lobster FOB New England.
- (2) The minimum price shall be \$3.25 for all Urner Barry price listings up to and including \$5.00.
- (3) The minimum price shall be increased by 70% of any incremental amount greater than \$5.00 Canadian, and 80% of any incremental amount greater than \$6.00 Canadian.

Example:

Market price = \$6.50 U.S.

7 day average exchange rate: \$1.00 U.S. = \$0.97 Cdn.

i.e. Market price = \$6.50 x \$0.97 = \$6.30 Cdn.

$$\begin{aligned}\text{Minimum Raw Material Price} &= \$3.25 + (.70 \times \$1.00) + (.80 \times \$0.30) \\ &= \$3.25 + .70 + .24 \\ &= \$4.19\end{aligned}$$

- (4) For all sales in 2014, the market price used in calculation as per paragraph (3) above will be 15 cents less than the Urner Barry listing for 1 ¼ pound live lobster FOB New England.
- (5) The minimum price for each week of the lobster season shall be calculated based on the average of the Urner Barry listings on Thursday of that week and Tuesday of the following week, and shall apply retroactively to all sales from Sunday to Saturday, inclusive, payable no later than Thursday of the following week.

Example: The price payable for landings in Week 1 (from Sunday to Saturday inclusive) shall be calculated based on the average of the Urner Barry listings for Thursday of Week 1 and Tuesday of Week 2, payable no later than Thursday of Week 2.

- (6) All Urner Barry listings used for this purpose shall be converted to Canadian dollars based on the average exchange rate for the seven day period immediately preceding the Tuesday following the week in which the landings occurred, as per the Oanda website.
- (7) Should Urner Barry provide a listing on Thursday in a particular week, or on the following Tuesday, but not both, that listing shall be used as the basis of the calculation. Should there be no Urner Barry listing provided on either a Thursday or the following Tuesday, the most recent prior Urner Barry listing shall be the basis of the calculation.
- (8) In the event that Urner Barry provides a range of prices on a given day, the low end of the range shall be used as the price listing for the purposes of this Schedule.

Example: If Urner Barry reports a market range of \$6.00 to \$6.10, all calculations done for the purposes of this Schedule shall be based on \$6.00.

- (9) Prices are based on legal size lobster.
- (10) Urner Barry occasionally lists prices for soft shell lobster. These prices are not applicable to the calculations provided for in this Schedule. Minimum raw material prices provided for in this Schedule apply to hard-shell lobster. Should a problem arise with respect to incidence of soft-shell lobster in the NL fishery, the parties shall meet as soon as possible to address the situation.
- (11) This Schedule is effective for the duration of the 2014 lobster fishing season.