

FISH PROCESSING  
LICENSING  
BOARD

# ACTIVITY REPORT 2014







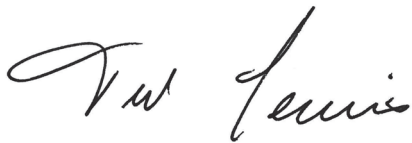
## Letter from the Chairperson

In compliance with the Provincial Government'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 Activity Report 2014 to the House of Assembly. The Board is accountable for the preparation of this report and the results reported herein.

During 2014, the Board fulfilled its mandate to review and make public recommendations on all fish processing licensing applications and appeals made to the Provincial Government.

The Board's annual objective for 2014, as set out in the Fish Processing Licensing Board Activity Plan 2014-16, is to make recommendations to the Minister of Fisheries and Aquaculture on matters pertaining to fish processing licences. The Board has achieved this objective by providing recommendations on 7 of the 10 applications received in 2014, and by providing recommendations on all 8 applications carried over from previous years. The work of the Board supports government's strategic direction to strengthen the roles of the fishing and aquaculture industries as key pillars of economic growth within the province.

The Board has diligently assessed processing licensing applications and appeals by adhering to provincial legislation, considering all comments and information received from stakeholders, and following the established policies and procedures set out in the Fish Processing Licensing Policy Manual. The Board is dedicated to the continued advancement of the provincial fishing and aquaculture industries and looks forward to another successful year in 2015.



TED LEWIS  
Chairperson  
Fish Processing Licensing Board









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Department of Fisheries and Aquaculture

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## 1.0 Overview

The Fish Processing Licensing Board is responsible for assessing and providing recommendations to the Minister of Fisheries and Aquaculture (the Minister) on all fish processing licence proposals or requests made to the Provincial Government. In 2014, the Board held five meetings to review applications.

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. The Board's recommendations to the Minister on all fish processing licence proposals or requests are made public, as are the final decisions of the Minister. All Board members are appointed by the Lieutenant-Governor in Council.

In 2014, there were 94 licensed processing facilities in the province, of which 86 facilities were active. Of these licensed facilities, 73 were licensed for primary processing, 2 were licensed for secondary processing, 6 were licensed for aquaculture processing, and 13 were licensed for in-province retail processing.

In total, the Board made recommendations to the Minister on 15 applications in 2014, with 3 applications carried forward to 2015. The assessed applications included 3 applications for a new licence, 1 change of operator application, 7 applications to add a species to an existing licence, 1 transfer application, and 3 appeals. The applications that will be carried forward include 2 applications to add a new species to an existing licence and 1 appeal, which were submitted to the Board in 2014.



## 1.1 Vision

The Board supports the vision of the Department of Fisheries and Aquaculture (DFA):

“The vision of the Department of Fisheries and Aquaculture is sustainable fishing and aquaculture industries that achieve their optimum economic contribution to the Province of Newfoundland and Labrador.”

The Board supports this vision through its provision of impartial and equitable assessments of processing licensing applications.

## 1.2 Mission

The Board shares the mission of the Department of Fisheries and Aquaculture:

“By March 31, 2017, the Department of Fisheries and Aquaculture will have supported both the strengthening of the fishing industry and the expansion of the aquaculture industry to create sustainable and economic opportunities for the province.”

The Board has contributed to the achievement of this mission through its provision of objective recommendations to the Minister regarding licensing applications.

## 1.3 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 of Fisheries and Aquaculture 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 which the Minister may determine. For other related powers and duties of the Board, refer to Appendix A.



## 1.4 Lines of Business

The Fish Processing Licensing Board reviews all requests for new fish processing licences, transfer of licences, change of operator, the addition of species to existing licences, as well as appeals. The Department of Fisheries and Aquaculture provides licensing policies and procedures to the Board to guide this process.

For additional information regarding licensing policies and procedures, please visit the Department of Fisheries and Aquaculture website: <http://www.fishaq.gov.nl.ca>.

See also the following link to the Fish Processing Licensing Policy Manual: [http://www.fishaq.gov.nl.ca/licensing/Licensing\\_Policy\\_Manual\\_2010.pdf](http://www.fishaq.gov.nl.ca/licensing/Licensing_Policy_Manual_2010.pdf).

## 1.5 Composition of the Board

The membership of the Board is specified in the *Fish Processing Licensing Board Act* (the Act). The Board shall consist of five members to be appointed by the Lieutenant-Governor in Council. The membership of the Board includes one member designated by the Lieutenant-Governor in Council as the Chairperson of the Board, and one member elected Vice-Chairperson of the Board by an internal vote. Members of the Board have an understanding of the fishing industry, but have no affiliation with a harvesting or processing operation.

As of December 31, 2014, the Board was comprised of Ted Lewis (Chairperson), Clarence Brown (Vice-Chairperson), Violet Parsons, and Samuel Winsor. Clayton Welsh resigned from the Board in December 2014.

### **Ted Lewis (Chairperson)**

Mr. Ted Lewis has his roots in the small Northern Peninsula community of Conche. Mr. Lewis built his career around a solid foundation of education, employment, self-employment, volunteer, and family experience that provides him with a broad perspective on life, community, and business. His working career has led him to maintain positions with Fisheries and Oceans Canada, Environment Canada, the former provincial Department of Forestry and Agriculture, and Northchip Limited. In the mid-1990s, he started his own business, in which he is still actively involved. As a volunteer, Mr. Lewis served as President of the Newfoundland and Labrador Lumber Producers Association, President of the Northern Peninsula Business Network, Chair of the Northern Peninsula Forestry Association, and a member of both the regional council and provincial council of the Rural Secretariat. He is a volunteer on various other local and provincial committees and organizations. Mr. Lewis is married to Linda and they have two daughters.

Ted was first appointed to the Fish Processing Licensing Board in 2009, and was reappointed in 2013 for another four-year term. He has served as Chairperson since 2009.

### **Clarence Brown (Vice-Chairperson)**

After nearly 15 years as a classroom science teacher, Mr. Clarence Brown joined the former Baie Verte/Central/Connaigre School Board, where he served as a program specialist until he retired. During his career in education, Clarence also served as President of the Newfoundland and Labrador Teachers' Association (NLTA) Science and Mathematics Council, Chairperson of the Central Newfoundland Science Fairs Council, and President of his local NLTA Branch. Upon retirement, Clarence spent seven years as a member of school boards in central Newfoundland and Labrador, the most recent being the Nova Central School Board. In line with his lifelong ambition to serve the people of the province, Clarence is the Mayor of the Town of Baie Verte and serves as co-chair of the Baie Verte-Green Bay Waste Management Committee.

Clarence was appointed to the Fish Processing Licensing Board in 2012 for a four-year term and is the Vice-Chairperson.

### **Violet Parsons**

Ms. Violet Parsons, a long-time resident of Bloomfield, was active in the family business and also served as the administrator of the Greenwood Personal Care Home for seven years. Motivated by her passion to help others, Violet has been an active volunteer for many years with a variety of organizations, including the Lion's Club, the Port Blandford-Winterbrook Development Association, and the Joint Search and Rescue Committee. Violet has spent 32 years as a school trustee, 14 years as the Chairperson of the Vista School District, 4 years as the Chairperson of the Newfoundland and Labrador School Boards Association, and 3 years as Director at the Canadian School Boards Association.

Violet was appointed to the Fish Processing Licensing Board in 2012 for a four-year term.

### **Samuel Winsor**

Mr. Samuel Winsor, who was born and raised in Wesleyville, completed his Education Degree at Memorial University and returned to the region to teach in Musgrave Harbour and Carmanville. Samuel has been involved in various boards and committees, and has served as the Chairperson of the Fisheries Appeal Board for the Northern Cod Adjustment and Rehabilitation Program. From 1989 to 1993, Mr. Winsor served as a Member of the House of Assembly for the Fogo Island District. Following his term in office, he returned to his teaching career. Samuel served as the Mayor of Carmanville from 2009 to 2013 and currently sits as a councillor in the same community.

Samuel was appointed to the Board in 2013 for a four-year term.





## 1.6 Secretariat to the Board

The Department of Fisheries and Aquaculture's Licensing and Quality Assurance Division serves as the Secretariat to the Board and performs all administrative functions. The Secretariat reviews all licensing applications and provides relevant background and additional information to the Board for use in its deliberations. Copies of all proposals and requests submitted to the Board are also provided to the Minister.

The Director of the Licensing and Quality Assurance Division 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 rendering of a final decision on licensing applications.

The Fish Processing Licensing Board can be contacted at the following address:

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

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

## 1.7 Physical Location/Regional Representation

The Secretariat to the Board is located at the Department of Fisheries and Aquaculture's headquarters in St. John's; however, Board meetings may be held at different locations throughout the year. Meetings of the Board may be conducted by teleconference or videoconference or by other means, providing that all members may participate simultaneously and instantaneously. Meetings are held to review applications or to consider the request of any person asking for information related to an application. Members of the Board are selected with a consideration of gender balance and regional distribution.



## 1.8 Primary Clients

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

- The people of Newfoundland and Labrador;
- The Minister of Fisheries and Aquaculture;
- Fish processors; and
- Fish buyers.

## 1.9 Values

The Board practices the relevant core values and guiding principles followed by the Department of Fisheries and Aquaculture, as set out in the department's Strategic Plan 2014-17, and can be found in Appendix B.

## 1.10 Financial Information

The Fish Processing Licensing Board is funded annually by the Department of Fisheries and Aquaculture. 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. Costs related to the Board are normally offset through revenues associated with application fees.

In 2014, costs of the Board included remuneration totalling \$15,935, and travel expenses totalling \$13,098. Revenues associated with applications considered by the Board in 2014 were \$22,000.





## 2.0 Report on Performance 2014

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

As stated in the Act, Section 10(2)(c), "The board shall, after considering the application, make a recommendation to the minister regarding that application, including its reasons for that recommendation." The Act also states in Section 11: "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 2014, the Board met five times to review and make recommendations on 15 applications. This included 3 new licence applications, 1 change of operator application, 7 applications to add a species to an existing licence, 1 transfer application, and 3 appeals. There will be 3 applications carried forward to 2015, which include 2 applications to add a species to an existing licence, and 1 appeal.

Through diligent application of the fish processing licensing policies and guidelines, the Board contributed to increasing the efficiency of the fishing and aquaculture sectors. This work directly contributed to government's strategic direction to "strengthen the roles of the fishing and aquaculture industries as key pillars of economic growth within the province."

### ISSUE: FISH PROCESSING LICENCES

**OBJECTIVE:** By December 31, 2014, the Fish Processing Licensing Board will have made recommendations to the Minister of Fisheries and Aquaculture on matters pertaining to fish processing licences.

**MEASURE:** Recommendations made to the Minister of Fisheries and Aquaculture on matters pertaining to fish processing licences.

#### 1.1 ASSESSED APPLICATIONS AND MADE RECOMMENDATIONS FOR:

##### **New Licences**

The Board reviewed three applications under this category in 2014, one of which was revisited from 2012.

- 1. Fogo Island Co-operative Society Limited, Town of Fogo Island:** Application for a new primary processing licence for sea cucumber was not recommended for approval. This application was revisited from 2012.

2. **L'Immobiliere Guyanaise, Isle aux Morts:** Application for a new primary processing licence for groundfish was not recommended for approval.
3. **Labrador Gem Seafoods, Ramea:** Application for a new secondary processing licence for scallop was recommended for approval.

#### 1.2 Assessed applications and made recommendations for:

##### **Change of Operator on an Existing Licence**

Change of operator means a change in the corporate structure which affects the de facto control of the company currently holding the licence. The Board reviewed one application under this category in 2014.

1. **Hermitage Processing Incorporated, Hermitage:** Application for change of operator from Gray Aqua Processing Limited for salmonids (aquaculture) was recommended for approval.

#### 1.3 Assessed applications and made recommendations for:

##### **Addition of New Species on an Existing Licence**

Adding a new species to an existing licence may utilize excess capacity, contributing to improved efficiency and allowing the enterprise to be more competitive in the marketplace. However, adding a new species to an existing licence must meet the criteria as set out in the Fish Processing Licensing Policy Manual in order to be recommended for approval. The Board reviewed seven applications under this category in 2014. One of these was revisited from 2010, two were revisited from 2011, and one was revisited from 2013.

1. **Clearwater Seafoods Limited Partnership, Grand Bank:** Application for the addition of the species sea cucumber was recommended for approval. This application was revisited from 2010.
2. **Green Seafoods Limited, Winterton:** Application for the addition of the species sea cucumber was recommended for approval. This application was revisited from 2011.
3. **Golden Shell Fisheries Limited, Hickman's Harbour:** Application for the addition of the species sea cucumber was not recommended for approval. This application was revisited from 2011.
4. **Quin-Sea Fisheries Limited, Old Perlican:** Application for the addition of the species sea cucumber was not recommended for approval. This application was revisited from 2013.
5. **Fogo Island Co-operative Society Limited, Town of Fogo Island:** Application for the addition of the species whelk was not recommended for approval.
6. **Terra Vista Limited, Glovertown:** Application for the addition of the species salmonids was recommended for approval.
7. **Cape Broyle Sea Products Limited, Cape Broyle:** Application for the addition of the species sea cucumber was not recommended for approval.

Two applications received in 2014 will be carried forward to 2015 under this category

1. **Labrador Fishermen's Union Shrimp Company Limited, Mary's Harbour:** Application for the addition of the species pelagics is under review.
2. **Cape Broyle Sea Products Limited, Cape Broyle:** Application for the addition of the species sea cucumber is under review.

#### 1.4 Assessed applications and made recommendations for:

##### Transfers

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 2014, the Board reviewed one transfer application received in 2013.

1. **Deep Atlantic Sea Products Incorporated, St. Mary's:** Application for transfer of the species whelk from New Ferolle to St. Mary's was not recommended for approval. This application was originally received in 2013.

#### 1.5 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. The request is directed to the Board 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. The Board reviewed three appeals in 2014, two of which were received in 2013.

1. **Smith Seafoods Limited, Chance Cove:** Appeal to reinstate species to an existing primary licence for the species groundfish and pelagics was not recommended for approval. This application was received in 2013.
2. **St. Anthony Seafoods Limited Partnership, St. Anthony:** Appeal to reinstate species to an existing primary licence for the species pelagics was recommended for approval. This application was received in 2013.
3. **Green Seafoods Limited, Winterton:** Appeal to reinstate species to an existing primary licence for the species groundfish was recommended for approval.

One appeal received in 2014 will be carried forward to 2015.

4. **Aqua Crab Producers Incorporated, Aquaforte:** Appeal to reinstate species to an existing primary licence for the species groundfish is under review.

For a complete list of applications/appeals considered by the Board in 2014, refer to Appendix C.



### 3.0 Commitments for 2015

Given the mandate of the Fish Processing Licensing Board, the Board's primary focus is to provide the Minister with objective recommendations on processing licensing applications.

**Objective:** By December 31, 2015, the Fish Processing Licensing Board will have made recommendations to the Minister of Fisheries and Aquaculture on matters pertaining to fish processing licences.

**Measure:** Recommendations made to the Minister of Fisheries and Aquaculture on matters pertaining to fish processing licences.

**Indicators:**

Assessed applications and made recommendations for:

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



## **Appendix A**

### **Powers and Duties of the Board**





## 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 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 fulfill its mandate and make the required recommendations to the minister regarding an application under this Act.



## **Appendix B**

### **Values and Guiding Principles Department of Fisheries and Aquaculture**





<b>Collaboration and Teamwork</b>	In delivering the department's programs and services, each individual does so through consultation, partnership, and teamwork with clients, industry stakeholders, and co-workers.
<b>Communication</b>	Each individual shares information, while respecting confidentiality requirements, with co-workers and industry stakeholders and on a timely basis.
<b>Service to the Public</b>	Each individual demonstrates respect for the public they serve through the following actions: timely and courteous responses to public enquiries; efficient and cost-effective delivery of programs and services; and identification of cost-saving measures wherever possible.
<b>Respect</b>	Each individual treats clients and co-workers in a courteous and considerate manner. They listen to and consider differing views and opinions and operate within the principles of a respectful workplace. Respect is demonstrated through the efficient and timely response to requests and questions.
<b>Confidentiality</b>	Each individual ensures information provided to the department on a confidential basis is respected and protected from disclosure.
<b>Recognition</b>	Each individual recognizes, appreciates, and celebrates co-worker accomplishments which contribute to the department's goals and objectives.
<b>Sustainable Development</b>	Each individual works toward the sustainable development of the province's renewable fishery and aquaculture resources.





## **Appendix C**

### **Applications Considered by the Fish Processing Licensing Board in 2014 and Outstanding Applications for Review in 2015**



Applicant	Location	Application Request	Date of Application	Application Status		
				Species Considered	Licensing Board Consideration	Ministerial Decision
<b>NEW LICENCE</b>						
Fogo Island Co-operative Society Limited	Town of Fogo Island	New primary processing licence	August 21, 2012	Sea Cucumber	Not recommended	Not Approved
L'Immobiliere Guyanaise	Isle aux Morts	New primary processing licence	August 18, 2014	Groundfish	Not recommended	Not Approved
Labrador Gem Seafoods	Ramea	New secondary processing licence	October 31, 2014	Scallop	Recommended	Approved
<b>CHANGE OF OPERATOR ON EXISTING LICENCE</b>						
Hermitage Processing Incorporated	Hermitage	Change of operator from Gray Aqua Processing Limited	May 24, 2014	Salmonids (aquaculture)	Recommended	Approved

## ADDITION OF NEW SPECIES ON AN EXISTING LICENCE

Clearwater Seafoods Limited Partnership	Grand Bank	Addition of species	August 16, 2010	Sea Cucumber	Recommended	Approved
Green Seafoods Limited	Winterton	Addition of species	October 16, 2011	Sea Cucumber	Recommended	Approved
Golden Shell Fisheries Limited	Hickman's Harbour	Addition of species	November 11, 2011	Sea Cucumber	Not recommended	Not approved
Quin-Sea Fisheries Limited	Old Perlican	Addition of species	July 26, 2013	Sea Cucumber	Not recommended	Not Approved
Fogo Island Co-operative Society Limited	Town of Fogo Island	Addition of species	April 14, 2014	Whelk	Not recommended	Not approved
Labrador Fishermen's Union Shrimp Company Limited	Mary's Harbour	Addition of species	April 29, 2014	Pelagics	Under Review	
Terra Vista Limited	Glovertown	Addition of species	May 12, 2014	Salmonids (aquaculture)	Recommended	Approved
Cape Broyle Sea Products Limited	Cape Broyle	Addition of species	May 29, 2014	Sea Cucumber	Not recommended	Not Approved
Cape Broyle Sea Products Limited	Cape Broyle	Addition of species	December 11, 2014	Sea Cucumber	Under Review	



<b>TRANSFERS</b>						
Deep Atlantic Sea Products Incorporated	St. Mary's	Transfer species from New Ferolle to St. Mary's	June 10, 2013	Whelk	Not Recommended	Not Approved
<b>APPEALS</b>						
Smith Seafoods Limited	Chance Cove	Appeal to reinstate species to an existing primary licence	May 14, 2013	Groundfish and pelagics	Not Recommended	Not Approved
St. Anthony Seafoods Limited Partnership	St. Anthony	Appeal to reinstate species to an existing primary licence	August 30, 2013	Pelagics	Recommended	Approved
Green Seafoods Limited	Winterton	Appeal to reinstate species to an existing primary licence	March 24, 2014	Groundfish	Recommended	Approved
Aqua Crab Producers Incorporated	Aquaforte	Appeal to reinstate species to an existing primary licence	August 25, 2014	Groundfish	Under Review	





  
**Newfoundland  
Labrador**

**Fisheries and Aquaculture**

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