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## NEW SEAFOOD PROCESSING ACT

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### SUMMARY OF KEY ELEMENTS

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June 1, 2006

#### OBJECTIVES

The objectives of the new *Seafood Processing Act* are:

- to provide for a more structured management of the fisheries industry;
- to create a more modern environment for the processing sector to continue to be competitive and a leader in Canada;
- to support and preserve long-term stability and jobs in the industry
- to give more flexibility to the industry to do value-added processing by reducing red tape; and
- to level the playing field and encourage the fair trade for fish.

A more structured and transparent framework for the trade of fish will provide better information on what the volume of fish being caught and transported is, both within and outside the province. This will allow DAFA to ensure the fisheries are being managed with conservation and long-term economic viability in mind.

#### KEY ELEMENTS OF THE PROPOSED LEGISLATIVE CHANGES

***Licensing of purchasing for primary fish processing plants and wholesale live lobster commerce*** - A fish purchaser licence will be required for anyone, other than those exempt, to purchase fish directly from harvesters on the wharf. Holders of primary processing licences and live-lobster holding facility licences will automatically be issued fish purchaser licences and may delegate agents to purchase fish on their behalf. Agents will have to be aligned with licensees in order to purchase fish. The introduction of the fish purchaser licence with conditions and limited access is intended to create formal linkages between buyers and processors that will hopefully lead to improved quality and traceability systems and result in a more stable (both the market prices and the) industry as a whole. With this, we strive to create a more level and transparent playing field when it comes to fish buying in NB. We will have better tools for data collection and tracking of fish from the boat to market. Anyone from outside the province wishing to purchase fish will have to apply for the fish purchaser licence.

1. ***Regulation of the wholesale live lobster holding trade*** – Live-lobster holding facilities will be required to hold a live lobster holding licence, will require a minimum holding capacity and will be subject to identified reporting requirements, enhancing DAFA's ability to track information and better manage the industry.

2. ***Reduction of red tape*** will remove unnecessary barriers to growth and economic activity by delineating between primary and secondary processing. Access issues are at the primary processing level, not at the secondary processing level. To address this we are proposing to eliminate the requirement for licensing of secondary fish processing plants, to be replaced by a requirement for registration only, with far fewer restrictions and reporting requirements than for a primary processing licence. This will give the industry more flexibility to do value-added processing.
3. ***Identification of “viability of the economic activity” as an additional criterion*** for consideration in the approval of primary processing plant licences. This will allow consideration of both the individual enterprise and the impact of a new entrant on the sector.
4. ***All new primary processing plants will be required to be registered with the Canadian Food Inspection Agency (CFIA)***, allowing for the grandfathering of nine existing New Brunswick plants. This is intended to level the playing field in terms of the financial investment required for all those competing for the same fish on the wharf by standardizing all fish processing facilities to the same national standard. At the same time, all fish plants operating in New Brunswick will be export ready.
5. ***Definition of offences and associated fines*** specifically for non-compliance under the *Seafood Processing Act*, significantly increasing the fines and establishing new fines, as well as adding other provisions to support better enforcement of the *Act*. This is intended to strengthen the existing penalties to make them more effective as a deterrent.