

ESTUARY GENERAL TRAPPING SHARE LINKAGE WORKING GROUP

Draft outcomes meeting 2, Sydney Fish Market

4 December 2013

Items of significance noted by the Chair

- Industry Working Group (WG) members were concerned about being able to access finance to invest in additional shares and very sceptical about the availability and price of shares;
- Eel catch data shows a long term declining trend, some WG members believe that this is related to marketing changes and the limited opportunities to access export markets. DPI advised that a conservative Interim Total Commercial Access Level (ITCAL) for eels may be appropriate given the observed trends in catch, the life history of eels and anecdotal reports from EG trappers that eels are much less frequently caught in estuaries now. The permit fishery for farm dams and impoundments may be different;
- The declining trend in blue swimmer catches observed in the catch data was considered by some WG members to be due to environmental conditions (e.g. floods) rather than fishing impacts;
- The WG is of the opinion there is no biological justification for setting a conservative ITCAL for mud crabs in NSW because they are fishing a species at the southern end of their distribution and there is likely minimal spawning stock in NSW;
- There was not a lot of enthusiasm for a stand alone minimum shareholding regime. The WG believed that unless fishers get some increase in resource access (i.e. additional catch or effort quota) as a result of acquiring additional shares, there was no perceived advantage relative to the cost;
- There was no support from the WG for a days regime;
- There was significant discussion on a trap quota regime. There was general agreement among the WG that effort (trap) quota should not be able to be transferred between the fishery regions;
- Limited support from some WG members for a catch quota model, although others could see the strength in this form of linkage.

Attendees

Members

Andrew Sanger (Chairperson), Darren Reynolds (DPI), Ian Stockton (DPI), Troy Billin, John Hine, Geoff Blackburn, Paul Cheers, Glen Dawson, Ross Fidden, Greg Golby, Dallas Johnson, Lawrie McEnally, Richard Nicholson and John Verdich.

Observers

Annette Harrison (DPI), Andrew Goulstone (DPI), Tricia Beatty (PFA) and 2 commercial fishers.

Welcome and apologies

The chair welcomed all members.

Apologies: Claudio Zarrella & Paul Stanford.

Confirmation of previous meeting outcomes

The outcomes from the first meeting of the WG were reviewed and confirmed as final.

Opportunity for members to raise issues/thoughts since first meeting

No specific issues were identified by WG members.

SARC feedback

DPI led discussion on feedback from the SARC¹ relevant to the Estuary General Trapping Fishery, including:

- The reform timeline;
- Diversification;
- Staged approach to implementation of share linkages;
- New classes of shares for some fisheries;
- Use of recent participation in the development of share linkages;
- Consideration of concessional zoning permits;
- Cost Recovery Policy.

WG member comments included:

- Concern regarding the time between when shareholders must invest in shares to remain in industry and when they receive any benefit from the linkages and removal of any current restrictions;
- WG noted that it may be possible to initiate linkages of some share classes prior to others.

Review of methodology and data for setting the ITCALs

DPI briefed the WG on the standard methodology and data used to calculate and allocate each of the ITCALs in the draft share linkage options paper.

DPI confirmed that the ITCALs would be set for a three year period and only modified if any sustainability concerns are identified or at the request of industry. ITCALs would progressively be turned into Total Allowable Catches (TACs) or Total Allowable Efforts (TAEs).

WG member comments included:

- The 15 year average is not appropriate and DPI should use the maximum annual catch from the 15 year period;
- The ITCALS need to be increased due to the 3 year time period in the draft options paper not being long enough to account for variations in abundances of fish, errors in catch & effort reporting (e.g. under-reporting) and environmental factors;
- Some fishers have not correctly reported their days effort data;
- When eel trapping some fishers only report days on the log book when eels go to market as that is when the eels get weighed, so the number of reported days fished is probably underestimated;

Review of the share linkage options paper

The WG worked through the share linkage options paper. The major points discussed were:

(a) Major issues facing the EG trapping fishery

- Eel trapping
 - fragile market position with a sole export market (i.e. China).
- Mud crab trapping

¹ Refer to the Reform Homepage on the DPI website for a full record of the feedback received from the SARC.

- competition in the market from Queensland and Northern Territory mud crabs;
- significant variation in seasonal recruitment to the fishery;
- environmental variations influence catches.
- Trapping
 - Clarence River is only open for a few months in a small area so the fishers are squeezed in.

(b) Option 1: Limiting endorsement numbers (minimum shareholding regime)

- There was a general view from the WG that there was no real advantage to be gained from a stand alone minimum shareholding regime (i.e. no ability to acquire additional effort or catch quota) considering the investment required to purchase additional shares to meet the minimum shareholding requirements;
- The WG supported the inclusion of a minimum shareholding regime in the final options paper;
- Some WG members preferred the less conservative adjustment targets (i.e. the targets based on 99% GVP);
- The WG noted that staged implementation of a minimum shareholding regime could be an option;
- There was suggestion that it may be appropriate to have a mandatory minimum shareholding increase initially (with more gear) and then move to a catch or effort quota later on;
- Some WG members believed that if shares were linked to traps, consolidation will occur by itself.

Action 1: DPI to include a minimum shareholding regime as an option in the final share linkage options paper.

(c) Option 2: Effort quota (days regime)

- Some WG members believed that the ITCALs have been modelled on data that is not accurate and as a consequence the ITCALs of days are too low. DPI advised that the ITCALs could be remodelled using catch and effort data over longer time periods (e.g. 5 or 10 years);
- There was overall consensus from the WG that a days regime should not be pursued as an option for the EG trapping fishery. A minority of WG members thought the days regime option should be included in the final options paper although they agreed it was not a workable linkage option;
- Problems with a days regime identified by the WG included that the;
 - o allocations in the draft paper were extremely low and as a consequence unviable;
 - o EG trapping operations are not suited to a days regime;
 - o the costs associated with the implementation of a days regime are likely to outweigh the benefits.

Action 2: DPI not to include the days regime as a fully modelled option in the final share linkage options paper.

Action 3: DPI to include a note in the final share linkage options paper that stakeholders may view the details of the days regime in the draft share linkage options paper if they wish to do so.

(d) Option 3: Effort quota (trap number regime)

DPI raised the concept of removing hoop nets as lawful fishing gear in the EG trapping fishery and informed the WG that there is potential to remove species restrictions that currently apply to the use of traps.

- The WG supported that the removal of hoop nets as a lawful gear in the fishery should be included in the final options paper, this should be conditional on amending some current spatial fishing closures that prevent the use of traps while allowing the use of hoop nets;
- Some WG believed fishers should be allowed to use additional traps in lieu of hoop nets being removed from the fishery (e.g. an additional 5 traps);
- Some WG members suggested that the trap number models should be recalculated to include the additional trap numbers that are currently permitted in specific waters of region 4 (i.e. 20 rather than 10);

- There was limited support for cross region transferability of effort quota as the WG believed it may undermine the viability of shareholders within a region;
- The WG raised concern that removing species restrictions on trapping may increase the targeting of fish (e.g. bream) from 'crab traps', if this option is to be considered there may need to be some differentiation between traps or traps should be more selective (e.g. escape panels or more appropriate mesh sizes in traps).

Action 4: DPI to include a trap number regime as an option in the final share linkage options paper.

Action 5: DPI to model a trap number regime that incorporates the removal of hoop nets as lawful gear in the fishery.

Action 6: DPI to review current restrictions for the trapping component of the EG fishery including trap descriptions, species restrictions and fishing closures.

(e) Option 4: Catch quota regime (eels, mud crabs and blue swimmer crabs)

- The WG supported the need for a catch quota regime to be enforced effectively and agreed that there should be strong disincentives in place for those fishing illegally, especially for individuals interfering with commercial fishing gear;
- The WG supported maintaining a limit on the number of traps that are permitted to be used under a catch quota regime (possibly linked to the number of shares held) although there was no resolution on the exact number;
- There were mixed views on the ability to transfer catch quota between the regions. The WG supported that the potential to do so should be included in the final options paper for shareholder comment;
- The WG discussed various species specific issues relevant to catch quota regimes for eels, mud crabs and blue swimmer crabs.

Mud crabs

- The ITCAL for mud crabs could potentially be set at the maximum over the 15 year period for the following reasons;
 - o There are no sustainability concerns for mud crabs in NSW;
 - o Recent catches have been relatively consistent although floods on the north coast could have impacted catches in some rivers;
 - o There has been a trend of declining effort through time;
 - o Marketing constraints exist for mud crabs, including inconsistencies with the application of the grading system, transport difficulties and post harvest mortality.
- Some WG members believed that crabs may have to be tagged to assist improve compliance and potentially gain some local marketing benefits;
- The WG supported that the mud crab catch quota should be allocated to mud crab trapping and meshing shares only.

Eels

- Some WG members suggested that the ITCAL should be higher, potentially set at the maximum over the 15 year time period;
- It was suggested that there was a need to consider how catches taken under the authority of concessional zoning permits have been reported;
- The WG noted the long-term trend in declining eel landings through time;
- DPI reiterated that a cautious approach needs to be taken with managing these long-lived species;
- The WG noted that the significant reductions in waters available to the fishery through the introduction of Recreational Fishing Havens (RFH's) and Marine Parks (MP's) are likely to have impacted catches;
- The WG noted that there has been a reduction in fishing effort through time and that there is significant latent effort in this fishery;
- The WG noted anecdotal information that the abundance of eels in some tidal waters may have declined through time.

- The WG noted that tagging would not be required (nor realistic) for eels due to the limited live market outlets and availability to validate through those channels.
- The WG supported that a catch quota for eels should be allocated to eel trapping shares only.

Blue swimmer crabs

- Some WG members suggested that the last few years of blue swimmer crab catches may have been relatively low due to high rainfall events;
- The WG noted that blue swimmer crab abundances fluctuate with environmental conditions;
- There was a suggestion that there has been less unlawful gear in the water recently due to an enforcement focus on the fishery;
- The Port Stephens Great Lakes Marine Park closed some areas to commercial fishing that were productive and previously used by commercial fishers;
- If species restrictions are removed from regulation there may be a consequential increase in blue swimmer catch from some areas;
- The WG supported that blue swimmer crab catch quota should be allocated to trapping, category 1 hauling and meshing shares only.

Action 7: DPI to include catch quota regimes for eels, mud crabs and blue swimmer crabs as options in the final share linkage options paper.

Action 8: DPI to investigate tagging options for mud crabs and potential amendments to the description of traps to improve their improve selectivity.

Action 9: DPI to check how the catch of eels by holders of concessional zoning permits has been reported.

(f) Refining the current management arrangements

- The WG working group noted that DPI is pursuing broad consultation on the proposed reforms outlined in the draft options paper.
- The WG noted that the extent to which some of the current restrictions can be amended or removed is highly dependent upon the form of linkage pursued.

Action 10: DPI to review the use of hoop nets in the fishery.

Action 11: DPI to review the current maximum trap number limits.

Action 12: DPI to review specific fishing closures, including trapping closures in the Clarence River, Wagonga Inlet and those that apply to the use of traps in specific waters.

Consultation with shareholders – deciding the linkage options and other reforms to release

The WG supported that another meeting of the WG was not required and that any issues could be dealt with out of session.

Consultation with other stakeholder groups

The WG noted that the final share linkage options paper will be subject to public consultation.

Reforms being considered by other working groups that may affect the EG netting fishery

No specific issues were discussed.

Next meeting

Not required.

DRAFT

More information

Darren Reynolds, Senior Fisheries Manager (02) 6691 9682 or go to
<http://www.dpi.nsw.gov.au/fisheries/commercial/consultation/commercial-fisheries-working-groups/estuary-general-netting-share-linkage-working-group>

© State of New South Wales through the Department of Trade and Investment, Regional Infrastructure and Services, 2014. You may copy, distribute and otherwise freely deal with this publication for any purpose, provided that you attribute the NSW Department of Primary Industries as the owner.

Disclaimer: The information contained in this publication is based on knowledge and understanding at the time of writing (February 2014). However, because of advances in knowledge, users are reminded of the need to ensure that information upon which they rely is up to date and to check currency of the information with the appropriate officer of the Department of Primary Industries or the user's independent adviser.

Published by the Department of Primary Industries.
