

STANDING FISH PRICE-SETTING PANEL

LOBSTER FISHERY 2026

Procedural History

1. The Standing Fish Price-Setting Panel, hereinafter referred to as “the Panel,” issued its Schedule of Hearings for 2026 following a consultation with the Parties on January 26, 2026, pursuant to Section 19 of the *Fishing Industry Collective Bargaining Act*, (the “*Act*”). The parties agreed that Collective Bargaining for the species Lobster would occur between April 6-10, 2026. Both parties agreed that should an agreement not be reached in bargaining, they would exchange their final offers and submissions to the Panel no later than 4:00 p.m. on Friday April 10, 2026, with a hearing before the Panel on Monday, April 13, 2026.
2. On February 27, 2026, the Minister of Fisheries and Aquaculture (the “Minister”) set the dates by which the price of Lobster would be set. Known as the “Minister’s date”, April 20, 2026, is the date by which the price and conditions of sale for Lobster must be set. Under the *Fishing Industry Collective Bargaining Act*, (“*FICBA*”) and its regulations, the Panel is required to provide the Minister with the price and conditions of sale of Crab no later than April 17, 2026, three days before the Minister’s date.
3. The Panel has been advised by the Department of Fisheries that the Association of Seafood Producers (“ASP”) represents processors that process the majority percentage of the species lobster. As a result, under Section 19(11) of the *Act*, should a hearing be required for Lobster, the parties appearing before the Panel would be the Fish, Food and Allied Workers’ Union (“FFAW”), and ASP. Section 19.11(1) of the *Act* and regulations made thereunder require 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 first be obtained.
4. The parties were not able to negotiate the price of Lobster for the 2026 fishery. Therefore, the Panel conducted a hearing on Monday, April 13, 2026, at 10:00 a.m. via videoconference.

Setting the price of Lobster in 2026

5. The documents relied on by the Panel in reaching its decision in this matter

included the Parties' submissions for the hearing, the *Act*, and the data and Lobster industry reports provided to the Parties and the Panel by DFA. This information included:

- Atlantic Canada Lobster Exports 2026-26 (Jan)
- Atlantic Canada Monthly Lobster Exports 2021-26 (Jan)
- DFO Landings
- Lobster production 2021-25
- Lobster US Monthly Market Insight January 2026
- Lobster US Monthly Market Insight February 2026
- Lobster US Monthly Market Insight March 2026
- NS NB Lobster Imports (Maine) 2021-26 (Feb)
- Urner Barry 5 Year Pricing Data
- Urner Barry Lobster Commentary Mar Feb 2026
- Various articles regarding Lobster

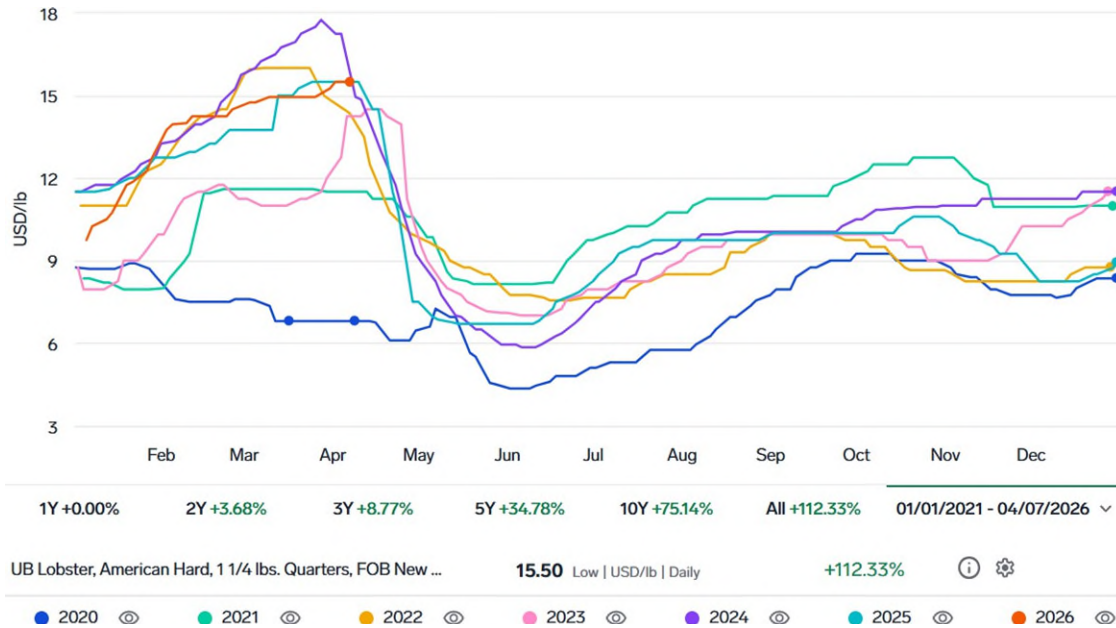
Issue in dispute

6. The Panel was provided with two very well-presented offers at the hearing. The offers reflect the fact that there appears to have been a genuine attempt by the parties to narrow the issues in dispute and to close the gap between their positions. This is exactly what bargaining and final offer arbitration should look like. By the time the parties arrived at the panel, they had arrived at an agreement on all issues save one: how to calculate price for the second and third weeks of the season.
7. As noted in our decision of 2025, in 2011, the parties, and / or their predecessor organizations, developed a formula setting the minimum price of landed lobster. That has been attached as a schedule to the Collective Agreement in place between these parties since 2011. The Urner Barry Index, which provides information on the price of live lobster in the US retail market on a twice-weekly basis (Tuesday/Thursday the week before), was used as the basis for determining the price for live lobster landed in Newfoundland between 2011 and 2025.
8. In 2024, the parties agreed to revise the calculation due to the rapidly falling price of lobster that occurs in the first few weeks of the season, particularly in the three weeks prior to Mother's Day each year. They agreed that the price would be calculated using the Thursday-Tuesday average UB price, except for the weeks prior to Mother's Day, where the Tuesday price would be used. Therefore, in the 2024 schedule, the parties negotiated that the price for the three weeks leading up to Mother's Day will be calculated using only the UB quoted price the following Tuesday, not the Thursday-Tuesday prices.

9. In 2025, FFAW sought to revise the formula and the ASP sought a roll-over of that 2024 revised formula. The panel agreed to the roll-over, primarily because the 2024 agreement was one that had been negotiated by the parties and encouraged a timely start to the fishing season. (The Panel's 2025 decision is available at: https://www.gov.nl.ca/gs/files/Lobster_Fishery_Decision_April_11-1.pdf.)
10. The issue that has been referred to the Panel for decision at this hearing is whether the 2025 Lobster Schedule, and the formula and conditions therein, should be adjusted for the 2026 season.

FFAW's Submission

11. FFAW argued that without individual quotas, there is a strong incentive for harvesters to fish for lobster as early as possible in the season. Additionally, the price for lobster is typically high at the start of the season, followed by a sharp drop between the start of the season and Mother's Day, then a period of stability, followed by an increase in prices for the remainder of the season.
12. FFAW admitted that price setting in the lobster fishery is one of the more stable of Newfoundland and Labrador's fisheries. They admit that there is general agreement on the basic formula governing the sale of lobster, and neither party is interested in significant modifications to the basic formula and terms and conditions. The only issue of contention for the 2026 season is the three-week period between the start of the fishery (as of the date of the hearing, first haul was set for April 20, 2026) and Mother's Day (May 10, 2026). During that time, the market drops significantly as lobster fisheries throughout Atlantic Canada open and product floods the market.
13. FFAW does not dispute the market dynamics at play during that period (i.e., the decreasing market). Rather, they request a change to the inputs in the formula for that period, based on the sharing of risk, a potential change in the timing of the market drop (based on the opening of lobster fisheries in other areas), and the annual cycle of price fluctuations over a typical season that they say has the potential to result in a levelling out of risk for processors over the course of the season.
14. FFAW provided the following chart depicting UB prices throughout the lobster season for the previous six years:



15. This graph clearly shows that each year, the NL lobster season opens in a rapidly falling market.
16. FFAW's offer for 2026 is as follows:

The market price to be used in the calculation of the price to harvesters for landings during the week of April 19-25 will be the April 28 (Tuesday) UB quote.

The market price to be used in the calculation of the price to harvesters for landings during the week of May 3 to May 9 will be calculated using 25% of the April 30 (Thursday) UB quote and 75% of the May 5 (Tuesday) UB quote.

The market price to be used in the calculation of the price to harvesters for landings during the week of April 26 to May 2 will be calculated using 25% of the May 7 (Thursday) UB quote and 75% of the May 12 (Tuesday) UB quote.

As an example, for landings during the week of April 26 to May 2, the market price to be inputted into the formula will be calculated as follows: (UB price on April 30)*(0.25) + (UB price on May 5)*(0.75).

All other terms and conditions of the 2025 Lobster Schedule would remain the same, including the calculation of the market price after Mother's Day. (FFAW submission, at p.1, emphasis added)

17. Review of this offer concludes that the first week of the season (April 19-25) is a roll-over of last year's formula for that week. The proposed change is to the calculation for the second and third weeks of the lobster season, where FFAW seeks to use 25% of the Thursday UB quote and 75% of the following Tuesday UB quote for two weeks, and then revert to the previous formula.

ASP'S Submission

18. ASP highlighted that the only issue referred to the panel is whether the 2025 Lobster Schedule, and the formula and conditions therein, should be adjusted. ASP's position is that the formula for lobster that has been in place since 2024, should be maintained for the 2026 season. This formula applies the use of the Tuesday only UB price after the week of landing, from the start of the season up to Mother's Day, after which the Thursday UB of the week of landing is included in the formula for the remainder of the season.
19. ASP's reasoning for a continuation of the formula as is, is that NL lobster buyers do not achieve the UB pricing for lobster and incur losses during the precipitous market drop from the beginning of the fishery until after Mother's Day. In addition, NL lobster buyers face cost and price differential compared to those in the Maritimes. These include higher transportation costs to market, payments for workers' compensation and EI for harvesters, increased collection costs due to our dispersed geography and remote locations, and greater yield loss through mortality and shrinkage, as we are further away from the final market. ASP argued that any portion of the Thursday UB used in the formula during the pre-Mother's Day period would create a higher loss for processors during the period of highest financial risk of the season.

The formula and revisions relevant to this season

20. In 2011, the parties, and / or their predecessor organizations, developed a formula setting the minimum price of landed lobster, which has been attached as a schedule to the Collective Agreement in place between these parties since then. The Urner Barry Index, which provides information on the price of live lobster in the US retail market on a twice-weekly basis (Tuesday/Thursday the week before), was used as the basis for determining the price for live lobster landed in Newfoundland between 2011 and 2024. This has been referred to as the "formula" or the "UB formula" throughout the presentations.
21. In 2024, the parties entered into an agreement as to how to calculate the minimum price of Lobster, using the aforementioned formula. The parties also

noted that while in the past the price was calculated using the Thursday-Tuesday average Uner Barry (“UB”) price, they agreed that due to the fluctuating changes in price that occur in the first few weeks of the season, particularly in the three weeks prior to Mother’s Day each year, the price would be calculated using the Thursday-Tuesday average UB price, except for the weeks prior to Mother’s Day, where the Tuesday price will be used. In the 2024 schedule, the parties negotiated that the price for the three weeks leading up to Mother’s Day will be calculated using only the UB quoted price the following Tuesday, not the Thursday-Tuesday prices.

22. In 2024 FFAW produced a publication (at Appendix 1 of the FFAW 2025 submission to the panel) acknowledging the following:

Historically, the lobster market starts at very high prices and declines quickly leading to Mother’s Day.

During the 2023 season, companies stopped buying at the beginning of the season because the market was declining so rapidly and they could not recoup their raw material price (at p.3).

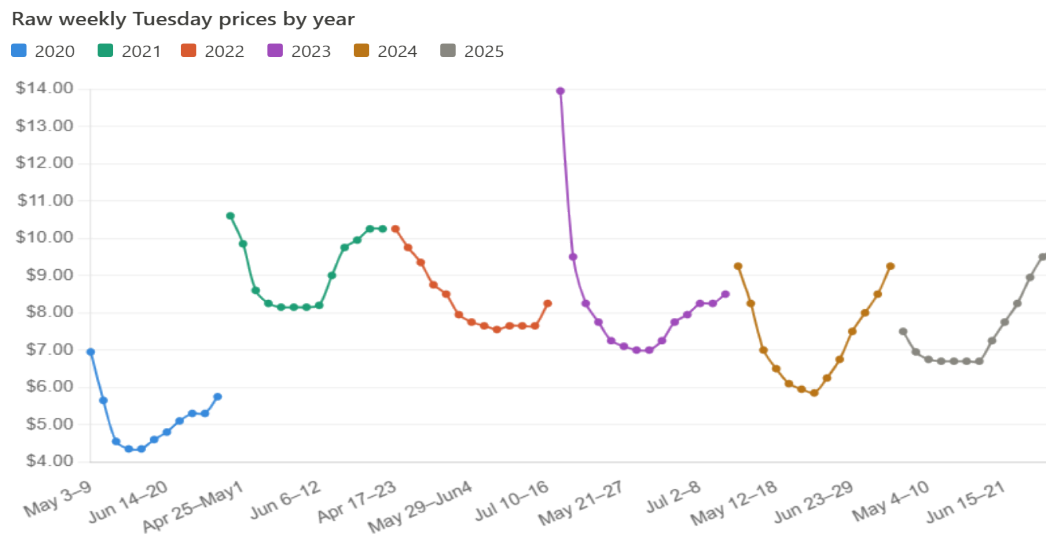
23. The presentation went on to articulate the FFAW’s two key priorities for the 2024 lobster fishery: a fair market share, ensuring that its members received 80% after \$6.00 and an uninterrupted fishery. It recognized that the committee wanted a deal that would keep the fishery going all season, recognizing that the lobster fishery is time limited.
24. Otherwise, the 2024 Lobster schedule was the “exact same” as the schedule in 2023 before those terms were renegotiated. FFAW’s presentation specifically articulated “the committee was comfortable making this concession [of the Tuesday price for the first three weeks of the season] to ensure an uninterrupted fishery.”
25. Following that agreement, the 2024 fishery proceeded as scheduled, with no interruptions, and the panel declined to interfere with that agreement in 2025, rolling over that 2024 agreement for 2025.

The Panel’s Decision

26. In 2026, the Panel has been provided with two reasonable presentations that were well presented. There is a legitimate difference of opinion between the parties as to how price ought to be calculated for the second and third weeks of the Lobster season in 2026. The change proposed by FFAW would result in a

slight increase in market share for harvesters fishing in the early part of the season. Otherwise, it remains the same.

27. The panel took a review of the price dynamics and the actual difference being calculated. This is discussed below.
28. The FFAW's "Figure 3" at page 5 of its submission was a useful illustration of the yearly fluctuations of the raw Tuesday weekly prices for the period 2020-2025. It is reproduced below:



29. The specific nature of the previous negotiations – i.e., the 2024 agreement to modify the long-standing formula – can be clearly seen in the above figure: there was an unprecedented drop in price in 2023, such that processors could not recoup their losses when buying from harvesters based on the UB Thursday – Tuesday prices and processors stopped buying until the price stabilized. The significant drop in price - which occurs every season but was demonstrably higher in 2023 - caused processors to stop buying lobster during that opening portion of the season. In order to prevent such a situation in 2024, the parties agreed to the modification of the formula to use the UB Tuesday only price for the first three weeks of the season and then revert to the previous agreement for the remainder of the season.
30. The figure above shows that the price of lobster falls every spring. Arguably, the drop was not as precipitous in 2025 as it has been in the five previous years, but there was a drop in the opening three weeks.

31. In reviewing the landing data, the panel notes that prior to 2023, there had been an up to \$0.15 USD (\$0.15, later \$0.11) deduction in the formula. ASP's submission showed that combined EI and workers' compensation fees have increased from 3.17% (\$3.17 per \$100.00 in 2024) to 3.22 % (2025), to 3.31% in 2026. The deduction has not been reinstated.
32. FFAW is seeking to increase the share or revert to a percentage of the Tuesday/ Thursday price, but there is no mention of reinstating the \$0.15 deduction per pound.
33. From the panel's perspective, put simply, it considered whether there is sufficient reason to decide differently this year than it decided last year, when it decided to roll over a modification of the formula that the parties had negotiated themselves in 2024.
34. FFAW argued that the 2024 agreement was made in an effort to get the season started, when faced with the processors halting production in early 2023 due to that season's market conditions.
35. FFAW argued that the revised Thursday – Tuesday pricing proposed for 2026 would assist in ensuring that those who are fishing in the early part of the season are able to make the most out of the falling market, just as those whose licenses allow them to fish later in the season are generally able to make the most of a rising market. The Panel examined the question of whether the formula in place in 2024 and 2025, and proposed by ASP to roll over for 2026, would have historically resulted in lower overall pricing for those who fished from the very beginning of the season (first 7 weeks) as compared with the weighted average prices over the full fishing season. These tables below show this comparison, applying the 2024/2025 formula to week-by-week landings and market prices in the respective years from 2020 – 2025, inclusive.

Year	Weighted Average Price		
	(1-7 Wks)	(Full Season)	Difference
2020	\$ 4.580	\$ 4.614	\$ (0.033)
2021	7.746	7.782	(0.037)
2022	8.124	7.797	0.327
2023	7.926	7.613	0.313
2024	6.618	6.613	0.005
2025	6.666	6.909	(0.243)

36. In the Panel's view, this table does not show that the formula inherently produces lower overall pricing for fishing enterprises in the areas which start earlier in the season, in comparison with pricing throughout the full range of the fishery. In three of the six years, the prices in the first seven weeks differed only marginally from the season-long average. In two of the years, the early participants achieved prices significantly higher than the average over the full season. In one year (2025) the average in the first seven weeks was significantly lower than the year-long average.
37. The above table was created by the panel as a simple snapshot comparison of the year over year data that was supplied by Department of Fisheries to the parties and the panel and used by the parties in their submissions. The panel took seriously the issue of the impact of the formula on those who fished in the areas with the earliest season openings, and based on its analysis, the panel concludes that over time, their price outcomes are comparable to the overall average price.
38. The Panel took into consideration the fact that these parties had a long-standing (2011-2024) mutually agreed upon formula for determining the price of Lobster each season. There have been occasional changes to the formula since its inception in 2011, as the parties worked over the years to refine sharing arrangements and adjust the details of the formula, both to minimize the possibility of in-season shutdowns which occurred on a few occasions (most recently in 2023) as well as to take account of the early-season, pre-Mother's Day market price reduction brought about by dramatically increased supply across Atlantic Canada.
39. FFAW has not provided compelling evidence to support its request to change the revision to the formula which it agreed to in 2024. Their argument is essentially that harvesters can't recoup any losses from the opening of the season at the end of the season, but processors can. A view of the FFAW's data at Figure 3 may suggest that if we were solely considering the 2025 data, but not for any other year of the data provided.
40. The Panel is of the view that the best resolution in collective bargaining is one arrived at jointly by the parties. The Panel's role is as a last-resort dispute settlement mechanism in the event the parties are unable to reach an agreement. Accordingly, barring compelling evidence pointing to the need for change to a previously negotiated arrangement, the Panel is reluctant, at the request of one party, to implement changes to a price-to-market formula that had been agreed to by both parties in a prior year. This reluctance guided the Panel's decision with respect to the 2026 Halibut fishery, when the Panel accepted FFAW's request for a rollover of the 2025 price formula, rather than changes to the sharing arrangements proposed by ASP.

41. It is for this reason that the Panel accepts the ASP's proposal for lobster pricing, as presented at the hearing on April 13, 2026, and orders a roll-over of the 2025 Lobster schedule.

Conclusion:

42. The price of Lobster for the 2026 season shall be a roll-over of the 2025 Agreement, Appendix B.

Dated at St. John's this 17th day of April, 2026



Sheilagh M Murphy, K.C
Chairperson



Earle McCurdy



Art Dodd

Appendix B

2026 Lobster Schedule

Price

The prices and related terms and condition for lobster for 2026 are set out in this Schedule.

This Schedule, together with the terms and conditions of the Master Collective Agreement between FFAW-Unifor 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 2026 shall be determined on a weekly basis, adjusted in accordance with the Urner Barry online listing for American Hard, 1 ¼ lbs, Quarters, 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 2026, the market price used in the calculation as per paragraph (3) above will be the Urner Barry listing for American Hard, 1 ¼ lbs. Quarters, 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.
- (6) From the start of the fishery and continuing through the week of May 3 to May 9, 2026 only, the price shall be calculated based on the Tuesday UB low quote following the week of landings and shall apply retroactively to all sales from Sunday to Saturday, inclusive, payable no later than Thursday of the following week. The price for all other weeks shall be calculated on the Thursday-Tuesday basis.

Appendix B

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

The price payable for landings in Week 7 (from Sunday to Saturday inclusive) shall be calculated based on the average of the Urner Barry listings for Thursday of Week 7 and Tuesday of Week 8, payable no later than Thursday of Week 8.

(7) 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.

(8) Should Urner Barry not provide a Tuesday listing in a particular week from the start of the fishery to May 12th, the most recent prior Urner Barry listing shall be the basis of the calculation.

From May 12th onward, 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.

(9) 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.

(10) Prices are based on legal size lobster.

(11) 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 agree to meet as soon as possible to address the situation.

(12) (i) A less valuable lobster is defined as a lobster with one claw, no claws (bullets), or oversized (greater than 3 lbs).

(ii) If the combined weight of less valuable lobster exceeds 10% of the total weight of a single landing, a deduction of \$2.00 per pound is to be applied to the weight of the less valuable lobsters.

(ii) For this price reduction to apply, lobsters will have to be sorted at the time of purchase with the harvester being present.

General

(14) This Schedule is effective for the duration of the 2026 lobster fishing season.

DATED at St. John's, Newfoundland and Labrador this ____ day of _____, 2026

Signed on behalf of the
Fish, Food and Allied Workers
FFAW/Unifor:

Witness
Fish, Food and Allied Workers
FFAW/Unifor

DATED at St. John's, Newfoundland and Labrador this ____ day of _____, 2026

Signed on behalf of the
Association of Seafood Producers
ASP:

Witness
Association of Seafood Producers
ASP