

COR/2021/02092

Fish Processing Licensing Board Meetings

July 13-16, 2021

Board Recommendations

Dear Minister Bragg:

The Fish Processing Licensing Board (Board), held meetings in St. John's from July 13-16, 2021. The Board had a lengthy discussion on the issuance of new snow crab processing licences and considered two applications that were comprised of the following:

- Addition of lobster to a primary processing licence for Happy Adventure Sea Products (1991) Ltd., Happy Adventure.
- Addition of lumpfish to a primary processing licence for Barry Group Inc., Corner Brook.

The Board is making the following recommendations:

1. Happy Adventure Sea Products (1991) Ltd., Happy Adventure, currently has a primary processing licence for groundfish (all species), and pelagics (all species), and a value added snow crab processing licence. The company has requested to add lobster to its primary processing licence. There were two letters of objection and one letter of support.

Lobster landings in the Bonavista Bay area continue to increase and the long-term outlook for the lobster resource in the province is very positive.

The Board recommends approving the addition of lobster to a primary processing licence for Happy Adventure Sea Products (1991) Ltd., Happy Adventure.

2. Barry Group Inc., Corner Brook, currently has a primary processing licence for groundfish (all species), and pelagics (all species). The company has requested to add lumpfish to its primary processing licence. There were two letters of objection and no letters of support.

The Board has determined that there is sufficient processing capacity within the Western and Northern regions of the province to accommodate current landings. It is the Board's view that the species applied for is fully utilized within the area (resource availability and regional balance), and after careful consideration concluded that there are no other mitigating circumstances that would warrant granting this species authorization.

The Board recommends not approving the addition of lumpfish to a primary processing licence for Barry Group Inc., Corner Brook.

The Board has come up with the following guidelines that will be taken into consideration before making any recommendations on new snow crab processing licences.

1. While the stock has shown a healthy increase this year, the Board will need to see next years' stock assessments come in at the current or higher level to ensure this years' increase is not just an anomaly.
2. The Board intends to meet with DFO scientists to obtain their view on the current and future state of the stock.
3. The Board intends to review the results of this season from information provided by industry stakeholders, which would include, catch rates from all zones, landings, and issues surrounding harvesters concerns with processing capacity to handle daily landings.
4. Examine the effect on quality of snow crab caused by processing delays, if any.
5. Analyze employment data within the processing plant sector.
6. The Board will take into consideration the issue of regional processing capacity and the needs of harvesters.
7. If the board determines that the processing capacity in the snow crab industry can be increased, corporate concentration will be taken into consideration in our recommendation of who receives a licence and when.

The Board intends to conduct a comprehensive review of all issues related to the snow crab processing industry before making recommendations to expand the processing industry in Newfoundland and Labrador.



Reg Anstey
Chair, Fish Processing Licensing Board

August 2, 2021

Date

