

STANDING FISH PRICE-SETTING PANEL

SQUID FISHERY – 2010

By notice dated the 26th day of January, 2010, the Panel advised that collective agreements binding on all processors in the Province that process the species squid, must be in effect by August 9, 2010. In the absence of such binding agreements, the Panel advised that a hearing with respect to price and conditions of sale for the species squid would be held on Tuesday, August 10, 2010 at the Labour Relations Board Hearings Room, Beothuck Building, 20 Crosbie Place, St. John's, NL.

The Panel further advised that it had been informed by the Department of Fisheries and Aquaculture that the Association of Seafood Producers of Newfoundland and Labrador, (hereinafter referred to as "ASP"), represented processors that process the majority percentage of the species squid. The Panel further advised that should the hearing proceed for the species squid, the parties appearing before the Panel will be the Fish, Food and Allied Workers (hereinafter referred to as "FFAW") and ASP. No other submissions would be accepted by the Panel and should any representative of this species wish to attend the hearing, concurrence from both parties to the collective bargaining process must be obtained.

At the request of the FFAW the hearing was rescheduled to 2:00 p.m. August 12, 2010 and was to take place at the Battery Hotel and Suites (copy attached). The hearing was again deferred at the request of the FFAW to Monday, August 30, 2010 and a notice was sent to stakeholders on August 26, 2010 (copy attached). The Panel commenced its hearing on squid at 3:00 p.m. at the Battery Hotel and Suites on August 30, 2010. The only party to appear before the Panel was the FFAW having filed its submission (copy attached) and supported its submission by oral presentation to the Panel.

As the Panel has noted in its earlier decisions in 2010, ASP has not participated in any negotiations with the FFAW and has not appeared before the Panel. The FFAW was advised by ASP that it did not intend to participate in squid negotiations this season.

The issues related to the squid fishery are fairly simple due to the lack of landings over the past three years. There is no expectation of any significant increase in landings in 2010. A primary requirement of the squid fishery is the supply of bait for 2011, a volume generally accepted to be 6000mt. With limited volumes landed, the issue of export markets and prices are not a serious consideration.


There has been a significant decline in stocks and landings elsewhere. The result has been higher prices for bait in international markets. As the FFAW notes, prices to harvesters for bait in 2010 have been much higher than in previous years. This reflects the fact that imported bait has increased in price due to availability. The details with respect to the local bait supply and the global decline in squid catches are detailed in the FFAW submission.

The fact is that processors have voluntarily offered prices at .30¢ and above for round squid. This is double the price that has been paid over the past four years. The FFAW reasons that higher prices make sense to encourage effort to increase the local supply of bait. The more significant factor being the price that will have to be paid for imported bait. The FFAW proposal is to set the minimum price for round squid at .30¢ lb. For tubed squid it is proposed that premiums above the minimum price be determined between seller and buyer. The position of the FFAW appears to be reasonable under the current circumstances.

It is the decision of the Panel to accept the proposal of the FFAW. The minimum price for the species squid, effective the 31st day of August, 2010, will be .30¢ lb. for round squid. Tubed squid premiums above the minimum price can be determined between seller and buyer. These prices will form a collective agreement, or part of a collective agreement between processors and the FFAW, and will be binding on all processors of squid in the Province.

Dated at St. John's this 31st day of August, 2010.


JOE O'NEILL


BILL WELLS


MAX SHORT