



# Fish Processing Licensing Board Annual Report 2016







## 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 2016 to the House of Assembly. My signature on behalf of the Board signifies the Board's accountability for the results reported.

During 2016, 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 and three appeals in accordance with provincial legislation and the Fish Processing Licensing Policy Manual. The Board also takes into account information received from various stakeholders and responses from the applicant's public advertisement of the application.

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 in the industry and supports employment levels that provide adequate incomes for industry participants. The Board also works to maintain a 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 2017.

**TED LEWIS, Chairperson**

**Fish Processing Licensing Board**



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## 1.0 Overview

The Fish Processing Licensing Board is an arms-length government entity that provides an open and transparent decision-making process for fish processing licensing that 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 and Land Resources (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 final decisions of the Minister. To ensure equity and impartiality, all Board members are appointed by the Lieutenant-Governor in Council.

In 2016, there were 95 fish processing licenses issued in the province which included 73 licenses for primary production, three licenses for secondary processing, six licenses for aquaculture processing, and 13 licenses for in-province retail processing.

The Board met on five occasions in 2016 and provided the Minister with recommendations on 15 applications and three appeals. These included one application for a new licence, 11 applications for a change of operator on an existing licence, two applications to add a species to an existing licence and one application for a licence transfer. Of these 15, seven had been carried forward from 2015.

Three applications received in 2016 will be carried forward into 2017. These include one application for a new licence, and two applications to add a new species to an existing licence.





## **1.1 Vision**

The Fish Processing Licensing Board provides impartial and comprehensive assessments of processing licensing applications to support sustainable fishing and aquaculture industries that achieve their optimum economic contribution to the Province of Newfoundland and Labrador.

## **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 of Fisheries and Land Resources 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.

## **1.3 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 Land Resources (FLR) 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 Land Resources website at: <http://www.fishaq.gov.nl.ca/>. See also the following link to the Fish Processing Licensing Policy Manual at: [http://www.fishaq.gov.nl.ca/licensing/pdf/fplp\\_manual\\_04\\_16.pdf](http://www.fishaq.gov.nl.ca/licensing/pdf/fplp_manual_04_16.pdf).



#### **1.4 Composition of the Board**

As specified in the *Fish Processing Board Act* (the Act), the membership of the Board consists of five members appointed by the Lieutenant-Governor in Council. One member of the Board is designated as the Chairperson of the Board 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. They are expected to have an understanding of, but no affiliation with, the fishing industry.

As of December 31, 2016, the Board was comprised of the following members (see Appendix B for Biographies):

<b>Name</b>	<b>Title</b>	<b>Appointment Date</b>	<b>Area</b>
Mr. Ted Lewis	Chairperson	11/19/2013	Northern
Mr. Clarence Brown	Vice Chairperson	3/2/2012	Western
Mr. Taylor Colbourne	Member	7/9/2015	Western
Ms. Violet Parsons	Member	3/2/2012	Eastern
Mr. Samuel Winsor	Member	11/19/2013	Western

### **1.5 Secretariat to the Board**

The Department of Fisheries and Land Resources Licensing, Inspections 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. All proposals and requests submitted to the Board are also provided to the Minister.

The Director of the Licensing, Inspections 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 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, Inspections and Quality Assurance  
Department of Fisheries and Land Resources  
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 the Department of Fisheries and Land Resources' 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, videoconference, or by other means, providing that all members may participate simultaneously and instantaneously. Meetings are held to review applications or to consider requests related to an application. Members of the Board are selected with a consideration of gender balance and regional distribution.

## 1.7 Primary Clients

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

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



## 1.8 Values

The Board practices the relevant core values and guiding principles followed by the FLR, which can be found in Appendix C.

## 1.9 Financial Information

The Fish Processing Licensing Board is funded by the FLR. 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 2016, costs of the Board included remuneration costs of \$11,825 and travel expenses of \$6,767.92. Revenues collected from application fees in 2016 totaled \$19,500.

## 2.0 Report on Performance 2016

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 FLR, 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 2016, the Board met five times and made recommendations to the Minister on 15 applications, seven of which were applications carried forward from 2015. The assessed applications included: one application for a new licence, 11 applications for a change of operator on an existing licence, two applications to add a species to an existing licence, one application for a licence transfer. In addition the Board considered three appeals.

Three applications submitted in 2016 are being carried forward into 2017. These include one application for a new licence, and two applications to add a new species to an existing licence.

## **ISSUE: FISH PROCESSING LICENSES**

**OBJECTIVE:** By December 31, 2016, the Fish Processing Licensing Board will have made recommendations to the Minister of Fisheries and Land Resources on matters pertaining to fish processing licences.

### **2.1 ASSESSED APPLICATIONS AND MADE RECOMMENDATIONS FOR:**

#### **NEW LICENCE**

In 2016, the Board received two applications for a new licence. The Board reviewed one application and made a recommendation.

1. **North Atlantic Aquaponics Limited, Stephenville:** Application for a new secondary processing licence for eels was recommended for approval.

The following application received in 2016 will be carried forward to 2017:

1. **Shell-Ex, trade name of 70706 Newfoundland and Labrador Corporation, Twillingate:** Application for a new secondary processing licence for by-products is under review.

### **2.2 ASSESSED APPLICATIONS AND MADE RECOMMENDATIONS FOR:**

#### **CHANGE OF OPERATOR ON AN EXISTING LICENCE**

A change of operator refers to a change in corporate structure, which affects control or ownership of the company currently holding the licence. The Board requires potential new operators to submit a business plan, in order to determine the new company's ability to operate the facility. In 2016, the Board received 11 applications for a change of operator and made recommendations on 11 applications.

1. **Skipper's Quality Seafoods Limited, St. John's:** Application for change of operator for an in-province retail licence for groundfish, pelagics, and shellfish was recommended for approval.
2. **54417 Newfoundland and Labrador Incorporated, Harbour Breton:** Application for change of operator for an aquaculture processing licence for salmonids was recommended for approval.
3. **Royal Greenland A/S, Cape Broyle:** Application for change of operator from Cape Broyle Sea Products Limited for a primary processing licence for groundfish, pelagics, snow crab, lobster, and sea cucumber was recommended for approval.
4. **Royal Greenland A/S, Long Cove:** Application for change of operator from Dorset Fisheries Limited for a primary processing licence for groundfish, pelagics, lumpfish, and lobster was recommended for approval.

5. **Royal Greenland A/S, Conche:** Application for change of operator from Conche Seafoods Limited for a primary processing licence for groundfish, pelagics, lumpfish, snow crab, and whelk was recommended for approval.
6. **Royal Greenland A/S, Old Perlican:** Application for change of operator from Quin-Sea Fisheries Limited for a primary processing licence for pelagics, lumpfish, scallop, shrimp, snow crab, and whelk was recommended for approval.
7. **Royal Greenland A/S, Cupids:** Application for change of operator from Quin-Sea Fisheries Limited for a primary processing licence for groundfish and pelagics was recommended for approval.
8. **Green Seafoods Limited, Burin:** Application for a change of operator application for an in-province retail licence for groundfish, pelagics and shellfish was recommended for approval.
9. **Ocean Choice International L. P., Summerville:** Application for a change of operator for a primary processing licence for groundfish, pelagics, lumpfish and lobster was recommended for approval.
10. **Ocean Choice International L. P., English Harbour West:** Application for a change of operator for an in-province retail licence for groundfish, pelagics and shellfish was recommended for approval.
11. **Quin-Sea Fisheries Limited, Southern Harbour:** An application for a change of operator for a primary processing licence for groundfish, pelagics, lumpfish and lobster was recommended for approval.

## **2.3 ASSESSED APPLICATIONS AND MADE RECOMMENDATIONS FOR:**

### **ADDITION OF NEW SPECIES TO AN EXISTING LICENCE**

Adding a new species on an existing licence may utilize excess capacity, which may 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 2016, the Board received four applications for the addition of a species category to an existing licence. The Board made recommendations on two applications and two applications are currently under review.

1. **Happy Adventure Sea Products (1991) Limited, Happy Adventure:** Application for the addition of lobster and scallop to an existing primary processing licence was recommended for approval.
2. **Eastern Fish Markets Limited, Carmanville:** Application for the addition of scallop and sea urchin to an existing primary processing licence was recommended for approval.

The following two applications received in 2016 will be carried forward to 2017.

1. **Wood-Pick Enterprises Limited, Wareham:** Application for the addition of sea cucumber to an existing primary processing licence is currently under review.
2. **Green Seafoods Limited, Winterton:** Application for the addition of sea urchin to an existing primary processing licence is currently under review.

## **2.4 ASSESSED APPLICATIONS AND MADE 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 2016, the Board received one application for licence transfers and made one recommendation.

1. **Allen's Fisheries Limited, Benoit's Cove:** Application for transfer of a primary processing licence for whelk from Rocky Harbour to Benoit's Cove was recommended for approval.

## **2.5 ASSESSED APPLICATIONS AND MADE RECOMMENDATIONS FOR:**

### **APPEAL**

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 2016, the Board received three appeals. The Board made two recommendations and one appeal was not considered.

1. **Woodman's Sea Products Limited, New Harbour:** Appeal to reinstate primary processing licence for mussels was recommended for approval.
2. **Deep Atlantic Sea Products Incorporated, St. Mary's:** Appeal to reinstate primary processing licence for groundfish, pelagics and snow crab was recommended for approval.

The following appeal submitted in 2016 was not considered.

3. **Wood-Pick Enterprises Limited, Wareham:** Appeal to reinstate primary processing licence for sea cucumber was not considered.

The applications/appeals considered by the Board can also be found on the department's website at: <http://www.fishaq.gov.nl.ca/licensing/board/>.

# 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.

# Appendix B

## BOARD MEMBER BIOGRAPHIES

### **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, which expires November 18, 2017. 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.

### **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, four years as the Chairperson of

the Newfoundland and Labrador School Boards Association, and three years as Director at the Canadian School Boards Association.

### **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.

### **Mr. Taylor Colbourne**

Mr. Taylor Colbourne grew up in Corner Brook. He graduated from Memorial University of Newfoundland in 1972 with a Bachelor of Commerce and a Bachelor of Education. Upon graduation he started working with the Western School District as a Teacher, Vice Principal and later a Principal until his retirement in 2002. A distinguishing part of Mr. Colbourne's life is his extensive volunteer experiences which relate to his life-long dedication to organized sports in the city of Corner Brook. Following his retirement, he was the Chairperson of the Employment Insurance Board of Referees for the Newfoundland and Labrador Regional Division from September 2004 to September 2007.



## Appendix C

### VALUES AND GUIDING PRINCIPLES OF THE DEPARTMENT OF FISHERIES AND LAND RESOURCES

<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.