

## Summer Shrimp Fishery 2014

The Standing Fish Price-Setting Panel, hereinafter referred to as "the Panel", issued its decision setting prices for the 2014 Spring Shrimp Fishery on the 23<sup>rd</sup> day of April 2014.

The 2014 Shrimp Schedule between the Fish, Food and Allied Workers, hereinafter referred to as "FFAW", and the Association of Seafood Producers, hereinafter referred to as "ASP", provides, by the agreement of the parties, that spring prices will terminate on the 21<sup>st</sup> day of June, 2014. The parties further agree to negotiate prices for the Summer Shrimp Fishery to be effective on the 22<sup>nd</sup> day of June, 2014. The parties further agreed that in the event of no agreement, the parties would refer the issues outstanding to the Panel for binding resolution in accordance with the Fishing Industry Collective Bargaining Act. All other terms and conditions of the Shrimp Schedule remain in effect.

The Panel, with consent of the parties, set the 18<sup>th</sup> day of June, as the date for a hearing if required. Having previously exchanged positions and filed submissions with the Panel, (copies attached), the parties appeared before the Panel and supported their submissions in main argument and rebuttal. The parties and the Panel have had the benefit of market update reports from Seafood.com, Gemba Seafood Consulting and Canada UK Partners (copies attached).

The Panel acting in accordance with the provisions of the Act, and by the agreement of the parties, must choose one of the positions presented by the parties in final offer selection.

The parties are essentially agreed on the current market prices, and the weighted average market price at this time. In determining the price change for shrimp for a particular fishery, one principle has been generally applied. The weighted average market price is compared to that of the previous year (Spring, Summer or Fall), and the price to harvesters is adjusted, up or down, as a result.

As the Panel has noted in previous decisions, both parties have used the yield percentage and the harvesters share of the price differential to calculate the change that should be applied to the difference between the weighted average market price year over year. Despite the fact that the parties have the same market reports, they are seldom if ever, in agreement in calculating the difference between the weighted average market prices.

The Panel must choose one of the positions submitted for each fishery which, over time, results in some distortion or complication, in adding to or subtracting from a previous year price in each of the three seasonal fisheries for shrimp.

The parties are agreed that the calculations provide a guide, if not absolute or precise figures, to price adjustments and are a helpful tool in making the adjustment in price, in relation to the position of either party and the prevailing market situation set out in the market reports.

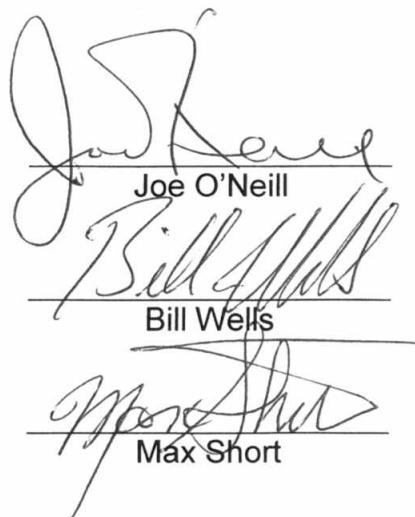
The market returns for the spring fishery this year were higher, which was generally attributable to the effect of favorable rates of exchange, rather than the product price. Since then, product prices have increased and the combination of the two, have resulted in a very favorable market return, reflected in the calculation of the weighted average market price.

There is a note of caution in the market reports. Exchange rates can be volatile especially in light of world conditions. The upward movement in prices for coldwater cooked and peeled shrimp is driven by lack of supply. There is a price point where consumer resistance can occur.

The Panel is of the opinion that in consideration of prevailing market conditions, the price applied to shrimp for the 2013 summer fishery, and a more generous application of the percentage share to harvesters, that the position of ASP is on balance the more acceptable.

It is the decision of the Panel to accept the position of ASP. Under the provisions of the Act, the summer price table (attached as Schedule "A") is binding on all processors that process the species shrimp in the province and will form a collective agreement or part of a collective agreement with the FFAW.

Dated at St. John's the 24<sup>th</sup> day of June, 2014.



Joe O'Neill  
Bill Wells  
Max Short

## Schedule "A"

Distribution	Percentage	Price	Average Price
2.0 – 2.9	5.37%	0.330	
3.0 – 3.9	10.60%	0.556	
4.0 – 4.9	13.71%	0.680	
5.0 – 5.9	15.47%	0.804	
6.0 – 6.9	17.08%	0.947	
7.0 – 7.9	16.23%	1.016	
8.0 – 8.9	10.96%	1.088	
9.0 – 9.9	5.66%	1.194	
10 +	2.56%	1.264	\$0.87

\* Prices for trucked shrimp .3¢ less.