

**STANDING FISH PRICE-SETTING PANEL
ANNUAL REPORT
2014 - 15**




Newfoundland
Labrador

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MESSAGE FROM THE CHAIRPERSON

In accordance with government's commitment to transparency and accountability and as Chairperson responsible for the Standing Fish Price-Setting Panel, I am pleased to submit the Annual Performance Report for 2014-15. This report was prepared under the direction of all Panel members, and as such, the members are accountable for the results reported.

This is the Annual Report of the Panel, and the comments and record of activities contained herein occurred during the ninth year of the collective bargaining regime created in 2006. This document presents outcomes of the Panel's objectives, highlights, and achievements, and focuses on opportunities to further enhance the collective bargaining process in the province's fishing industry and bring greater stability to the industry. This Annual Report is prepared on a fiscal year basis. Accordingly, the report covers Panel activities for the period from April 1, 2014 to March 31, 2015.

Since their appointment in 2006, the Panel members and staff have been available to industry stakeholders to facilitate collective bargaining and act, as required, as an arbitration panel in setting prices and conditions of sale where the parties were unable to achieve a resolution. The mandate of the Panel is important to the fishing industry since unlike other sectors, the fishing industry has a limited and uncontrolled window in which to be prosecuted. Weather, markets, opening and closing dates, and biological and other conditions dictate that window of opportunity to the participants in this industry.

Last year was a good year from a collective bargaining perspective; the parties to collective bargaining reached agreements on five species; Cod, Squid, Whelk, Sea Urchin and Snow Crab. The Panel wishes to acknowledge the excellent work of the Panel facilitator in assisting the parties in bargaining fish prices. The rapport that has been developed by the facilitator with the parties to fish price negotiations as well as the skill and tenacity demonstrated by the facilitator in the conduct of mediation has contributed greatly to the success of the process in recent years.

The Panel looks forward to continued co-operation between the parties as we move forward. The Panel will continue to be available to assist the parties and to make decisions on price and conditions of sale to ensure timely prosecution of the fishing industry.

A handwritten signature in blue ink, appearing to read "Joe O'Neill", with a stylized flourish above the name.

JOSEPH P. O'NEILL
CHAIR

PUBLIC BODY OVERVIEW

The legislative authority establishing the Standing Fish Price Setting Panel's role and responsibilities is contained in Section 19 of the *Fishing Industry Collective Bargaining Act* (the *Act*) and associated *Regulations*. The Panel is classified as a Category 3 Government entity.

This year was the Panel's ninth year of operation. The Panel members include: Joe O'Neill, Chair; Bill Wells, Vice-Chair; Max Short, member; Ed Hussey, alternate member; Rosalind Walsh, alternate member. The Panel facilitator provided support for the Panel's activities and stakeholders' work in establishing fish prices. Administrative and secretarial support services during the Panel's ninth year of operation continued to be provided by the Labour Relations Division of the Labour Relations Agency. Market intelligence support was provided by the staff at the Department of Fisheries and Aquaculture.

Funding to support the Panel's activities is identified under the allocation of the Labour Relations Agency under the heading of the Standing Fish Price-Setting Panel (see Financial Information on page 10 for more details). The Panel's office is located at the following address: 2nd Floor, Beothuck Building, 20 Crosbie Place, St. John's, NL, A1B 4J6, telephone: (709) 729-2711.

Mandate

The mandate of the Panel is to annually identify, following consultation with the stakeholders, particular fish species for collective bargaining, and to ensure that price and conditions of sale are in place by the date established by the Minister of Fisheries and Aquaculture. The Panel establishes parameters to facilitate collective bargaining, acts as an arbitration panel where the parties to negotiations fail to agree and has the authority to set prices when negotiations do not take place.

The legislative authority establishing the Panel and the Panel's role and responsibilities are contained in Section 19 of the *Fishing Industry Collective Bargaining Act*.

Lines of Business

Establishing a Schedule of Hearings

On an annual basis, the Panel will consult with parties to negotiations to determine the particular fish species to be bargained under the *Fishing Industry Collective Bargaining Act* for the coming season.

The Minister of Fisheries and Aquaculture, on an annual basis, sets the dates by which prices and conditions of sale for the species to be bargained, must be in effect. The Panel will then provide written notice to applicable industry stakeholders of particular fish species subject to negotiations, the date by which binding agreement(s) must be in effect, potential hearing date(s) and place(s) where the Panel will hold hearings and receive submissions in the event binding agreement(s) have not been achieved.

Providing Support to Collective Bargaining

Rules and Procedures

The Panel, in consultation with the major parties to negotiations, has established its Rules and Procedures, as provided under section 19.4 of the *Act*, for the purpose of carrying out its duties. The intent of its rules and procedures is to provide direction to the parties to negotiations through the various collective bargaining stages, including the hearing stage if necessary.

Facilitation

The Panel provides the services of a facilitator to the parties to negotiations for all species identified in the schedule of negotiations. The facilitator provides support to the parties by helping to identify outstanding issues and mediating/facilitating the collective bargaining process to assist the parties in reaching a collective agreement. The facilitator also coordinates activities between the Panel, the parties to negotiations, and relevant government departments.

Vision

It is the Panel's hope that their work with industry stakeholders will help achieve the optimum economic value from the fishing industry and thus contribute to economic growth, competitiveness and prosperity for the provincial economy.

The vision of the Panel is of an optimal collective bargaining climate between fish harvesters and processors in the province to ensure that binding collective agreements are in place for the timely commencement of the fisheries on an annual basis.

Mission

The mission statement identifies the priority area of the Panel over the next three years. As a Category 3 Government entity, the Panel has exercised the option of adopting the mission of the responsible department and indicating how they will be contributing to the results. The Panel has a unique mandate to facilitate and act as an arbitration panel to the collective bargaining regime for the harvesting and processing sectors in the province's fishing industry, ensuring that fish prices and conditions of sale are in place to enable fisheries to start on a timely basis, every year. Due to the repetitive nature of the mandate of the Panel, a separate Mission statement was deemed unnecessary. The Panel's mission may be considered in the context of the Mission of the Labour Relations Agency.

In the context of the Labour Relations Agency's Mission, to provide improved labour relations supports conducive to positive workplace relations, it is the Panel's intent to work with relevant industry stakeholders to annually identify particular fish species subject to collective bargaining and ensure that price and conditions of sale are in place prior to dates established by the Minister of Fisheries and Aquaculture. In the absence of such binding agreements, the Panel will establish hearing dates, receive submissions from industry stakeholders, and conduct hearings to establish such price and conditions of sale, to enable timely openings of the relevant fisheries.

The intended results include successfully negotiated price and conditions of sale for the majority of fish species, timely decisions on price and conditions of sale for the normal opening dates for most fisheries, and certainty over price and conditions of sale for all stakeholders in the industry; thereby providing specific labour relations supports and contributing to the Mission of the Labour Relations Agency.

Labour Relations Agency Mission Statement:

By March 31, 2017, the Labour Relations Agency will have improved Labour Relations supports conducive to positive workplace relations.

HIGHLIGHTS/ACCOMPLISHMENTS

Collective Bargaining Facilitation and Hearing Results

On February 11, 2014, the Panel advised the parties to collective bargaining of the deadlines for binding agreements on price and conditions of sale for 2014-15 for the species lobster, snow crab, shrimp, whelk, lumpfish (roe), cod, capelin, squid, halibut, sea urchin and mackerel. The Panel also advised of the dates on which hearings would be held for the individual species, should a binding agreement not be achieved.

In the calendar year 2014, the Panel conducted a total of nine hearings and one reconsideration, all of which were related to price and conditions of sale. Three of the hearings were related to the species shrimp (spring, summer, and fall), two for the species lobster, and one each for the species halibut, capelin, lumpfish (roe), and mackerel. In five of the hearings held, the participants were the Fish, Food and Allied Workers Union (FFAW) and the Association of Seafood Producers (ASP). Of the five resulting decisions, the Panel selected the position of the FFAW on three occasions, and the position of ASP twice. In two of the other hearings held, the participants were the FFAW and the Seafood Producers of Newfoundland and Labrador (SPONL). On both occasions the Panel selected the position of the FFAW. In the two remaining hearings held, the participants were the FFAW and an independent processor or group of independent processors. On both occasions, the Panel selected the position of the FFAW. For the species cod, squid, whelk, sea urchin, and snow crab, the Panel accepted and confirmed agreements that had been reached between the FFAW and ASP, or an independent processing company, making those agreements binding on all who harvested/processed the specific species.

The Panel also received a request during the fiscal year 2014-15 from the FFAW under section 19.14 of the *Act* to reconsider its original decision on lumpfish (roe). The Panel accepted the FFAW request and selected the position of the FFAW, therefore, altering its original decision.

The Panel annually conducts a review of its rules and procedures, and based on that review in 2013-14 made some minor changes. One of the changes implemented in 2014-15 was changing the timing of the hearings from 2:00 pm to 10:00 am, and the timing of the exchange of final offer submissions by the parties to collective bargaining from two hours prior to the start of a hearing to 4:00 pm on the day prior to the hearing. It's a minor change that had a positive effect in the Panel's view. This resulted in the Panel having an extended period of time to review the parties' submissions prior to the hearing, and consider questions or clarifications it may pose. Most importantly, the parties were previously focused almost entirely on preparing their Panel submissions on the day of the hearing and likely the evening before. The new schedule allows the parties to continue negotiations and explore options for a settlement, right up the last moments prior to a hearing.

Please see Appendix A for the Species Negotiation and Results Summary – 2014.

REPORT ON PERFORMANCE

In its 2014-2017 Activity Plan, the Panel identified two strategic issues aimed at ensuring that fish prices and conditions of sale were in place for species under consideration between the parties to collective bargaining in the fishing industry: 1) Ensure binding collective agreements are established annually for particular species; 2) Recommend legislative or regulatory amendments that provide a realistic mechanism for price setting. There are references to these issues and the objectives that were established to address them throughout this report. The following table provides a summary of the Panel's objectives and its success in achieving those objectives. As stated in the 2014-17 Activity Plan, the objectives, measures and indicators identified by the Panel apply to the 2014-15, 2015-16 and 2016-17 fiscal years.

Issue 1: Ensure binding collective agreements are established annually for particular species.

Objective: By March 31, 2015, the Standing Fish Price-Setting Panel will have ensured that collective agreements were in place and prices and conditions of sale for fish species were established prior to the date established by the Minister of Fisheries and Aquaculture.

Measure 1: Ensured binding collective agreements were in place.

Indicators for 2014-15	Performance for 2014-15
Industry stakeholders responsible for collective bargaining of the fish species were notified of the dates by which binding collective agreements were to be in effect.	The Panel consulted with industry stakeholders prior to the start of the 2014 fishing season, and advised by way of a letter to all stakeholders on February 11, 2014, the dates by which binding collective agreements were to be in place for lobster, snow crab, shrimp, whelk, lumpfish (roe), cod, capelin, squid, halibut, sea urchin and mackerel. This consultation was conducted just prior to the 2014-15 fiscal year, as consultation is required early in the calendar year to ensure that industry stakeholders may have meaningful input in establishing an appropriate schedule for collective bargaining. The Panel provided similar notification to industry stakeholders in advance of the 2015 fishery on February 19, 2015.
Requisite facilitation/mediation services were made available to the parties to collective bargaining through the Panel facilitator, to assist the parties in achieving a collective agreement.	The Panel facilitator worked with the parties to collective bargaining for all species throughout the fishing season to help achieve binding collective agreements on fish prices and conditions of sale.

Measure 2: Ensured prices and conditions of sale were established.

Indicators for 2014-15	Performance for 2014-15
<p>Industry stakeholders responsible for collective bargaining of the fish species were notified of hearing dates, where the parties did not achieve a collective agreement.</p>	<p>Panel advised industry stakeholders on February 11, 2014 of the dates on which hearings would be held for all species should they be necessary. This consultation was conducted just prior to the 2014-15 fiscal year, as the Panel advises industry stakeholders early in the calendar year to ensure that stakeholders have adequate time to prepare for collective bargaining and conclude collective agreements prior to the scheduled hearings for each particular species. The Panel provided similar notification to industry stakeholders in advance of the 2015 fishery on February 19, 2015.</p>
<p>Where collective agreements were not achieved, hearings were conducted to provide the parties to collective bargaining an opportunity to represent their respective positions to the Panel.</p>	<p>The Panel conducted a total of nine hearings in 2014 allowing the parties to collective bargaining the opportunity to represent their respective positions. Three of the hearings were related to the species shrimp (spring, summer, and fall), two from the species lobster, and one each for the species halibut, capelin, lumpfish (roe), and mackerel. In addition, the Panel held one reconsideration hearing relating to lumpfish (roe).</p>
<p>Following a hearing, the Panel made timely decisions that established prices and conditions of sale for the particular fish species.</p>	<p>For each species under consideration, the Panel made timely decisions, typically within two days of the hearing, prior to the start of the fishery for the species under consideration.</p>
<p>The Panel advised all industry stakeholders affected by its decision for a particular species.</p>	<p>When a hearing was required, the Panel notified the parties to collective bargaining (and other affected stakeholders) of its decision at least three days prior to the start of the fishery. Written copies of the Panel decisions were sent to impacted stakeholders and placed on the Panel's website for public viewing.</p>

Issue 2: Recommend legislative or regulatory amendments that provide a realistic mechanism for price setting.

Objective: By March 31, 2015, the Standing Fish Price-Setting Panel, where in its opinion it was warranted, made representations to the minister responsible, with respect to an amendment to, or modification of, the *Fishing Industry Collective Bargaining Act and Regulations*.

Measure 1: Representation made to the responsible minister, if warranted.

Indicators for 2014-15	Performance for 2014-15
The collective bargaining process was monitored.	Throughout the 2014-15 season, the Panel continuously monitored the collective bargaining process to ensure that where the services of the Panel were required in relation to assisting in the setting of fish prices, parties were engaged and provided with support in order to ensure the timely commencement of the fishery.
Recommendations for changes to the legislation and regulations made, as warranted.	The Panel, as warranted, makes representation to the Minister Responsible for the Labour Relations Agency and the Minister of Fisheries and Aquaculture on the collective bargaining framework for the fishery and on possible amendments to the legislation. It was not deemed necessary during 2014-15 fiscal year to make representation to the minister.

OPPORTUNITIES AND CHALLENGES AHEAD

Collective Bargaining Outlook for 2015-16

The Panel is hopeful that the industry will build on the collective bargaining successes of the 2014 fishing season moving forward. Collective bargaining in the fishing industry, like any industry, can pose challenges. Collective bargaining in the fishing industry brings together parties with positions of differing perspectives on contentious issues. Final offer positions presented to the Panel may be quite diverse.

Crab and shrimp in particular are typically more contentious in collective bargaining than most other species. This is understandably so, as they have the highest landed value in comparison to the others. It is anticipated that the 2015-16 fishing industry collective bargaining process will be similarly challenged given the unpredictability of the industry.

The species sea urchin was subject to collective bargaining for the first time in 2014-15, and the FFAW and a group of three independent processors did a commendable job of reaching a collective agreement on price in what was previous uncharted territory in Newfoundland and Labrador. The agreement included a plan to collect a great deal of information that could likely form the basis of a new and revised collective agreement in 2015. Therefore, Sea Urchin is another species to monitor closely moving forward.

As always, the Panel is prepared to perform its duties in accordance with its legislative obligation on collective bargaining, while at the same time, it has consistently stated its preference to play as limited a role as possible.

Moving Forward

The availability and timeliness of market intelligence information remains a critical component of both the collective bargaining process and the Panel's decision-making process. The Panel and the parties to collective bargaining have been provided with market intelligence information by the Market Intelligence Unit of the Department of Fisheries and Aquaculture (DFA) since the Panel's inception in 2006.

The Panel, along with the DFA, provides industry stakeholders with every opportunity for meaningful and constructive input on the format and content of the market intelligence reports.

There has been a review and streamlining of the market intelligence component, and there has been a significant reduction in the total number of market intelligence reports available over the past year as a result. DFA has done well to manage the situation by engaging the industry for input, and making informed decisions about which reports are the most relevant. The Panel, recognizing this challenge, has engaged and will continue to engage with DFA in discussions to ensure the parties, and the Panel itself, continue to have the most timely and relevant market intelligence available.

FINANCIAL INFORMATION

The following table is a summary of Panel expenditures for 2014-15.

Expenditures included in this document are un-audited and based on public information provided in the Report on the Program Expenditures and Revenues of the Consolidated Revenue Fund for the Year Ended March 31, 2015. Audited financial statements are a requirement at the government level and are made public through the Public Accounts process; however, the Standing Fish Price-Setting Panel is not required to provide a separate audited financial statement.

**Standing Fish Price-Setting Panel
Summary of Expenditures
For the Year Ended March 31, 2015
(Unaudited)**

Summary of Expenditures For the Year Ended March 31, 2015				
Activity		Actual Expenditure \$	Amended Budget \$	Original Budget \$
1.1.04.01	Salaries	91,558	91,700	91,700
1.1.04.03	Transportation and Communication	2,467	10,300	10,300
1.1.04.04	Supplies	1,100	-	-
1.1.04.05	Professional Services	67,400	120,000	120,000
1.1.04.06	Purchased Services	995	18,000	18,000
1.1.04.07	Property, Furnishings and Equipment	-	400	400
	Total	\$163,520	\$240,400	\$240,400

APPENDIX A

Species Negotiations and Results Summary – 2014

Species	Parties to Bargaining	Agreement Reached	Panel Decision
Snow Crab	ASP & FFAW	Yes	
Shrimp (Spring)	ASP & FFAW	No	ASP
Halibut	SPONL & FFAW	No	FFAW
Lobster	Independent & FFAW	No	FFAW
Lobster *	SPONL & FFAW	No	FFAW
Whelk	ASP & FFAW	Yes	
Lumpfish **	FFAW	No	FFAW
Lumpfish Reconsideration	SPONL & FFAW	No	FFAW
Cod	Icewater Seafoods Inc. & FFAW	Yes	
Capelin	ASP & FFAW	No	FFAW
Shrimp (Summer)	ASP & FFAW	No	ASP
Squid	ASP & FFAW	Yes	
Sea Urchin	FFAW & independent associates	Yes	
Shrimp (Fall)	ASP & FFAW	No	FFAW
Mackerel	ASP & FFAW	No	FFAW

*A second hearing on lobster was required after the Panel was advised by DFA that it had made an error when it initially advised the Panel that there was no majority processor representation. DFA later advised that SPONL did in fact have majority representation.

**SPONL had majority representation for the species lumpfish, but elected not to appear before the Panel or make any representation. The FFAW was the only party to appear before the Panel.

Note: This summary table provides a summary of activities for the previous calendar year (2014), despite the report itself covering the period of the 2014-15 fiscal year (April 1, 2014 to March 31, 2015). This is due to the seasonal nature of the industry and while negotiations may have occurred just prior to the fiscal year, agreements came into effect during the fiscal year.



Labour Relations Agency

Standing Fish Price-Setting Panel

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<http://www.hrle.gov.nl.ca/fishpanel/index.html>