

LOBSTER FISHERY 2011

DECISION OF THE STANDING FISH PRICE SETTING PANEL

The Standing Fish Price Setting Panel, hereinafter referred to as 'the Panel' issued a Notice of Hearings for 2011 dated April 12, 2011 for the following species: Lobster, Whelk, Lumpfish (Roe), Cod, Capelin, Squid and Mackerel. The notice advised that the date set for a panel hearing on prices and conditions of sale for the species Lobster was Friday, April 15, 2011 should a collective agreement not be reached by Thursday, April 14, 2011. The above noted dates were set following notification from the Minister of Fisheries and Aquaculture dated April 11, 2011 that April 21, 2011 had been set as the date by which prices and conditions of sale must be in place for the species, Lobster. Pursuant to the Fishing Industry Collective Bargaining Act, hereinafter referred to as 'the act', the panel shall decide on the matters in dispute between the parties relating to price and conditions of sale for the fish species not later than three days before the date set by the minister. Accordingly, the decision of the panel must be made by April 18, 2011.

The panel had been advised earlier by the Department of Fisheries and Aquaculture that, based on their records regarding Lobster in 2010, there was no majority processors organization for the species, Lobster. Accordingly a decision of the panel would have to be made based on the provisions of section 19.9 of the act.

For the species Lobster, the panel had the benefit of market analysis supplied by the Market Intelligence Unit of the Department of Fisheries and Aquaculture, including price information for the preceding five years, as well as a presentation by Mr. John Sackton on the Lobster market outlook for 2011 given at Moncton, NB, on March 28, 2011.

Where there was no majority processors organization identified for the species Lobster, the panel was advised that the FFAW had engaged the Seafood Producers of Newfoundland and Labrador in collective bargaining, given that organization represented approximately 48% of total production in the previous year. Both parties met in Corner Brook on Monday, April 11, 2011 and again in St. John's on Thursday, April 14, 2011. The outcome of those meetings did not result in a collective agreement. Accordingly the panel proceeded with the scheduled hearing on Friday, April 15, 2011.


The only party to appear before the panel at the hearing on Lobster prices and conditions of sale was the FFAW. No other party made a presentation nor submitted documentation to the panel regarding the prices and conditions of sale for Lobster for the 2011 fishery.

DECISION:

It is the decision of the panel, based on the information presented to the panel and its analysis of the market information, to accept the position of the FFAW on price and conditions of sale as outlined on pages 5 and 6 of the FFAW submission presented to the panel at the hearing on 15 April, 2011. (See attached 2011 lobster schedule)

By virtue of the act this schedule is binding on all processors/buyers who process/purchase the species Lobster in the province and will form a collective agreement or part of a collective agreement with the FFAW.

Signed



Joe O'Neill



Bill Wells



Max Short

2011 04 18

2011 Lobster Schedule

The prices and related terms and conditions for lobster for 2011 are set out in this Schedule.

This Schedule together with the terms and conditions of the Master Collective Agreement between FFAW/CAW and the Association of Seafood Producers (ASP) shall together constitute a Lobster Collective Agreement for the purposes of the Fishing Industry Collective Bargaining Act.

- (1) The minimum price for lobster in NL in 2011 shall be determined on a weekly basis, adjusted in accordance with the Urner Barry price listing for 1 ¼ lb live lobster FOB New England.
- (2) The minimum price shall be \$3.30 for all market prices up to and including \$5.00 Canadian.
- (3) The minimum price shall be increased by 70% of any incremental amount between \$5.00 and \$6.00 Canadian, and 80% of any incremental amount greater than \$6.00 Canadian.

Example: Market price = \$6.50 U.S.

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

i.e. Market price = \$6.500 x .97 = \$6.30 Cdn.

Minimum Raw Material Price = \$3.30 + (.70 x \$1.00) + (.80 x \$0.30)
= \$3.30 + .70 + .24
= \$4.24

- (4) The minimum price for each week of the lobster season shall be calculated based on the average of the Urner Barry listings on the Tuesday and Thursday of that week and shall apply retroactively to all sales from the preceding Sunday to the following Saturday, inclusive.
- (5) 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 Thursday, as per the Oanda website.

- (6) Should Urner Barry provide a listing on Tuesday or Thursday in a particular week, but not both, that listing shall be used as the basis of the calculation. Should there be no Urner Barry listing provided in a particular week during the lobster season, the most recent Urner Barry listing prior to that week shall be the basis of the calculation.
- (7) Prices are based on legal size lobster.
- (8) This Schedule shall be in effect for the duration of the 2011 lobster fishing season.