

Fish Processing Licensing Board

Activity Report

January 1 - December 31, 2007

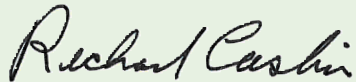


Letter from the Chairperson

In accordance with Government's commitment to transparency and accountability, I am pleased to submit the 2007 Activity Report for the Fish Processing Licensing Board to the House of Assembly.

This Report presents the progress the Fish Processing Licensing Board has made in achieving the annual objectives set out in the 2007 Activity Plan.

As Chairperson of the Fish Processing Licensing Board, I am accountable for the development of this report and, in concert with the Board, the fulfillment of the objectives herein.



Richard Cashin
Chairman
Fish Processing and Licensing Board

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1.0 Overview

The Fish Processing Licensing Board reviews and assesses all fish processing license proposals or requests made to the provincial government. According to the *Fish Processing Licensing Board Act*, applicants for a fish processing license must advertise their intention in a generally-circulated and a regional newspaper. This allows interested members of the public to provide comments to the Board in respect to the applications.

The Board's recommendations to the Minister of Fisheries and Aquaculture on all licensing proposals, or requests made to Government regarding fish processing licenses, are made public as are the final decisions of the Minister. There is no formal appeal process.

In 2007, one hundred and forty-three fish processing facilities (113 primary, 10 secondary, 5 aquaculture and 15 retail) operated in our province. In 2007, the Board received 27 requests and appeals from primary and secondary processors, mostly regarding the addition of species to a license. There were also requests for license transfers. The Board is required to meet a minimum of six times annually.

To ensure equity and impartiality, the Board members are appointed by the Lieutenant-Governor in Council.

1.1 The Composition of the Board

The composition of the Board is as follows:

1. The Board shall consist of five members appointed by the Lieutenant-Governor in Council, who shall serve at pleasure.
2. The membership of the Board shall include:
 - a. one member who shall be designated by the Lieutenant-Governor in Council as the chairperson of the board; and
 - b. one member who shall be elected vice-chairperson of the Board by internal vote of the Board.

At December 31, 2007 the Board was comprised of:

Richard Cashin (Chairperson)

Richard Cashin is a founding member and former President of the Fish, Food and Allied Workers (FFAW) union. He was Chairman of the Task Force on Atlantic Fisheries and has served as Chairman of the Fishing Industry Renewal Board. From 1993 to 2003, he was a member of the Canadian Transportation Agency. Mr. Cashin has also practiced law and has been involved in community activism. He served as a Member of Parliament (St. John's West) from 1962 to 1968.

Bernard Bromley (Vice-Chair)

For 23 years Bern Bromley was the owner, publisher, and editor of The Northern Pen. Previously he was a reporter and managing editor with Robinson-Blackmore in Grand Falls. Mr. Bromley is a past Mayor of St. Anthony (1989-1993) and a past President of the St. Anthony and Area Chamber of Commerce. He has served as the Chair of the St. Anthony and Area Food Sharing Association and as the Vice-Chair of St. Anthony Basin Resources (SABRI). He has also acted as a member of the Marine Institute's Advisory Board.

David Bonnell - member

David Bonnell is the Head of the School of Fisheries of the Marine Institute and is author of Quality Assurance in Seafood Processing (1994). He is a board member with the Canadian Centre for Fisheries Innovation (CCFI) and the Professional Fish Harvesters Certification Board (PFHCB). He is also Executive Director with the Seafood Management Education Association. Mr. Bonnell has managed projects for many local fishing industry organizations and has held quality assurance positions with two Atlantic seafood processing companies.

Ida Powell - member

Ida Powell is the Mayor of Charlottetown, Labrador. She was born into a fishing family and raised in a fishing outport. Ms. Powell has been involved in grassroots community activism, such as fundraising for



the local fire brigade, involved with developing literacy, and volunteering with the Annual Shrimp Festival. She also spearheaded a team that encouraged private funds to develop a modern shrimp processing facility in Charlottetown.

Vacant Member - to be appointed

1.2 The Secretariat to the Board

The Licensing and Quality Assurance Division of the Department of Fisheries and Aquaculture acts as Secretariat to the Board. The Secretariat performs all administrative functions associated with the Board. It reviews any applications and provides the necessary background and relevant information to the Board. All proposals and requests are submitted to the Board and copied to the Minister. The recommendations of the Board are based on policy guidelines, criteria and directions provided to the Board by the Minister of Fisheries and Aquaculture.

The Director of the Licensing and Quality Assurance Division, Department of Fisheries and Aquaculture acts as Recording Secretary for the Board. The Secretary is responsible for keeping minutes on all meetings and decisions of the Board. The Secretary prepares a record of the Board recommendations to be submitted to the Minister of Fisheries and Aquaculture. The record of recommendations is signed by the Chair or the Vice-Chair of the Board. The Minister receives and reviews the recommendations and renders final licensing decisions.

During 2007, the Board held seven meetings, all of which took place at the Department of Fisheries and Aquaculture.

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

**Fish Processing Licensing Board Secretariat c/o Ian Burford
Director, Licensing and Quality Assurance
Department of Fisheries and Aquaculture
30 Strawberry Marsh Road
P.O. Box 8700
St. John's, NL A1B 4J6**

2.0 Mandate

The mandate of the Fish Processing Licensing Board is to make public recommendations on all fish processing license proposals or requests made to the provincial government. Only the routine renewal of fish processing licenses is exempt from this process.

In this regard, the Board's main objectives are to assess and make recommendations to the Minister of Fisheries and Aquaculture regarding:

- licensing applications, including applications for change of operator, new licenses, and the consolidation and transfer of fish processing licenses;
- applications for the addition of new species to existing fish processing licenses, and where appropriate, make recommendations regarding licenses on a regional basis; and
- corporate concentration, merger and acquisition issues in the context of fish processing licensing matters.
- Appeals to reinstate licenses cancelled due to inactivity.
- The Board is also subject to other objectives the Minister may determine. For other related powers and duties of the Board refer to Appendix A.

3.0 Values

The Fish Processing Licensing Board practices the core values and guiding principles followed by the Department of Fisheries and Aquaculture and as set out in the Department's Strategic Plan 2006-08 (refer to Appendix B).



4.0 Vision

In its assessment of applications, the Board supports the Department's vision, "The vision of the Department of Fisheries and Aquaculture is sustainable fishing and aquaculture industries that are achieving their optimum contribution of the Province of Newfoundland and Labrador." The Board accomplishes this by providing an equitable and impartial assessment of processing applications submitted to the Department.

5.0 Primary Clients

The Minister of Fisheries and Aquaculture is a primary client as it is the Minister to whom the Board provides its recommendations. Other primary clients of the Fish Processing Licensing Board include fish processors, buyers, and the general public within the Province of Newfoundland and Labrador.

6.0 Lines of Business

The Fish Processing Licensing Board reviews all requests for new fish processing licenses, transfers of licenses and change of operator. The Department of Fisheries and Aquaculture provides licensing policies and procedures to the Board to guide this process. For additional information regarding the licensing policies and procedures please visit the Department of Fisheries and Aquaculture website: <http://www.fishaq.gov.nl.ca/processing/manual/FullManual.pdf>.

The Board makes recommendations to the Minister and the Minister makes the final decision on all licensing matters.

7.0 Financial Information/Budget

The Department of Fisheries and Aquaculture provides the Board with annual funding which 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 will operate on a cost-recovery basis through application fees.

8.0 Mission

The Fish Processing Licensing Board adopts the Department of Fisheries and Aquaculture's Mission, which is as follows:

By 2011, the Department of Fisheries and Aquaculture will have supported the strengthening of the processing sector and expansion of the aquaculture industry to create economic opportunities for the province.

The Fish Processing Licensing Board will contribute to the achievement of this Mission by making objective recommendations to the Minister regarding license applications.

Footnote - The above Mission statement is not provided in its entirety, please visit www.gov.nl.ca/fishaq for the complete Mission.

9.0 Objectives

Objective: By December 31, 2007, the Fish Processing Licensing Board will have made recommendations to the Minister of Fisheries and Aquaculture on matters pertaining to fish processing licensing.

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

Indicators:

- assessed applications for new licenses as required and made recommendations
- assessed applications for license transfer or consolidation as required and made recommendations
- assessed applications for addition of new species as required and made recommendations

9.1 Results of Objectives

The Board receives and assesses all applications and makes recommendations to the Minister and the Minister makes all final decisions on all licensing matters. Ministers have accepted all board recommendations since its inception in 2005.

The Board did not receive any new applications for licenses in 2007. Applications received by the Board were from existing companies requesting change of operator, change of ownership and addition of species to a license.

INDICATORS	ACCOMPLISHMENTS FOR 2007
Assessed applications for new licenses as required and made recommendations	The Board received no new applications for licenses.
Assessed applications for license transfer or consolidation as required and made recommendations	The Board assessed and recommended eight license transfers and eight consolidations.
Assessed applications for addition of new species as required and made recommendations	The Board assessed and recommended eleven applications for addition of new species.

The Board recommended two applications for license transfers. Golden Shell Fisheries Ltd. received approval to transfer whelk from Icewater Seafoods Inc. in Arnold's Cove to Hickman's Harbour. The Board also recommended Ocean Choice International's application to transfer whelk from the company's processing plant at St. Bride's to the company's plant in St. Lawrence. Sampo International Limited's request to transfer primary processing license for groundfish and pelagics from Heart's Desire to Grand Bank was rejected by the Board.

The Board recommended two applications for change of operator. Labrador Gem Seafoods Inc. received approval for change of operator. L'Immobiliere Guyanaise were also approved for change of operator for secondary processing facility.

OCI's request for change of ownership was recommended by the Board. OCI acquired eight FPI processing facilities which included Port aux Choix, Triton, Port Union, Fortune, Lord's Cove, Bonavista, South Dildo and Marystown. High Liner Foods Inc. was also recommended on their request of change of ownership for the processing facility at Burin.

Three applications for the addition of species were recommended by the Board. St. Anthony Seafoods Limited Partnership's request for the addition of scallops was recommended by the Board. Codroy Seafoods Inc. was recommended for the addition of rock crab. The Board also recommended Deep Atlantic Sea Products Inc. the addition of mussels.

For additional information regarding the Board's recommendations on applications in 2007 refer to Appendix C.

Appendix A: Powers and duties of the Board

Powers and duties of the Board

9. (1) The Board shall

- (a) consider an application for a fish processing license which has been properly made to it, including an application for a new license, a consolidated license or a transfer of license;
- (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 license;
- (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 (c), 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.

Appendix B: Values and Guiding Principles

Values and Guiding Principles

The character of the Department of Fisheries and Aquaculture is promoted and explained through its core values and guiding principles. In essence, they identify how the department will work with its clients, and how the department's staff will work with each other.

While all the values and principles promoted by the department are important, the following are most applicable to the strategic directions identified in the department's 2006-2008 Strategic Plan. Examples of behaviors and actions the department will expect its staff to demonstrate as it delivers its mandate and responsibilities are also included.

Collaboration and Teamwork

The department's programs and services are best delivered through consultation, partnership and teamwork with its clients, industry stakeholders, and co-workers.

Staff of the department will be expected to seek the input of industry stakeholders and other government departments, and their co-workers as they develop and implement policies, programs and activities related to the department's strategic directions.

Accountability and Responsibility

The department delivers its mandate and responsibilities in a conscientious manner and staff are accountable and responsible for the decisions they make.

Staff will be expected to participate in government's work planning initiatives and be accountable for the responsibilities identified in their position descriptions.

Communication

The department promotes and shares information on its activities, and operates under the spirit and intent of openness and transparency both within the organization and with its clients.

Staff will be expected to share information, respecting confidentiality requirements, with co-workers and industry stakeholders on a timely basis. The department will improve the department's website and intranet site to make them more comprehensive and timely.

Service to the Public

The Department of Fisheries and Aquaculture and its employees value the delivery of high quality and cost-effective programs and services for the people of Newfoundland and Labrador.

Staff will be expected to demonstrate their 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.

Other values and principles of importance to the Department of Fisheries and Aquaculture are:

Respect

The Department of Fisheries and Aquaculture personnel treat 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.

Confidentiality

The Department of Fisheries and Aquaculture ensures that information provided to the department on a confidential basis is respected and protected from disclosure.

Employee Professional Development

The Department of Fisheries and Aquaculture values its employees. It encourages and supports each employee to improve their job skills. Employees identify opportunities to enhance their professional development.

Recognition

The department recognizes, appreciates and celebrates individual and team accomplishments which contribute to the department's goals and objectives.

Sustainable Development

The department believes in the sustainable development of the province's renewable fisheries and aquaculture resources. Decisions on policies, programs and services balance the needs of those who currently depend on these resources with the needs of future generations for a healthy and productive environment.

Appendix C: Recommended Applications 2007

APPLICANT	REQUEST	LICENSE	SPECIES CONSIDERED	SPECIES APPROVED	SPECIES REJECTED
G.B. Seafoods International Ltd. Gaultois	Application-Add Species	Processing-Primary	sea urchin, sea cucumber whelk		sea urchin, sea cucumber, whelk
Labrador Gem Seafoods Inc. Ramea	Application-Change of Operator	Processing-Primary	whelk	whelk	
Golden Shell Fisheries Ltd. Hickman's Harbour	Application-Transfer	Processing-Primary Value Added	sea urchin, snow crab		sea urchin, snow crab
Labrador Gem Seafoods Inc. Ramea	Application-Add species	Processing-Primary	groundfish(all species), pelagics(all species), scallop, sea cucumber lumpfish, lobster		groundfish pelagics, scallop, sea cucumber lumpfish, lobster
Ocean International (2005) Inc. St. Lawrence	Application-Transfer	Processing-Primary	whelk	whelk	
Sampo International Ltd. Grand Bank	Application-Transfer	Processing-Primary	groundfish (all species) lobster		groundfish lobster
Icewater Seafoods Inc. Arnold's Cove	Appeal	Processing-Primary	seal, tuna salmonids (aqualculture) scallop, sea cucumber crab (other), whelk	seal, tuna salmonids (aqualculture) scallop, sea cucumber crab (other), whelk	
Fogo Island Co-op Society Ltd. Joe Batt's Arm	Appeal	Processing – Primary	pelagics (all species)		pelagics (all species)
Cape Broyle Sea Products Ltd. Cape Broyle	Appeal	Processing – Primary	lobster		lobster
Deep Atlantic Sea Products Inc. St. Mary's	Application Add Species	Processing – Primary	mussels (aquaculture)	mussels (aquaculture)	
Golden Shell Fisheries Ltd. Hickman's Harbour	Application-Transfer	Processing – Primary	whelk	whelk	
Fogo Island Co-Op Society Ltd. Joe Batt's Arm	Appeal	Processing – Primary	pelagics (all species)	pelagics (all species)	
Goulds Fisheries Ltd. River of Ponds	Appeal	Processing – Primary	pelagics (all species)	pelagics (all species)	
Codroy Seafoods Inc. Codroy	Application Add Species	Processing – Primary	crab (other)	crab (other)	
Ocean Choice International	Application Change of Ownership	Primary			
Port aux Choix			groundfish, shrimp	groundfish, shrimp	
Triton			snow crab, pelagics, groundfish, lobster	snow crab, pelagics, groundfish, lobster	

APPLICANT	REQUEST	LICENSE	SPECIES CONSIDERED	SPECIES APPROVED	SPECIES REJECTED
Port Union			shrimp	shrimp	
Bonavista			snow crab, pelagics, groundfish, lumpfish	snow crab, pelagics, groundfish, lumpfish	
South Dildo			pelagics	pelagics	
Marystown			groundfish, lobster, lumpfish	groundfish, lobster, lumpfish	
Fortune			groundfish, scallop	groundfish, scallop	
Lord's Cove			lumpfish	lumpfish	
High Liner Foods Inc. Burin	Application Change of Ownership	Secondary	pelagics, scallops, snow crab, shrimp, groundfish	pelagics, scallops, snow crab, shrimp, groundfish	
St. Anthony Seafoods Limited Partnership St. Anthony	Application Add Species	Primary	scallops	Scallops	
JMur Seafoods Inc. Baine Harbour	Application Change of Operator	Primary	groundfish, lobster		groundfish, lobster
3T's Limited Sandy Cove	Appeal	Primary	scallops		scallops
L'immobiliere Gyanaise Isle aux Mort	Application Change of Operator	Secondary	groundfish, pelagics, shellfish, marine plants	groundfish, pelagics, shellfish, marine plants	

