

STANDING FISH PRICE-SETTING PANEL

SNOW CRAB FISHERY 2020

The Standing Fish Price-Setting Panel, hereinafter referred to as “the Panel”, issued its Schedule of Hearings for 2020, on February 27, 2020. Pursuant to Section 19 of the Fishing Industry Collective Bargaining Act, hereinafter referred to as the “Act”, the Panel set Friday, March 27, 2020, as the date by which collective agreement(s) binding on all processors in the province that process Snow Crab must be in effect.

The Panel also noted at that time, that it had been advised by the Department of Fisheries and Land Resources that the Association of Seafood Producers, hereinafter referred to as “ASP”, represented processors that process the majority percentage of the species Snow Crab. As a result, under Section 19(11) of the Act, should a hearing be required for Snow Crab, the parties appearing before the Panel would be the Fish, Food and Allied Workers’ Union, hereinafter referred to as the “FFAW”, and ASP. Section 19.11(1) of the Act, and Regulations made pursuant thereto, require that the decision of the Panel must be in accordance with one of the positions, on price and conditions of sale submitted to the Panel by the parties at the hearing. The Panel further advised that no other positions would be accepted by the Panel and should other representatives of this species wish to attend the hearing, concurrence from both parties to the collective bargaining must be obtained.

The hearing, if required, for Snow Crab was scheduled to take place at 10:00 a.m. on Thursday, March 28, 2019, at the Ramada Hotel, 102 Kenmount Road, St. John’s, NL. Due to the COVID-19 pandemic and concerns around the safe execution of a fishery, and through a joint request by ASP and the FFAW, the Minister of Fisheries Land and Resources extended the date by which a binding collective agreement is to be in effect to May 4, 2020. The Panel agreed to extend the hearing date for Crab and delay a hearing to a later date more in line with a potential opening of a fishery under COVID-19 protocols.

After consulting with parties, the Panel convened the hearing for the species Crab at 2:00 p.m. on Wednesday, April 29, 2020, via Microsoft Teams virtual meeting capabilities. The parties appearing before the Panel were the FFAW and ASP. The parties having previously exchanged written submissions, copies attached, supported their positions in argument and rebuttal. The parties and the Panel have the benefit of two market reports prepared in March, 2020, weekly market updates to April 25, 2020 and other information on crab production and exports.

The Panel will issue its detailed report on its decision in the coming days. However, it must be said that given the presence of COVID-19 in Newfoundland and Labrador and in the major Snow Crab markets these are unprecedented times resulting in much uncertainty in terms of the market outlook for Snow Crab. There is also considerable economic disruption in the US and Japan from COVID-19, a late start of Canadian Snow Crab fisheries and a lack of recorded Crab market activity in 2020. This presents a challenge in terms of the Panel's ability to assess possible outcomes for 2020. All parties agree this will be an extremely challenging year for the Snow Crab industry and market returns will likely significantly decline. The outlook may become more clearer in the coming weeks and the Panel is available to reconsider its decision should new market information warrant it.

Considering the review of the market information available and the submissions of the parties, it is the decision of the Panel to accept the final offer of the ASP. The prices for the species Crab will be \$3.00 per pound for Crab equal to or greater than 4" carapace inclusive of benefits (workers' compensation and employment insurance) of \$0.10 per pound. The net price to fish harvesters will be:

- \$2.90/lb. — 4" carapace and up.
- \$2.60/lb. — for legal size under 4".

These prices will form a collective agreement or part of a collective agreement binding on all processors that purchase the species Crab.

Dated the 1st day of May, 2020.



Wayne Follett



Bill Carter



Brendan Condon