



17th November 2022

By email: rrat.sen@aph.gov.au

Senate Rural and Regional Affairs and Transport

Enquiry into Fisheries References Committee Quota Systems.

To Whom It May Concern,

I am writing to you on behalf of Abalone Council Victoria, the Peak Body representing the Victorian Wildharvest Abalone Industry, regarding the recently re-opened Senate Inquiry on the Fisheries Quota System.

Following review of the Rural and Regional Affairs and Transport References Committee Hansard from 2nd November 2022 discussing the Fisheries Quota System, Abalone Council Victoria have significant concerns with comments made regarding uncompensated quota reallocation and the removal of existing rights from fishers.

Quota management was first introduced in the Victorian Abalone Fishery during 1988 which coincided with the setting of Total Allowable Commercial Catches to facilitate sustainable fishing practices. Quota setting and the holding of ITQs in the fishery to this day (as in many other fisheries) form the backbone of our management arrangements and allow for the orderly and sustainable harvest of abalone. Any changes to the existing access and quota arrangements would undermine the value of literally hundreds of fishing businesses around our State and Country, eroding any certainty these businesses have. Comments to the contrary from university employees demonstrate a clear lack of understanding with regard to how fishing businesses operate and the implication of changes to their viability.

ITQs and associated mechanisms (licenses, unitization etc) have been very successful in avoiding a 'race to fish', which occurred pre-ITQs under an 'Olympic' TAC. Olympic TAC management meant that fishers would compete against each other for a share of the catch, with resultant supply, safety and marketing issues.

Furthermore, it is irresponsible to suggest that short term lease arrangements would lead to better outcomes for any fishery in this Country. Owning an ongoing quota unit / share / license provides the holder confidence to invest in supporting infrastructure like onshore processing facilities and permanent employees. If access arrangements are regularly re-allocated, this confidence to invest is removed as is any resource stewardship. The only consideration then is bottom line. As a crude example, rented property, vehicles or goods are very rarely treated with the same respect as something personally owned.

There is no one size fits all management arrangement for wildcatch fisheries in Australia. For abalone fisheries which are single species, single gear, in which over-catch effectively doesn't occur, and TACCs are always fully caught, the ITQ system, implemented well, is near perfectly suited.



Resource rent is something that has also been discussed within this inquiry as a method of increasing government benefit to fishing operations. Many people are likely not aware that quota holders in the Victorian Abalone Fishery have been subject to a government imposed royalty for over 30 years which has contributed tens of millions of dollars to consolidated government revenue. In addition, marketing challenges, competition with aquaculture product and rising costs of fishing have severely reduced profit margins, making the 'super-profit' references about the abalone sector somewhat illusory.

I would once again like to reiterate my grave concerns for the state of Australia's wildharvest fishing industry if the government chooses to intervene, removing or 'reallocating' access rights from existing entitlement holders who have invested in many cases everything they have to be active fishery participants.

I will conclude this correspondence by respectfully asking how we are supposed to operate our businesses when being subject to a constant barrage of threats and government rhetoric focusing on taking away the rights which those very same governments established and invited industry to invest in.

Yours sincerely,

Craig Fox
Chairman
Abalone Council Victoria Inc.