

Issues for consideration by the SARC identified at a meeting of the Ocean Hauling Net Working Group held 3 August 2015

Important note: *The issues below were raised by members of the WG as expert individual views for consideration by SARC. They are not considered to be the representative view of any particular group of fishers or shareholders. The issues raised will be considered by SARC in formulating the final recommendations on linkages that will be provided to the Minister for his consideration.*

Comments on linkage recommendations

General issues:

- Suggestion that reported annual catch (1,000 tonne) on the draft recommendations paper isn't right, as between 2,000 – 4,500 tonne of mullet alone is taken. DPI to clarify – confirm criteria period used.
- Aboriginal fishers on the working group raised the issue that they see cultural fishing and commercial fishing as one and the same (all goes together) – all Indigenous fishing (including commercial) is considered by these fishers as cultural fishing. These fishers suggested that additional funds to support Indigenous fishers may be available and should be used to top up Aboriginal fishers' minimum shareholdings. The SARC indicated that many of the issues associated with Aboriginal fishing rights cannot be addressed through the reform process. A separate meeting will be arranged to specifically discuss Aboriginal fishing issues. A statement by the SARC chair on the SARC's consideration of Aboriginal fishing issues in the context of the reform is attached.
- Concern over fees, some indicated that ocean hauling share classes used to be one, now there are three categories so fishers are paying three sets of fees on each businesses.
- Commercial fishers need to have strong rights as the 'shamateurs' (recreational black market fishers) are currently making money out of taking species we rely on commercially. If this continues it will undermine our commercial fishing rights.
- Suggestion that fishing business owners need to be held more accountable for the fishing activities of their nominated fishers. Greater accountability will improve stewardship in the fishery and provide incentive for fishing business owners to ensure their authorised fishers are doing the right thing. At the moment the benefits from breaches of regulation outweigh penalties.
- Concern voiced about how long the changes under the draft recommendations will remain in place. Fishers want more certainty and stability (i.e. no future changes), particularly about the value of their businesses.
- Suggestion that fishers need more information about management arrangements that will be associated with the draft recommendations.
- Concern that timing will mean reform may flow into the next electoral cycle and be shelved.

Ocean Hauling – Hauling Net & General Crew:

- i) **Minimum shareholdings (net shares), no change to crew shares**
 - Clarification was made that the 15 fishing businesses quoted in the draft recommendations that take 80% of the catch are in fact 15 crews. Crews range in size from 2 – 14 endorsement holders with an average number of 4 endorsement holders in a crew.

- Concern over the minimum shareholding recommendation for net shares – some indicated that it's wrong to pay more money to fish in the same way.
- It is unfair for everyone to have to come up to a new minimum as this will require a large number of shares to go to few fishers.
- Suggestion that the Department made fishers buy crew shares and under the draft recommendations (for no changes to crew shares, and unendorsed crew for net shares) this investment would have little value in the future.
- Some indicated that shares have been allocated based on catch history in this fishery, and fishers view the value of shares as being based on what you can earn from the endorsement arising from them – under the current arrangements fishers don't get additional access, they just need to be endorsed. A new minimum will result in the same situation if nothing is linked to them or additional access is not provided.
- It was suggested that SARC should consider that if a crew hold the required minimum shareholding (between 2 or more fishing businesses to form a block crew license and/or net endorsement), then this should be the basis for making up an endorsement to fish or make up a block crew entitlement.
- Advice from fishers that rounding minimum shareholding numbers to nearest 10 is better than using odd numbers.
- In some regions the minimum shareholding recommendation is probably workable, but the issue of crewing needs to be looked at.
- Suggestion that the allocation of beach shares seems to be based on travelling season/high production times. In the cases where fishers just work the beach sporadically fishers can't see the benefit of holding the additional shares. The issue is that net shares are all used at once during the peak period, but outside of that crew are very scarce, so the investment required (above the 80 shares that you need to get an unendorsed crew) outweighs the time spent fishing/potential benefit. The fishers who are active at the moment currently absorb the ebb and flow of the market, but cannot see the benefit in asking all fishers (all regions) in the fishery to make a significant financial investment (above what's need to achieve unendorsed crew) - it won't make economic sense for fishers who fish outside of travelling seasons.
- Clarification to fishers: under the draft recommendation for net shares, a single FB would need 80 net shares to allow for an unendorsed crew member. For each block of 40 crew shares in addition to the initial 80, an additional unendorsed crew member would be permitted.

ii) Unendorsed crew (linked to net shares)

- Licenced but unendorsed crew – supported – but not by all (beneficial to some).
- Some indicated that the draft recommendations undermine the value of the crew shares as some regions would automatically hold two more unendorsed crew (just for holding the minimum). Also in some cases people are using unendorsed crew to replace endorsed crew – this isn't necessarily good.
- Some support for a suggestion that unendorsed crew should be linked to crew shares not general purpose net shares, i.e. suggestion for a crew shares block licence. A fisher who has net shares can buy crew shares and make up an unendorsed crew would be better.
- Some support for a suggestion that the option in the original options paper should be looked at again – noting that the minimum shareholding level was a bit too harsh in the original papers. Block license entitlements should come from both net shares and crew shares. Net shares should provide an endorsement to use net and use a certain number of unendorsed crew, and accumulating crew shares should allow additional unendorsed crew. The level at

which a net shareholder can accumulate unendorsed crew could vary between net and crew shares - as proposed in the options paper for net shares. Suggestion was made that the first crew entitlement on crew shares should come at 100 shares and every 60 after that. This could maintain share value between net and crew shares.

- Some indicated that the draft recommendations paper is significantly better than the first set of options that came out, and that this is a workable arrangement, subject to dealing with the crewing issues raised.
- Concern was raised about the issue of priority in relation to crewing arrangements. While having unendorsed crew is good, the limit around needing endorsed crew for priority hinders the usability of this in some regions, e.g. some could have three unendorsed crew but not be eligible for priority of shot as they don't have an endorsed crew. If a fisher holds both net & crew shares and amalgamates, but someone comes along with endorsed crew (but not as many net shares), he gets priority, this is an issue.
- Suggestion that many crew shareholders are thinking of getting out of the fishery for a number of reasons, so crew availability may become an issue for skippers. Skippers need to be able to access crew to handle the net.
- Suggestion that there is a need to consider the rules around who can assist skippers and how this impacts on the social licence of the fishery. Sometimes beachgoers will want to assist fishers with pulling fish out of nets, fishers have to tell people they can't help as they aren't endorsed – this doesn't build good relationships with the public. Shares set the number of available net endorsements in each region and this should be the primary management tool. Management rules should allow any person to assist in removing fish from a hauling net.

iii) Remove the requirement for boats under 6m to be licenced (OHG)

- No disagreement to proposal.

Ocean Hauling – PAB:

i) Minimum shareholdings

- Overall generally happy with the draft recommendations with some changes to unendorsed crew for OH. This will work.
- A proposal to have unendorsed crew on crew shares for PAB was supported.
- Some fishers were concerned that some regions were proposed to be allocated more than the current number of endorsements (for example region 2 was proposed to have 3 endorsements with a minimum shareholding of 10 each, region 1 currently has 5, and 7 were proposed) as this means there's potential to increase effort. It was also noted that while 7 endorsements were proposed for region 1, this may never be attained because of the current transfer rules (although it was also suggested that relaxation of the transfer rules for OH general would be beneficial, and this would then change).
- Some working group members indicated they were happy with 10 share minimum for region 2, but also identified that only one endorsement holder would probably be active.

ii) Remove the requirement for boats under 20m to be licenced (PAB)

- General agreement with this proposal.
- Some fishers questioned the current fishery boat length maximum of 20 metres.

iii) Remove the requirement for nets to be registered

- Generally in favour of this proposal, however support for retention of net registration in at least one region.

Other fisheries management issues raised for consideration by DPI:

- Suggestion that recognised fishing grounds should be identified in regulation and the rules around them enforced to give commercial fishers improved security and access to these areas for the long term.
- Some fishers want some types of commercial closures reviewed to improve access to currently closed areas and times of closures reviewed to improve access on weekends where there are limited social conflict issues identified. This would provide improved fishing opportunities and greater opportunity to take advantage of Monday markets with better product.
- Some concern that fishers have lost hauling grounds (to marine parks and recreational fishing havens) which has reduced commercial fishing opportunities. Some working group members suggested that changes to closures do not necessarily result in increased social conflict and these changes should be considered on a case by case basis.
- Share trading rules need to be relaxed so that more crew can be acquired. Fishers want to be able to buy crew shares from multiple sources and form an endorsement by reaching the minimum shareholding.
- Skippers with excess net shares should be able to break off and sell it to fishers who they want to work in their crews.
- PAB issue - Kg allocated shares in first place (based on criteria used), were allowed to keep pilchards out of garfish nets. Then this was changed, so couldn't retain in garfish net. Then have to buy PAB net and history transferred to this & OHG. So issues with gaining endorsements.
- Beach haul consists of species caught, some would like to see species that come within 500m of beach come into OH fishery. Want species back in the fishery – beach haul only.
- PAB - Need skippers' nominations so if fisher is sick someone else can go in his place.
- Fishers indicated that they need tools that will give them more access. For example, once the number of beach crew is set, provide the opportunity to purchase PAB shares. Again, requires relaxation of transfer rules – see additional issues raised for consideration by the Department.
- Most don't generally have a problem with fees. But there is concern that determining the level of cost recovery will take too long leading to more uncertainty. Fishers want to know how the fees will be set as soon as possible. The SARC clarified that current fees will be incorporated into cost recovery. Some indicated that going to 100% cost recovery would be scary, particularly given that what Government determines to be 100% is unknown.

Exit Grant issues:

- Fishers want more certainty on values – what people will get if they go.
- Concern that the exit grant has been delayed too long. Some people want to exit and have been waiting for this process to start.
- Reference was made to past buy-out figures (marine park buy-outs), which were far greater sums than what some fishers are anticipating under this process. Some feel that the reform process will devalue fishing businesses.

SARC statement to Ocean Hauling Working Group on Aboriginal commercial fishing

- The SARC sought guidance from the Government as to whether the reform program should make special provision for Aboriginal commercial fishers.
- We were advised that the Government is aware of the issues and concerns raised by Commercial fishers and that the Government considers that these issues, which include cultural elements of Aboriginal fishing and access to areas where commercial fishing is prohibited, extend well beyond the scope of the reform program.
- Further we were advised that the Government recognises the benefits of commercial fishing to the Aboriginal community and that it will be considering these issues under a separate process.
- While the reform program may go some way to addressing some of these issues the SARC's recommendations are not, therefore, specifically aimed at addressing the concerns of Aboriginal commercial fishers.
- However, if there are specific points that you wish to raise today we would be happy to relay these to the Department so that they can be taken into account in the broader consideration of the issue.