

Fish Processing Licensing Board  
**Annual Performance Report 2020**

## Letter from the Chairperson

In compliance with the Government of Newfoundland and Labrador's commitment to transparency and accountability, and on behalf of the Fish Processing Licensing Board (the Board), I am pleased to submit the Fish Processing Licensing Board Annual Report 2020 to the House of Assembly. The Board is a category three public body under the **Transparency and Accountability Act**, and my signature, on behalf of the Board, signifies the accountability for the results reported.


During 2020, the Board fulfilled its mandate to review and make public recommendations on fish processing licensing applications or requests made to the Provincial Government. In doing so, the Board reviewed 15 applications (combination of carry-overs and new applications) in accordance with provincial legislation and the Fish Processing Licensing Policy Manual. The Board takes into consideration information received from various stakeholders and responses from the applicant's public advertisement of the application.

In November 2019, the Minister of Fisheries, Forestry and Agriculture requested that the Fish Processing Licensing Board (the Board) review the Fish Processing Licensing Policy Manual, in light of changing economic, environmental, and resource issues. In particular, a comprehensive review of Sections 1.6 and 2.1 was requested, and for the Board to provide recommendations on whether changes were required. In July 2020, the Board made recommendations to the Minister that were accepted. These included the elimination of the mandatory provisions of resource threshold limits; changing the harvesting threshold to reflect the reality of current levels of quota; and implementing a requirement that the policy manual be reviewed every five years to ensure it reflects the reality of the current industry conditions.

Through our work, the Board has contributed to the efficiency of Newfoundland and Labrador's fishing and aquaculture industries by providing the conditions for a stable and sustainable processing sector. The Board promotes cooperation within industry and supports the maintenance of employment levels for industry participants. In addition, the Board supports the regional balance of resource availability and processing capacity so that viable fish processing activities can continue to contribute to our rural communities.

The Board is dedicated to the continued advancement of the provincial fishing and aquaculture industries and we look forward to another successful year in 2021.

**Reg Anstey, Chairperson**



**Fish Processing Licensing Board**

**Table of Contents**

- 1.0 Overview ..... 2
  - 1.1 Vision ..... 2
  - 1.2 Mandate ..... 2
  - 1.3 Lines of Business ..... 3
  - 1.4 Composition of the Board ..... 3
  - 1.5 Secretariat to the Board ..... 4
  - 1.6 Physical Location/Regional Representation ..... 4
  - 1.7 Primary Clients ..... 4
  - 1.8 Financial Information ..... 5
- 2.0 Report on Performance 2020..... 5
  
- Appendix A - Powers and Duties of the Board ..... 9

## 1.0 Overview

The Fish Processing Licensing Board (the Board) is an arms-length government entity, which provides an open and transparent decision-making process for fish processing licensing, which is accountable to the public.

Applicants for a fish processing licence must advertise in both a generally circulated and a regional newspaper, to allow interested members of the public to provide comments to the Board for consideration. It is the applicant's responsibility to demonstrate the viability of their proposed venture and to comply with all applicable legislation, regulation, and policy guidelines.

The Board makes recommendations to the Minister of Fisheries, Forestry and Agriculture (the Minister) and the Minister makes the final decision on all licensing matters. The Board's recommendations to the Minister are made public as are the Minister's final decisions. To ensure equity and impartiality, all new Board members are vetted through the Independent Appointments Commission merit-based process and are then appointed by the Lieutenant-Governor in Council.

As of December 31, 2020, there were 91 active fish processing plants in the province, which included 69 licenses for primary processing, four licenses for secondary processing, five licenses for aquaculture processing, and 13 licenses for in-province retail processing.

### 1.1 Vision

The vision of the Board is to provide an equitable and impartial assessment of fish processing licence applications submitted to the Department of Fisheries, Forestry and Agriculture.

Through this work, the Board supports the vision of the Department, which is that sustainable renewable resources be responsibly developed for the social, cultural, ecological and economic well-being of the province.

### 1.2 Mandate

The mandate of the Board is to make public recommendations on all fish processing licence proposals or requests made to the Provincial Government. Only the routine renewal of fish processing licences is exempt from this process. In keeping with its mandate, the Board's main objectives are to assess and make recommendations to the Minister regarding:

- Licensing applications, including applications for new licences, change of operator, and the consolidation and transfer of fish processing licences;

- Applications for the addition of new species to existing fish processing licences and, where appropriate, recommendations regarding licensing on a regional basis;
- Corporate concentration, merger, and acquisition issues in the context of fish processing licensing matters; and
- Appeals to reinstate licences cancelled, as a result of not meeting the activity requirements outlined in the Fish Processing Licensing Policy Manual.

The Board is also subject to other objectives to be determined by the Minister. For other related powers and duties of the Board, refer to Appendix A.

### 1.3 Lines of Business

The Fish Processing Licensing Board reviews all requests for new fish processing licences, transfer of licences, change of operator and the addition of species to existing licences. The Department provides licensing policies and procedures to the Board to guide this process. The Board makes recommendations to the Minister and the Minister makes the final decision on all licensing matters.

For additional information regarding licensing policies and procedures, visit the Department’s website at <https://www.gov.nl.ca/ffa>. See also the following link to the Fish Processing Licensing Policy Manual at <https://www.gov.nl.ca/ffa/files/licensing-pdf-fplp-manual-04-16.pdf>.

### 1.4 Composition of the Board

As specified in the **Fish Processing Licensing Board Act** (the Act), the Board membership consists of five individuals appointed by the Lieutenant-Governor in Council. One member of the Board is designated as the Chairperson, also appointed by the Lieutenant-Governor in Council, and one member is elected Vice-Chairperson of the Board by an internal vote of Board members. Board members are appointed for a period of four years, and may continue to serve until reappointed or replaced. Board members are expected to have an understanding of, but no affiliation with, the fishing industry.

As of December 31, 2020, the Board was comprised of the following members:

Name	Title	Region	Appointment Date	Expiry Date
Reg Anstey	Chairperson	Eastern	2/4/2019	2/4/2023
Taylor Colbourne	Vice Chairperson	Western	8/27/2020	8/27/2024
George Reid	Member	Western	2/4/2019	2/4/2023
Jerome Ward	Member	Northern	2/4/2019	2/4/2023

\* There is currently one vacancy.

## 1.5 Secretariat to the Board

The Department's Licensing, Inspection and Quality Assurance Division serves as the Secretariat to the Board. The duties and responsibilities of the Secretariat include, but are not limited to: all administrative functions, review of all applications, and providing background information to the Board for use in its deliberations.

The Director of Licensing, Inspection and Quality Assurance acts as the Recording Secretary for the Board. The Recording Secretary is responsible for preparing and distributing the minutes of all meetings, as well as compiling a record of the Board's recommendations. The record of recommendations is signed by the Chairperson or Vice-Chairperson of the Board, and then submitted to the Minister, through the Secretariat for review and the rendering of a final decision on licensing applications.

This 2020 Annual Report and the 2020-2022 Activity Plan are available on the Department's website at <https://www.gov.nl.ca/ffa/publications/annual-reports-and-sector-workplans>.

### **Fish Processing Licensing Board Secretariat**

c/o Director of Licensing, Inspection and Quality Assurance  
Department of Fisheries, Forestry and Agriculture  
Government of Newfoundland and Labrador  
30 Strawberry Marsh Road  
P.O. Box 8700  
St. John's, NL A1B 4J6

## 1.6 Physical Location/Regional Representation

The Secretariat to the Board is located in St. John's; however, Board meetings are held throughout the year and may be scheduled at different locations. Meetings of the Board may be conducted by teleconference, videoconference, or by other means, providing that all members can participate simultaneously and instantaneously. Given that these meetings were held in person and by teleconference, the COVID-19 pandemic did not impact the work of the Board during 2020. Meetings are held to review applications or to consider requests related to an application. Members of the Board are selected with consideration given to gender balance and regional distribution.

## 1.7 Primary Clients

In delivering its mandate, the Board identifies individuals or groups whose needs have an influence on the Board's business. The Board identifies the following as primary clients:

- The Minister of Fisheries, Forestry and Agriculture;
- Fish processors;
- Fish buyers; and

- The people of Newfoundland and Labrador.

## 1.8 Financial Information

The Board is funded by the Department. This funding is used to cover travel costs, remuneration of Board members (according to Treasury Board guidelines), as well as any other miscellaneous costs associated with meetings. Where possible, the Board operates on a cost-recovery basis through application fees.

In 2020, remuneration and travel expense claim costs were \$60,478.53. There were three (3) in-person meetings and four (4) other meetings held by conference call. Revenues collected from application fees in 2020 totaled \$59,500.

## 2.0 Report on Performance

The Board reviews all fish processing applications and requests in accordance with the Fish Processing Licensing Policy Manual and the Act, taking into account any feedback from the applicant's public advertising of the application, information provided by the Department, and information provided by other government departments and agencies. The Board also has the ability to hold public meetings if deemed necessary.

In accordance with paragraph 10(2)(c) of the Act:

“The board shall, after considering the application, make a recommendation to the minister regarding that application, including its reasons for that recommendation.”

Also, in accordance with section 11 of the Act:

“The minister shall consider a recommendation of the board made to him or her under paragraph 10(2)(c) and shall, following his or her decision with respect to the application, release both the recommendation of the board and his or her decision regarding the application first to the applicant and then to the public.”

In 2020, the Board met on seven different occasions, including:

- February 17-21 (In-person meeting);
- March 24-25 (conference call);
- June 12 (conference call);
- July 21-22 (conference call);
- August 31- September 3 (In-person meeting);
- October 22-23 (In-person meeting); and
- December 11 (conference call).

The majority of applications reviewed in 2020 were new applications. Only two were the result of a carry-over from 2019. As the focus of the Board will remain the same for the entire plan, the Board will report on the same objectives and indicators.

## Issue: Fish Processing Licenses

### Objective 2020:

By December 31, 2020, the Fish Processing Licensing Board will have made recommendations to the Minister of Fisheries, Forestry and Agriculture on matters pertaining to fish processing licences.

### Indicators:

Assessed applications and made recommendations as required for:

- New licences;
- Change of Operator of an existing licence;
- Addition of new species to an existing licence;
- Transfers; and
- Appeals.

### Assessed Applications and Made Recommendations For New Licences:

There were four applications for a new primary processing licence and two applications for a new secondary licence, submitted in 2020.

#### PRIMARY

1. **AR N-Oilean Resources Limited, Tors Cove:** Application for a new primary processing licence for seal. The Board recommended approval.
2. **Dandy Dan's Fish Market, Ship Harbour:** Application for a new primary processing licence for groundfish (all species), pelagics (all species), snow crab, crab (other), lobster, sea cucumber, scallop, sea urchin, clam, lumpfish, shrimp, whelk and seal. The Board recommended approval for groundfish (all species), pelagics (all species), crab (other), lobster, lumpfish and seal.
3. **Seward Seafoods Company Limited, New Ferolle:** Application for a new primary processing licence for groundfish (all species) and pelagics (all species). The Board recommended approval.
4. **Deep Atlantic Sea Products Incorporated, St. Mary's:** Application for a new primary processing licence for groundfish (all species), pelagics (all species), whelk, sea cucumber and snow crab. The Board did not recommend approval.



## SECONDARY

5. **Dandy Dan's Fish Market Limited, Argentia:** Application for a new secondary processing licence for all species. The Board recommended approval.
6. **North Atlantic Aquaponics, Black Duck Siding:** Application for a new secondary processing licence for all species. The Board recommended approval.

### **Applications and Recommendations for Change of Operator on an Existing Licence:**

There were two (2) applications for change of operator submitted in 2020.

1. **St. Anthony Seafoods Partnership Limited, St. Anthony.** The Board recommended approving the Change of Operator from St. Anthony Seafoods Limited Partnership, St. Anthony to Quin-Sea Fisheries Limited/Royal Greenland.
2. **Quinlan Brothers Limited Old Perlican, Bay de Verde, and Baie Verte.** The Board recommended approving the Change of Operator from Quinlan Brothers Limited to Quin-Sea Fisheries Limited/Royal Greenland.

### **Applications and Recommendations for Addition of New Species to an Existing Licence:**

Adding a new species on an existing licence may utilize excess capacity, which could contribute to improved efficiency and enable the enterprise to be more competitive in the marketplace. The Fish Processing Licensing Policy Manual outlines the criteria an application must meet for approval.

In 2020, the Board reviewed seven applications for the addition of a species category to an existing licence.

1. **Allen Fisheries Limited, Benoit Cove:** Application to add the species oyster to an existing primary processing licence. The Board recommended approval.
2. **Barry Group Inc., Cox's Cove:** Application to add the species groundfish (all species) to an existing primary processing licence. The Board recommended approval.
3. **Dorman Roberts Limited, Triton:** Application to add the species groundfish (all species), pelagics (all species), snow crab, shrimp, clam, crab (other), eel, lumpfish, salmonids (wild), salmonids (aquaculture), scallop, sea cucumber, sea urchin, seal and whelk to an existing primary processing licence. The Board did not recommend approval.

4. **Bay Roberts Seafoods Limited, Bay Roberts:** Application to add the species snow crab to an existing primary processing licence. The Board did not recommend approval.
5. **Labrador Gem Seafoods Inc., Ramea:** Application to add the species groundfish (all species), pelagics (all species), lobster, shrimp and snow crab to an existing primary processing licence. The Board recommended approval for groundfish (all species), pelagics (all species) and lobster.

#### (2019) Deferred Application Carry-Over

6. **Golden Shell Fisheries (2014) Limited, Hickman's Harbour:** Application to add the species sea cucumber to an existing primary processing licence. The Board did not recommend approval.
7. **Hodder's Shellfish Inc., Stoneville:** Application to add the species sea cucumber, groundfish (all species) and pelagic (all species) to an existing primary processing licence. The Board recommended approval for groundfish (all species) and pelagic (all species).

#### **Applications and Recommendations for Licence Transfer:**

A licence transfer is the movement of one or more species category from one fish processing facility to another, resulting in the elimination of those species or species groups from the originating licence. In 2020, there were no applications for licence transfers.

#### **Assessed Applications and Made Recommendations For Appeals:**

An appeal is a process for requesting a formal change to an official decision. All appeals are directed to the Board for consideration when the licence holder has lost a species authorization due to inactivity (no reported production) or does not meet the minimum production requirements set out in the Fish Processing Licensing Policy Manual. When appealing a decision, the applicant is not required to advertise.

In 2020, the Board received **no** appeal requests.

## Appendix A

### Powers and Duties of the Board under the Fish Processing Licensing Board Act

**9. (1) The board shall:**

- (a) consider an application for a fish processing licence which has been properly made to it, including an application for a new licence, a consolidated licence or a transfer of licence;
- (b) consider an application made to it under this Act, which it is authorized to consider;
- (c) consider a matter referred to it by the minister, where that matter is of one of general application, which does not refer specifically to a particular fish processing licence;
- (d) consider an application related to corporate concentration, merger and acquisition issues in the context of fish processing licensing matters; and
- (e) after considering a matter referred to in paragraphs (a) to (d), make a recommendation, including its reasons for that recommendation, to the minister with respect to a course of action on that matter.

**(2) The board may:**

- (a) request that the minister provide professional or technical assistance or advice required by it to make its recommendations to the minister; and
- (b) generally, do those other things that are necessary to fulfil its mandate and make the required recommendations to the minister regarding an application under this Act.