STANDING FISH PRICE-SETTING PANEL

WHELK FISHERY 2026

Background

1. The Standing Fish Price-Setting Panel, hereinafter referred to as "the Panel," consulted with the parties on January 26, 2026. Thereafter, in accordance with Section 19 of the *Fishing Industry Collective Bargaining Act*, (the "*Act*"), the Panel issued its Schedule of Hearings for 2026. The parties agreed that Collective Bargaining for the species Whelk would occur between May 12-19, 2026. Both parties agreed that should an agreement not be reached in bargaining, they would exchange their final offers and submissions to the on Thursday May 21, 2026, with a hearing before the Panel on Friday, May 22, 2026.

2. On February 27, 2026, the Minister of Fisheries and Aquaculture (the "Minister") set the dates by which the price of Whelk would be set. Known as the "Minister's date", June 5, 2026, is the date by which the price and conditions of sale for Whelk 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 Whelk no later than June 2, 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 Whelk. As a result, under Section 19(11) of the *Act*, should a hearing be required for Whelk, 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 it 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 unable to come to an agreement on all aspects of the price and conditions of sale for Whelk for the 2026 season. Therefore, the Panel conducted a hearing on Friday, May 22, 2026, at 8:00 a.m. via videoconferencing.

5. In keeping with the Panel's Rules of Procedure and an agreement between the parties and the panel, FFAW and ASP provided their written submissions prior to 2:00 p.m. on May 21, 2026. They appeared before the Panel and provided their arguments in support of their final offers, as well as rebuttal to each other's

arguments, and answered the Panel’s questions. The Panel thanks them for their submissions and attendance.

Setting the price of Whelk in 2026

6. This is the first panel decision setting the price of whelk in recent memory.

7. Whelk was first negotiated between the parties in 2011, resulting in an agreement that has been rolled over in the years since of a ‘floating price,’ as determined between individual harvesters and buyers. In the last 15 years, limited market information has been available to the parties, but the floating price has been maintained.

8. ASP highlighted that approximately ten 10 years ago, the whelk fishery was in serious danger of collapse, and the catch rates dropped off significantly. From 2021 - 2023, only 8-34% of the quota was caught, while in 2024, 84% of the quota was caught. Due to low catch rates of Snow Crab in 3PS last year (2025), the full whelk quota was caught, adding additional product into the market. The same volume is anticipated to be landed in 2026.

9. The parties made significant strides in negotiating a collective agreement and were able to negotiate a collective agreement including the conditions of sale of whelk for 2026. The only matter that remained outstanding was their offers on price. They are to be commended on their mutual efforts in their negotiations.

10. The information 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 Whelk industry reports provided to the Parties and the Panel by DFA. As noted by both parties, whelk has, in the past, been a floating price set between harvesters and processors at the dock. As a consequence, there is a dearth of market information for this species. The information provided to and considered by the panel included:

    - Atlantic Canada Monthly Whelk Exports 2015-20
    - Atlantic Canada Monthly Whelk Exports 2021-26 (Mar)
    - Atlantic Canada Whelk Exports 2021-26 (Mar)
    - NL Whelk Landings 2021-2025
    - Whelk production 2021-25

The issue in dispute

11. The sole issue in dispute in this final offer arbitration is the price per pound of whelk, shell on, landed.

Whelk fishery information

12. This is a new fishery for panel deliberations. FFAW and ASP provided the following information on the fishery, for background.

13. According to FFAW, the whelk fishery takes place 140 to 170 km offshore and trips are generally 3-5 days. They apparently average 26,000 to 30,000 lbs. per trip. Whelk are caught in baited pots and use a high volume of bait.

14. ASP noted that In 2023, processors saw increased amounts of smaller whelk landed and out of caution for the health of the fishery and to meet the buying regulations, a grading process was put in place with IDG. The grading categories include undersized, foreign material, damaged, empty, and sour, to be separated from useable whelk. Apart from undersized, the notable quality issues that processors face when producing whelk are empty or broken shells.

15. ASP highlighted that the main and established product form for NL whelk is cooked, shell-on product, which is generally size-graded and boxed for the market, predominantly China and other Asian countries. Whelk meat, whether cooked or raw, is a premium product form with a smaller and less established market. Similar to crab, shell-on whelk processing efforts would be comparable to processing snow crab 5-8oz sections, wholesale boxes, that all companies can and do produce, while whelk meat production requires additional processing steps and specialized equipment that not all processors have the capability to produce, similar to crab consumer packs.

16. FFAW noted that the whelk fishery in NL is primarily in 3Ps, with some landings in 2J and the southern-most parts of 3L. Last year the entire 5,000 t TAC was taken (see Figure 1a and b below for 2019 to 2025 landings).

17. Except for 2021, landings have been climbing steadily since 2019 and increased dramatically from 2023 to 2025. FFAW produced the following graph in its submission, based on the information supplied by DFA:

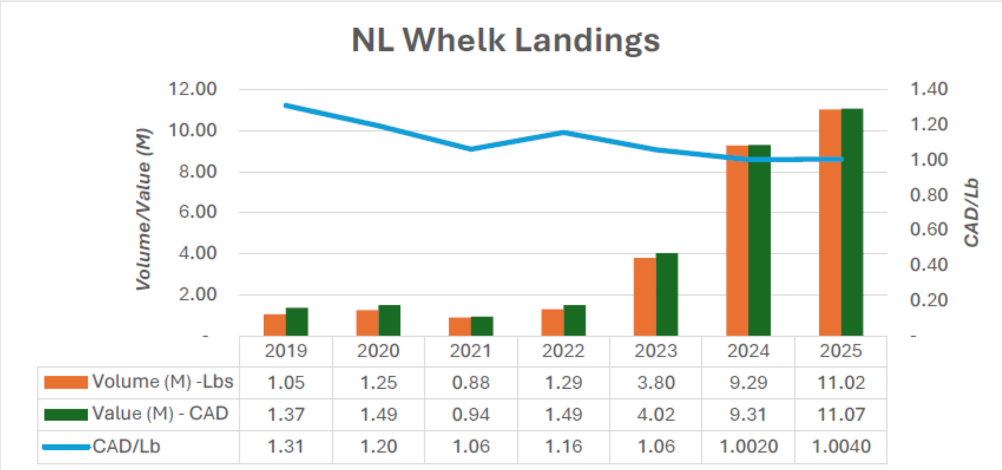

Figure 1a: NL whelk landed volume, value, and price per pound, 2019 - 2025. (Per FFAW submission)

18. FFAW also provided the following summary of landings and price per pound, again based on DFA data:

Year	Volume (Lbs)	Value (CAD)	CAD/ Lb
2019	1,046,844	1,370,984	1.31
2020	1,246,794	1,489,438	1.20
2021	880,693	935,594	1.06
2022	1,293,251	1,494,830	1.16
2023	3,798,993	4,019,444	1.06
2024	9,285,518	9,306,473	1.00
2025	11,024,031	11,067,637	1.00

Figure 1b: NL whelk landed volume, value, and price per pound, 2019 - 2025.

19. As noted previously, the recorded price per pound was a floating price as determined between harvesters and processors each year.

The Market Information

20. The export data has been provided to the panel and the parties. With respect to the whelk export data, there was concern raised as to whether the HS-codes

used for whelk included products other than whelk in the Canadian export data. That question was posed to Mark Collins, Market Intelligence Officer, at DFA and he provided the parties and Panel members with a response.

21. FFAW and ASP quoted from different sections of Mr. Collins' response, and drew their own different conclusions. In its entirety, Mr. Collins' response of May 14, 2026 stated the following:

> Hi Folks,
>
> We received a question about the export data for whelk and wanted to send our reply along for the benefit of this group. The question was related to whether we could provide any insights into what if any products/species might be included in molluscs (and snails) HS codes other than whelk. Here is our reply:
>
> "Unfortunately, we are not able to determine what other products/species might be included in mollusks and snails HS codes other than whelk. I scanned the HS code database and can confirm there are specific HS code categories for clams, mussels, abalone, and scallops. Also, some of the HS codes reported in the export data provided are tagged as "nes" (not elsewhere specified). Even if we were able to determine what might be included here in addition to whelk, the composition would likely vary from year to year.
>
> I also took a look through the licensing policy manual for 2025 to see if there are any references to mollusks and snails that are not whelk, but only whelk appears to be referenced: https://www.gov.nl.ca/fisheries/files/20224-Fish-Processing-Licensing-Policy-Manual-2025.pdf"
>
> Thank you,
> Mark

22. The parties agreed that there was no inventory information provided during negotiations. FFAW has interpreted ASP / member companies' silence on the issue as indicating that there has been no carry-over of 2025 inventory.

23. The parties also agreed that Whelk globally is not a high-volume fishery and trade news on it is lacking. According to a SeafoodNews article (see FFAW Appendix A) from January 19, 2026, the quota in Russia is set to increase by 19%, however there is no mention of quota amounts or the significance of this fishery. Further, an article from Tridge in 2024 (see FFAW Appendix B) says

that most whelk production in Russia is now consumed domestically, and therefore an increased quota would not have significant impact on Asian markets.

24. An article from Fish Focus (Appendix C of the FFAW presentation), a UK media outlet specializing in fish and seafood news, titled “Sharp increase in frozen cooked whelk meat” notes the increase in volume, value, and price per kilogram for Ireland and UK whelk meat exports to South Korea.

25. From a Seafish document in December 2025 (data to June 2025, published December 2025; see Appendix D of the FFAW submission), in the 12 months to June 2025 (i.e., June 2024 to June 2025), page 21:

> Whelk exports [from the UK] rose overall by £5.1m (+11.2%) following an increase to South Korea (+£8.3m) and Australia (+£2.3m) offsetting declines to China (-£3.7m) and the EU (-£2.6m). Whelk landings in the UK increased by 8.3% over the same period. The growth in value outpaced the growth in volume, indicating an increasing price per pound.

26. The information we have available indicates that the entire NL quota of 5,000 t was landed last year. FFAW stated that harvesters have reported that they experienced no reluctance from their buyers to buy product. ASP did not provide any information or argument to counter this statement.

FFAW submission

27. FFAW highlighted that prior to this year, no minimum price had existed, there were no terms and conditions of sale, and while a grading program was in place, it was not one that was negotiated between the parties and did not form part of a collective agreement for whelk.

28. This year, the parties have reached an agreement on the terms and conditions of sale, including the grading program, and have made commitments for in-season communication, and to table a request to the Department of Fisheries and Aquaculture for a market report to inform 2027 whelk negotiations. Therefore, while the parties are applying to the Panel to settle a dispute over price, FFAW highlighted that it is important to acknowledge that the parties did reach an agreement on other important matters this year.

29. FFAW highlighted the fact that, contrary to many other species where there is production data, export data, import data, trade news, price indices, consultant reports containing commentary from in-market participants, etc., that is not the case for whelk.

30. DFA has provided production data and export data. There is very little trade news. Both parties agreed that setting a minimum price under such conditions risks being damaging to either party going forward, and with the benefit of a market report next year, the parties can negotiate a minimum price with more confidence in 2027. The expectation by FFAW is that that the price set for 2026 will not be used as a basis for negotiations next year or otherwise be used to create a baseline moving forward.

31. FFAW notes that the price for whelk in 2025 and 2024 was a floating price of $1.00 per pound. They argue it was based on the uncertainty related to the newly-implemented tariff in China in 2025, as China is the “main market” for whelk.

32. FFAW argued that “there has been a steady increase in the export price per pound in NL’s key markets over the last three years”. FFAW agreed that the fishery took place at $1.00 per pound last year, but they wondered whether the fishery would have proceeded at $0.90 per pound or up to $1.25 per pound. They noted there is insufficient data arising from the floating price to understand which price would be more reflective of the actual market.

33. FFAW argued that overall, the whelk market has been increasing in recent years, and they are unsure whether the $1.00 per pound may or may not have been a “reasonable return” to harvesters. They struggle to understand what the “real” price should be.

34. Based on the uncertainty of the Chinese tariffs, their calculation of “the share of export price to harvesters over the past five years”, the increasing export price of whelk from Canada in the last several years, and the (albeit scant) trade news showing market conditions strengthening in 2026, FFAW offered $1.18 / lb. They referred to their offer as a “throwing a dart in the dark,” due to the uncertainty and lack of evidence to help determine price.

35. FFAW argued that the production data provided by DFA shows that in 2025 most of the production was cooked frozen. Through discussion with ASP and their members, they understand that the four most common product forms are cooked shell-on, raw shell-on, cooked meat, and raw meat. They agree that the HS codes in the export data are not helpful in distinguishing between product forms.

36. FFAW went on to argue that, while the HS-codes we refer to for whelk could contain species other than whelk, when Mr. Collins assessed species produced in the province he said it was difficult to identify species other than whelk that could be captured in those HS-codes. FFAW argued that export data is the best available source of market information available to the parties

to inform the price-setting process for whelk this year.

37. FFAW also noted that whelk is exported from all four Atlantic provinces, and that this province overtook Nova Scotia as the top exporter in 2024 and 2025. Considering the average price by year for each province, they further argued that generally the average export prices from all the Atlantic provinces vary somewhat from province to province and from one year to the next.

38. FFAW notes that NL export data is available up to March 2026, however its usefulness is limited by annual export dynamics, particularly the low volume of exports that is typically captured in this period. In the last two years, January to March exports accounted for just 6.3% and 7.3%, respectively, of total annual exports by volume, and July to December period captures between 80% and 95% of annual export volume (which coincides with the timing of the fishery).

39. A more detailed explanation of FFAW's offer is included in its submission to the Panel. FFAW argued that "based on the scant market information available, it is likely that market conditions for 2026 will remain similar or improve compared to 2025." FFAW estimated what their calculation of the percentage share of export prices was that went to harvesters in the last five years. however, they admitted that the information did not differentiate between cooked shell on, raw shell on, cooked meat and raw meat. Each of these different items has a different yield, and the yield difference between meat vs shell-on is significant, as is the difference in export price for meat vs shell-on product. The panel was not confident that the export price per pound, without differentiating between the types of product, was a reliable determinant of price per pound achieved at market, without adjusting for yield and the premium price achieved for meat compared to shell-on. Without this information, the Panel is loathe to rely on the information as providing a conclusive indicator of price share to harvester and processor.

40. To summarize, FFAW argued that the only market information available was the export data, which shows that the market has been increasing since 2022. They concluded that:

> Developing a well-reasoned argument for a price offer is difficult because we are shifting from a floating price to a minimum price. The basis for past prices is not clear, meaning that adding a percentage to last years price to reflect an increasing market is not reasonable. The percent share to harvesters of the export price from 2015 to 2025 varies widely, therefore taking the average may not be reasonable... While a future market report may give us confidence that this is an

appropriate and sustainable price to harvesters – we currently do not have the benefit of such information. Therefore, we believe that a cautious approach is best given the circumstances. Our offer of $1.18 reflects improved market conditions and a slightly higher share to harvesters which will result in a fishery.

ASP's submission

41. ASP noted that following a near collapse of the whelk fishery, the resource availability has slowly improved and landings (and correspondingly, production) has increased. Cooked shell on has continued to be the main product form, but there are others.

42. ASP also argued that the export data, as provided by the province, is unclear. The product forms listed throughout the 7 HS codes include sea snails and molluscs. ASP argued that it is impossible to determine what exactly is included in these codes, which was confirmed by Mr. Collins' email of May 14, 2026, produced above and reiterated below:

> Unfortunately, we are not able to determine what other products/species might be included in mollusks and snails HS codes other than whelk. I scanned the HS code database and can confirm there are specific HS code categories for clams, mussels, abalone, and scallops. Also, some of the HS codes reported in the export data provided are tagged as "nes" (not elsewhere specified). Even if we were able to determine what might be included here in addition to whelk, the composition would likely vary from year to year.

43. ASP admitted while the majority of this data may be relevant to whelk, there is no way to determine what else may be included that could inflate the value and volume and average price. Therefore, they argued that the data can show trends, but, "the accuracy of the information is questionable at best." This is not dissimilar to the arguments brought by FFAW, acknowledging that its offer was "throwing a dart in the dark."

44. ASP also argued that China has maintained its position as the main market for NL whelk. The Chinese tariff has been applied to Canadian product since March of 2025 and ASP expects that the tariff will remain in place for 2026 for products other than crab and lobster. The Chinese market remains in state of economic uncertainty with the tariff, and increased competition, creating a market outlook that is not positive. ASP highlighted that the added 25% tariff amounts to an added tax, which they argued has meant that importers have to pay an additional 25% on the value of shipments, which is ultimately pushed back onto exporters,

who are forced to lower their prices to stay competitive. They further argue that this significantly reduces margins for producers and gives an advantage to other countries that are not facing similar trade barriers, while also causing a sharp decline in demand for Canadian seafood in China.

45. ASP agreed that with the imposition of the Chinese tariff in 2025, NL producers attempted to diversify whelk markets in response. However, while the export data would make it appear that it was successful, they argue there were hurdles in those markets that will see the reverse happen in 2026, and reliance returning to China. Namely, they argued that exports to Viet Nam have seen an increase in 2025, with 28% of the total export volume in 2025 vs 10% in 2024 and no exports in years prior to that, but those will disappear in 2026.

46. ASP informed the panel and FFAW that its processors have received pushback from the market due to strict regulations around cadmium levels in seafood products. They explained that as a marine gastropod, whelk naturally absorb high levels of heavy metals from their environment (a factor that is out of the control of both harvesters and producers). They noted:

> Due to stringent food safety laws and pre-shipment clearance requirements, the enforcement of strict maximum limits align with very low tolerances for cadmium in mollusk tissues at 2.0mg/kg[1] (2.0ppm), while Canadian whelk results in 2.74ppm[2]. With the introduction of these limits as of August 1, 2025, this issue impacted the ability to sell into Viet Nam after this day, and going forward.
>
> South Korea has a similar restriction of 1.0mg/kg for cadmium levels for molluscs according to the Korean Food Code[3]
>
> In 2025, producers were able to send some product to Japan as the fleet from Russia was not active. However, those vessels are back online for 2026, accompanied by an increased quota in North Okhostk by 19%[4] increasing significant alternate access to whelk resource

47. FFAW countered this argument - in their oral submissions - by noting that these restrictions have existed, on paper, for years previous to 2025 and this has not been previously raised as an issue. ASP countered – in its oral submission – that while the legislation / food safety laws and pre-shipment requirements may have been in place for years, ASP has been advised that the laws are being and are going to continue to be strictly enforced by Viet Nam and potentially South Korea as of August, 2025. ASP admitted that they inadvertently omitted attaching the correspondence in support of this position to their written presentation.

48. ASP argued that while there has not been a formal minimum price for whelk in the past, DFO has reported the average price per pound has been $1.00 for 2024 and 2025.While the average export price is showing an increase from $3.24 in 2024 to $4.49 in 2025, they argued that this information does not tell the full story of processors returns.

49. In 2024, processors were able to recover approximately 75.3% of finished product from the raw material they purchased. With an average export price of $3.24/lb., this translated into an effective raw material return of about $2.44/lb. In 2025, although the export price increased substantially to $4.49/lb., production yield declined to approximately 61.1%. As a result, ASP argued that the actual return back to the raw material was only about $2.74/lb. This means that while export prices appeared to increase by nearly 39%, the benefit realized by processors on a raw material equivalent basis increased by only about 12.5%. The decline in yield absorbed a large portion of the export price gain because more raw material was required to produce the same amount of finished product. This, ASP noted, was a function of the significant change in product mix in 2025, with meat sales (with a 20% yield) on the rise that year.

50. ASP argued that with the uncertainty of what is truly included in the export data, they were concerned that the 12.5% increase is still inflated, a 10% increase is more realistic, which is reflected in their price offer of $1.10 / lb. for 2026, a 10% increase over the $1.00 paid in 2025.

51. Based on the current market conditions, lack of information, and economic uncertainty, ASP offered $1.10 /lb. as the minimum price for whelk for 2026.

Analysis

52. The Panel has spent considerable time analyzing the parties' submissions and the limited market information available with respect to this species. We reiterate that the parties are to both be commended for their cooperation throughout this year's whelk negotiations, for agreeing on dockside grading, and for entering into a collective agreement for all terms and conditions of sale for whelk, save price per pound paid by processor to harvester at the wharf.

53. The floating price reached between harvesters and processors on this species in the past has also shown the parties' ability to work together in this fishery. The Panel is loath to interfere when the parties are making such progress in their negotiations and relations. We have considered the parties' analyses, we have dissected their arguments, and we have attempted to perform our own calculations and analysis on the limited data available to us.

54. Given the average floating price per pound over the past two years, and given the generally upward trend in the export prices, both parties have recognized that there should be an increase in the price paid at the wharf in 2026. How much of an increase is the question.

55. Taking into account the paucity of market evidence, the lack of certainty surrounding what the export data actually represents, the questions surrounding whether legislation on cadmium levels in imports to South Korea and Viet Nam are going to be enforced to the degree anticipated, and the anticipated impact of tariffs in China, the Panel has taken a holistic view of this price dispute and has reminded itself, and the parties, that our task is to set the minimum price for this species. As such, and taking into account the arguments, (including the comment that setting a price this season is like throwing a dart in the dark), the limited data, and the parties' interpretations of that limited data, the panel has agreed to the more cautious 10% increase over last year's average floating price of $1.00/ lb. and has therefore accepted ASP's proposed minimum price of $1.10 / pound for whelk for 2026.

56. The panel notes that this is a price set for only the 2026 fishery, due to the specific circumstances of this season's hearing. This price shall not be used as a precedent for 2027 or any future seasons, when it is anticipated that the parties will have access to more detailed market data for their analysis consideration.

Decision

57. The parties have submitted their final offers on the price to be paid for Whelk in Newfoundland and Labrador for the 2026 season. The panel has decided to accept the ASP's proposal of $1.10 per pound, plus all terms and conditions as agreed by the parties, per the attached Schedule.

Dated at St. John's this 4th day of June, 2026

Sheilagh M. Murphy K. C. Chairperson	Earle McCurdy Member	Brian Vallis Member

Whelk Schedule 2026

1. The parties agree that this schedule and the Master Collective Agreement between the Association of Seafood Producers (ASP) of Newfoundland and Labrador and Fish, Food and Allied Workers (FFAW-Unifor) dated September 17, 2020 (or any replacement Master Collective Agreement thereto) together constitute a Whelk Collective Agreement between the parties for the purposes of the Fishing Industry Collective Bargaining Act.

2. The price for whelk shall be $1.10/lb for 2026. This price will not be used as the basis of future negotiations.

3. Grading procedure:
    - All whelk landings will be graded as per the IDG whelk grading protocol.
    - All whelk will be graded at the port of landing.
    - The grade sheet will be provided to harvesters within 24 hours of grading.
    - An aggregate summary of grading results from the previous season will be provided during negotiations every year.
    - 2026 is the first year grading is part of the collective agreement for whelk. The parties will work together during the season to resolve issues related to grading prior to proceeding to the grievance procedure.

4. The parties agree to request a market report from the Department of Fisheries and Aquaculture for whelk for 2027 negotiations.

5. The terms and conditions of this Schedule may be amended by mutual consent of the parties.

DATED at St. John's, Newfoundland & Labrador this _____ day of ____________, 2026.

Signed on behalf of the

Fish, Food and Allied Workers
FFAW-Unifor

______________________________ Witness

______________________________ Fish, Food & Allied Workers
FFAW-Unifor

DATED at St. John’s, Newfoundland & Labrador this _____ day of ______________, 2026.

Signed on behalf of the

Association of Seafood Producers
ASP

________________________________	________________________________
Witness	Association of Seafood Producers ASP

Independent Dockside Grading Inc.
Whelk Grading Procedure

1. All whelk will be graded at the port of landing.

2. Randomly select one bag of whelk for every 3,000 lbs unloaded from vessel

3. Cut each sample bag open and turn out entire contents onto screen deck

4. Take temperature of the sample before sorting to grade. Take temperature of meat inside the shell

5. Separate contents of sample into the defined grades/rejects. Grading criteria include:
   - Foreign Material
   - Undersize (<63mm or 2.48")
   - Damaged
   - Barnacled (monitored, but not deducted)
   - Empty
   - Sour

6. Weigh back each grade category:
   Weigh, record, and determine % using the following formula:
   I.e. (Foreign Material weight ÷ Total Sample Weight) x 100 = % Foreign Material

7. All grades for each sample added together equals gross sample weight of that sample

8. After all samples have been graded add each column up to find the total of each grade

9. Obtain total gross weight landed from both monitor and weighmaster

10. Determine useable whelk (net weight) by subtracting the reject/graded categories weight in pounds from the gross weight of the total landings.
    i.e. total gross weight landed – total pounds of graded categories = net weight in pounds

Whelk Grading Categories

Useable Whelk: Whelk which meets all the criteria including size greater than 63mm or 2.48", no barnacles, and not damaged, etc.

Foreign Material: Anything that is found in a sample which is not whelk or part of the whelk.

Undersize: Any whelk that is <63mm or 2.48" as per the license conditions.

Damaged: Any whelk that has a shell cracked or broken such that shell is missing and whelk body is exposed.

Barnacled: Any whelk that are determined to have more than 5 barnacles on the shell (monitored but not deducted).

Empty: Any whelk shells that contain no meat or contain hermit crabs.

Sour: Any whelk which are tainted, decomposed, or unwholesome.