



# **HOUSE OF REPRESENTATIVES**

## **STANDING COMMITTEE ON PRIMARY INDUSTRIES, RESOURCES AND RURAL AND REGIONAL AFFAIRS**

**Reference: Management of Commonwealth fisheries**

**ADELAIDE**

**Wednesday, 27 November 1996**

**(OFFICIAL HANSARD REPORT)**

**CANBERRA**

HOUSE OF REPRESENTATIVES  
STANDING COMMITTEE ON PRIMARY INDUSTRIES, RESOURCES  
AND RURAL AND REGIONAL AFFAIRS

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Mr Broadbent  
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Mr Leo McLeay  
Mr Nairn  
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Matters arising from Audit Report No. 32 1995-96 Commonwealth Fisheries Management: Australian Fisheries Management Authority.

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AFFAIRS

*Management of Commonwealth fisheries*

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Mrs Bailey (Chair)

Mr Adams

Mr Fitzgibbon

Mr Andren

The committee met at 9.00 a.m.

Mrs Bailey took the chair.

**CHAIR**—I declare open this sixth public hearing of the inquiry by the Standing Committee on Primary Industries, Resources and Rural and Regional Affairs into the management of Commonwealth fisheries.

Earlier this year, a report by the Auditor-General on the management of Commonwealth fisheries was presented to the parliament. The report was then referred to the committee by the House of Representatives. Our task now is to review the audit report and to inquire into the matters raised by the auditors. We will report back to the House with recommendations for any government action that may be necessary to redress either the problems identified in the audit report or any problems that the committee itself may discover.

We come to this inquiry with open minds about the auditor's findings. The evidence we are taking at these hearings and the written submissions that have been made to us will be important contributions to our review of the issues. The committee appreciates the contributions it has received from the public, the fishing industry and from government agencies. Today we will hear from representatives of the South Australian and Western Australian state governments, a conservation organisation and industry participants in the southern shark fisheries.

Before proceeding, I must say that committee proceedings are recognised as proceedings of the parliament and warrant the same respect that proceedings in the House of Representatives demand. Witnesses are protected by parliamentary privilege in respect of the evidence they give before the committee. Witnesses will not be asked to take an oath or to make an affirmation. However, they are reminded that false evidence given to a parliamentary committee may be regarded as a contempt of the parliament.

The committee prefers that all evidence be given in public but should witnesses at any stage wish to give evidence in private they may ask to do so and the committee will give consideration to the request. I now call on the representatives of the South Australian government.

**HALL, Mr David Anthony, Director of Fisheries, Primary Industries South Australia Fisheries, 25 Grenfell Street, Adelaide, South Australia 5000**

**MACKIE, Mr Donald, Manager, Legislation and Policy, Primary Industries South Australia Fisheries, 25 Grenfell Street, Adelaide, South Australia 5000**

**CHAIR**—Welcome. We have received a submission from the South Australian government and have authorised its publication. Do you wish to propose any changes to that submission?

**Mr Hall**—No, Madam Chair.

**CHAIR**—Thank you. Before we begin our questions, I will give you the opportunity to make just a brief statement if you wish in opening.

**Mr Hall**—Thank you, Madam Chair. I would first of all like to point out in addition to our submission that in the view of South Australia there has been a significant advancement in the accountability, transparency and level of policy development in general since the inception of AFMA in 1992.

In my view the report card on AFMA in many areas is reasonable with respect to other like agencies, especially given the relative newness of the organisation. I would like to point out that I feel that the ANAO review could have been enhanced by conducting a benchmarking exercise against similar like agencies. I feel that a lot of the criticisms in the report could easily be applied to almost any fisheries management agency in the world and a benchmarking exercise would have, in my view, enhanced the report.

I think progress by AFMA has been constrained to some extent by the previous poor record of management in many Commonwealth fisheries—for example, in the south-eastern fishery and the southern shark fishery in particular. AFMA is well recognised nationally and, indeed, internationally, for involving stakeholders very closely in the decision making process, something that has also been adopted very much by this state, South Australia. We have pioneered a system called integrated management which closely involves the stakeholders in the management committees and enables them to make joint decisions in a co-management environment with the department. Western Australia and Queensland in particular are following this lead of involving stakeholders through management committees very closely.

AFMA have also pioneered the cost recovery system in fisheries more so than any state agency, but in my view some aspects of this need to be reviewed, particularly the so-called law and order model in which the industry is not expected to pay for the costs of prosecution and so forth because of the so-called public good nature of compliance. In my view this is questionable, especially in largely offshore and commercial fisheries where in my view the benefit is mostly private and not public good.

I guess the only real query over the AFMA model is the potential for client capture in terms of the participative model in decision making, especially in relation to very difficult rationalisation decisions such as are required in the southern shark fishery.

The statement about lack of resources in the paper relative to the states is not accurate in my view in

terms of program and policy development licensing and administration costs which is largely where the work force of AFMA is dedicated to. On a percentage GVP basis AFMA are in fact very well resourced in these areas relative to South Australia and, in fact, most other states. Additionally, they do not have the issues associated with recreational fishing and fisheries management to deal with. The role of AFMA as a purchaser of research from research providers is covered in the report and in my view the role remains a little unclear, although it is playing a much stronger role in setting research priorities these days and commissioning research projects through the Commonwealth Fisheries Research Advisory Board.

In my view, in terms of research, what is lacking and in fact is needed is a core funding base for long-term and strategic stock assessment work, and particularly a formalised recovery of costs from industry for this work. Currently this does not exist; it tends to be conducted by a number of potential Commonwealth research providers with no clear path in terms of long-term strategic work. AFMA, however, seem to be striving to move down this path and have received little credit for doing this in the report.

The relationship with DPIE and the Bureau of Resource Sciences in my view is still unclear in many areas, and one has to question the need for three separate substantive bodies dedicated to broader policy development, stock assessment and management respectively.

I guess that summarises the general comments on the review. In terms of specific comments I would particularly like to point out a strong disagreement with the premise in the review document that it was not substantively challenged by AFMA that output controls should be introduced wherever possible. This was a statement in the 1989 policy statement and reiterated in the ANAO review. I feel this demonstrates a real lack of understanding about fisheries management. ITQs certainly, or quota output controls, have applications in some fisheries but these are limited by constraints imposed by the fishery in question. Social, geographic, economic, biological issues can all determine whether one goes down the route of input controls versus output controls, and in fact a mixture of the two controls in my view may be the most responsible approach rather than either one or the other. So the premise that we should explore output controls and these should be introduced wherever possible in my view is incorrect.

The only other specific issue is in relation to the advisory role of the MACs. The fact that industry is the very subject of the compliance action in my view cannot enable the MACs, which are predominantly composed of industry members, to make final decisions and submissions in relation to compliance needs. This is raised in the report in terms of recommendation No. 26, and I strongly disagree that the MACs should make final submissions on compliance needs. However, having said that, extensive consultation with the MAC is clearly essential but in my view the final decision should rest with the AFMA board.

**CHAIR**—Thank you very much for a most detailed submission and your added comments. You have raised a number of points. Firstly, when you were assessing the ANAO report you agreed in principle with a number of the recommendations, and I would like to start with those before we move to some of those that you disagreed with. The three in particular that I would like to raise with you are recommendations 8, 9 and 17 where you have said that you support those in principle.

Just to refresh your mind, recommendation 8 deals with the setting of the uniform statutory management plans. Recommendation 9 is developing the structure for the environmental impact conduct and

17 is providing guidance to planning the MACs and the criteria before recommending the TACs. Firstly, could ask you a general question? When you say that you support it in principle, does that mean you think it is a good idea, but that it will not work in practice? Or exactly what do you mean when you say you support it in principle?

**Mr Hall**—I will work through each of those recommendations individually.

**CHAIR**—Yes, thank you.

**Mr Hall**—In terms of recommendation 8, which relates to the statutory management plans. In my view it is clearly important that statutory management plans describe within the context of those plans the objectives and methods for reaching those objectives and these should be linked clearly to the legislative objectives of AFMA. In particular, it is important that the objectives and strategies for achieving those objectives include performance indicators so that one can clearly measure the performance of AFMA in meeting those objectives and in meeting its legislative requirements.

I support this in principle, but I also recognise the difficulty of doing this, particularly in terms of developing adequate and practical performance indicators. I am supporting it in principle and also supporting the fact that I believe AFMA is moving down this line as quickly as one could reasonably expect in the circumstances. It has really made a lot of progress in the last few years with these management plans and with the development of performance indicators and biological reference points. So the point is supported in principle and AFMA's approach to resolving this is also supported.

**CHAIR**—Can we turn to recommendation 9?

**Mr Hall**—In relation to recommendation 9, I again support (a) and (b) in principle.

However, I really do question the cost effectiveness of doing this for fisheries in general. Certainly, one would like to have much more detailed information of the environmental impact of fishing practices. However, in a fisheries management sense, this should not be used as a reason for holding back development of fisheries. Fisheries managers and scientists are well aware of the environmental interaction issues.

It is not the same type of issue as development on the land in that one is dealing with a very complex and common pool resource in the ocean and interactions between predators, prey and so forth is very hard to predict. Scientists talk about the chaos theory and the fact that one can simply not predict the sort of impacts that fishing would have on the environment and the ecosystem in general.

I feel that it is a little bit pointed and strong in terms of expecting this to be done for all fisheries. Although I believe that management agencies like AFMA and indeed South Australian fisheries need to look more closely at these areas and to consider environmental impacts and habitat alterations, especially by those types of fishing practices such as bottom trawling in particular which potentially can impact on the habitat. Those that clearly do not, such as purse seining, really, really in my view it is a case of being pragmatic about the whole thing. The sort of environmental impacts of purse seining in my view are negligible and therefore do not warrant an impact assessment. I guess it is horses for courses, although I do support it in



principle.

**CHAIR**—Do you agree with AFMA's management structure about the five-year research plans?

**Mr Hall**—Yes, I do.

**CHAIR**—Could we turn to recommendation 17. Could you explain why it is that you just support this in principle? Recommendation 17 states:

. . . AFMA should provide guidance to the various planning elements of AFMA and the MACs on the criteria to be satisfied before recommending a total allowable catch higher than that recommended by stock assessment groups, having particular regard to the policy that fisheries managers should adopt a conservative approach.

**Mr Hall**—I certainly do agree with this statement. However, I point out the fact that it seems to be limiting the recommendations purely to total allowable catches which implies output controlled fisheries. In my view that should also relate to the level of gear, time or effort employed in the fishery, not simply the catch. I support that, but would extend that beyond recommending a total allowable catch to recommending a total allowable catch and/or total effective effort level in the fisheries. I certainly support the need. Really this is a basic criteria that should be met by all management agencies in terms of adopting a precautionary approach.

**Mr FITZGIBBON**—I was particularly interested in what you had to say about output controls. By the way, could I thank you for your submission. It is very extensive and very helpful. Quite rightly you were talking about getting the mix right. I also agree that it is horses for courses in terms of each fishery. What I do not seem to yet understand is how do we best come to those decisions. Obviously, I would have thought they needed to be part of the statutory management plans, but at the end of the day who is going to determine which is the right mix?

**Mr Hall**—In my view, the right mix at the end of the day depends on the co-management determination with stakeholders of the most appropriate system that will maximise the sustainable economic contribution of that fishery to the economy and to the community. That involves looking at the cost of input. Certainly the cost of output controls are recognised as being considerably higher, in the order of 40 to 50 per cent higher in terms of the cost of maintaining that system than equivalent input controls.

One then has to look at the benefits of having output controls and clearly the benefits would have to more than compensate for that increased cost in inputs. At the end of the day in my view it really does come down to an economic equation in which one looks at the various costs of inputs in terms of resources—in terms of both input and output controls—and the benefits that one receives.

Clearly the benefit of output controls—and we have seen this in our southern zone lobster fishery, our biggest commercial fishery—is that they allow market forces to prevent over-capitalisation and maximise the economic return from that fishery. It is efficient in terms of the use of resources. It puts market pressure on fishermen not to over-invest in that fishery. However, it does come at a price and certainly we have had to double our compliance force and increase licence fees to enable this to happen. It has worked well in that

fishery. It is a highly intensive, highly valuable fishery with very few landing points. In our northern zone fishery, for example of that very same species, we manage it by output controls, because the fleet is widely dispersed and it is very difficult to monitor in terms of having dedicated weight stations that they must land at and so forth.

I guess that is why it is horses for courses and there is no simple black or white output or input controls. In fact we have maintained our input controls in the southern zone rock lobster fishery and that has been because of the fact that biological issues are also important. Some fisheries have very consistent recruitment levels of young fish each year. Other fisheries have highly variable recruitment levels. They might have a very bad spawning in one year for environmental reasons. If one simply manages the fishery by a total catch, you can severely over-exploit a year class and wipe out a species. It is fine in economic theory and it can work in fisheries that meet certain criteria, but it quite often does not and it is quite often a marginal issue.

**Mr FITZGIBBON**—I note that you mentioned fine economic theory, because one of the variables in the equation is the sustainability. There is always going to be a lot of disagreement about the science that is the basis of that part of the equation. We had Mr Joe Puglisi from Port Lincoln speak with us yesterday and he was not too flattering with respect to the scientists. You are always going to have those disagreements. Do we need an arbiter in there or something? As I said, who at the end of the day is going to make these decisions?

**Mr Hall**—At the end of the day, I guess the government makes the decision in the case of South Australian fisheries. With AFMA, it is the AFMA board. Clearly, it is an ongoing issue. I know Joe particularly well. I sit on one of the Commonwealth MACs—the tuna MAC—with him. Although he often has disagreements with the scientists, I think they are very constructive disagreements. At the end of the day, on every occasion that I have known, consensus decisions have been reached.

Quite often the fishermen's observations conflict with those scientific observations collected through the research program. We are dealing with constantly making decisions in an environment of extreme uncertainty in fisheries. You cannot simply go out and count fish like one can with sheep in a paddock. The interactions are so complex that current scientific theory is promoting a view that all fish stocks respond in a manner to fishing and environmental issues that is completely unpredictable but not random, if that makes sense. In other words, there are seven or eight year cyclical, almost, variations in abundance that is almost impossible to predict, but not random.

Against that background of uncertainty, one has to make decisions. I guess that is one of the major problems with output controls. Unless one is very confident that one has got that fishery right in terms of its stock assessment, it is very difficult to bring in output controls and, indeed, highly dangerous.

**Mr FITZGIBBON**—I suppose that is where the MACs become important, which leads to another question relating to the representation on the MACs. Would you like to expand on your feelings on that.

**Mr Hall**—I certainly support the approach that AFMA has taken with its MACs of involving conservation groups and involving state government representatives on those MACs and, in fact, developing

over time, without removing the involvement of the stakeholders, more of an expertise basis to those MACs. AFMA has moved down that line, at least as far as any other agency has. I support the direction that AFMA is going with their MACs.

**Mr ANDREN**—We have had some submissions put to us on the east coast about the fact that the fishers themselves are perhaps the best people to give anecdotal and scientific input into meaningful research rather than trying to rely on a fairly ad hoc approach, perhaps by CSIRO and others. Given your reactions to recommendations 21(a) and 24, it suggests to me that you have grave doubts about the honesty of fishers with logbook data and such. Can I draw that sort of line through what you are saying? You do not seem to think that the fishers themselves are able to present objective data.

**Mr Hall**—If that did come across, it certainly was not intended. One has to look at the information provided by the fishers. Unless one has very clear and concise compliance processes in place, one has to treat that as not being the absolute gospel truth. Experience has shown that. I certainly agree that the information that is provided to science in terms of the log book data should be available to the managers as it is with AFMA right now. I think managers have a great need to have access to this data. In my view, it should not be confidential to scientific assessment only. However, I do feel that there is a benefit in keeping the data confidential to government, although the High Court case recently between WA fisheries and I think Jacobsen really is a problem in that regard.

**Mr ANDREN**—What I am trying to get to is the fact that through all of this there is a grave lack of any sort of scientific foundation about biomass and such things. Are you satisfied with the level of scientific input? Are the research funds being spent wisely? Should CSIRO take a far greater role in this? Should we encourage the technology on the boats to enable those who are catching the resource to be able to put more into it? Mr Puglisi suggested that he has heard none of the results of any of the research, yet he funded that himself—he paid for the tags.

**Mr Hall**—I probably have a slightly different view to Joe in regard to this issue. I guess I touched on this in my opening presentation. I feel that what is needed is an agreement on what are the core strategic long-term research requirements for a fishery and what are the data requirements that go with that. It may be that tagging programs are an important component of that. It may be that high resolution commercial catching effort data is a very important component of that. On the other hand, it may be that those two issues are less important than perhaps looking at the movement patterns, growth or mortality of that species. It really depends on the fishery in question.

I guess the points raised in (b) and (c) is an all encompassing point of view that they need to increase the extent of independent verification and more dockside inspections. Again, I support those in principle, but one has to look at the commercial value of the fishery and the costs involved in doing that and, indeed, the need for having an accurate assessment of the stocks.

I think research in general in the Commonwealth fisheries is adequate but needs to be better defined in terms of that longer term and strategic work. Certainly, commercial catching effort data is a very important component of both that research and the management that relies on the data from that research.

I am not sure whether that answers your question, but I guess that is our position.

**Mr ADAMS**—How much money does the South Australian government, through its fisheries, spend on research?

**Mr Hall**—About \$4.5 million.

**Mr ADAMS**—What return does the South Australian Treasury get from fisheries?

**Mr Hall**—The fisheries within South Australia are managed by cost recovery. I think we are the first state that has achieved 100 per cent cost recovery on an accrual accounting basis. Our total budget, including research, which is conducted by SARDI, is about \$10 million, of which we recover \$7 million.

**Mr ADAMS**—Who makes the decision about the \$4 million? Does the fishery department direct where that goes?

**Mr Hall**—No, it does not. The \$4 million is largely made up of about 60 per cent of external funds from agencies such as FRDC and so forth. A lot of that is project type work derived from external funding. In fact, the state contribution to that is less than \$2 million. Decisions on that are ultimately made by the minister and by the parliament, because licence fees are struck by regulation each year. Advice on those licence fees and on research requirements are made by the individual integrated management committees, just as is the case with AFMA.

**Mr ADAMS**—So there is not much being raised from the fisheries themselves to spend on research of the state fisheries?

**Mr Hall**—There is. The fishermen themselves contribute towards that \$2.5 million of core funding research in terms of licence fees.

**Mr ADAMS**—And in levies.

**Mr Hall**—Yes, in direct levies.

**Mr ADAMS**—How does the South Australian government talk about sustainability in its fisheries? What work is it doing scientifically to have sustainable fisheries?

**Mr Hall**—The South Australian government has, as its core objective under the Fisheries Act, sustainability and equitable allocation of fish stocks in addition to optimal utilisation of those fish stocks. It has a clear charter to ensure that core strategic long-term research programs and stock assessments are conducted on all major commercial fisheries. It also has a habitat and biodiversity program both in terms of research and in terms of management. In fact it is engaging at the present time in the development of a marine strategy for the state to cover all of the sustainability type issues.

**Mr ADAMS**—So you are looking at sustainability right across your fisheries as a state?

**Mr Hall**—Indeed.

**Mr ADAMS**—What sort of data do you have at the moment in relation to that?

**Mr Hall**—We have probably the most comprehensive catch and effort data of any agency in terms of the commercial fisheries. We have also just conducted a very extensive survey of recreational catch and effort across the state and we have long-term data sets on our rock lobster, prawn, abalone and skullfish fisheries going back two decades or so through, as I say, long-term collection of data by scientists working in those fisheries on the state of the stocks.

**CHAIR**—In your opening statement you made mention of reviewing some aspects of cost recovery of AFMA. Would you like to expand on that?

**Mr Hall**—Certainly. AFMA have pioneered cost recovery and it is not an easy issue. In terms of policy issues it is one of the biggest issues facing fisheries agencies. I guess the reason that fisheries seem to have looked at cost recovery before other government agencies—and it is an issue that all government agencies are having to embrace in these days of charging the beneficiaries for the costs of services provided—is that they do derive a strong benefit in many cases from what is generally accepted as being a common property or common pooled resource. In relation to AFMA's application of cost recovery, it did receive an enormous amount of input from the Bureau of Resource Sciences in relation to ABARE—the economic analysis that was conducted beforehand. I disagree particularly with their application of the law and order model in relation to compliance and prosecution costs. I cannot accept that there is a public good component to the extent that AFMA have indicated associated with prosecution. I cannot accept that it is really contingent upon the community to pay for the protection of what really is a very private good in relation to benefits that are received from a common property resource by the fishers themselves. I cannot accept the premise that therefore the community should pay, given the very strong benefits that are received from this common property resource by the fishers themselves.

I also have difficulty with the essential premise of cost recovery in the AFMA model that the licence fee is a fee for services provided by government. In my view the fee is a reflection of the fact that they not only must meet the costs of management, but must also pay a fee in recognition of the fact that they do receive a direct private good and benefit from what is a common property resource. The whole basis of cost recovery—that one is paying almost an optional fee or a negotiable fee for services rendered—in my view is false. It is really the government of the day that must ensure the sustainability of the resource and the optimal utilisation of that resource and the equitable allocation of that resource. It is a common property resource and it is not clearly a case of a group of customers buying a service and paying a fee for that service. The fee is a reflection of the benefits they receive from that resource. The government, clearly, must at least charge the costs associated with managing that activity from which they derive a benefit. That is as far as AFMA has gone to simply charge that cost.

**CHAIR**—Could I just ask you a related question which is really directed to the South Australian government? Yesterday we were in Port Lincoln and we were shown pontoons where there is a great deal of poaching that goes on. Industry tells us that it maintains some surveillance, but it believes that the South Australian government has a responsibility in this area, too. Would you like to comment on that?

**Mr Hall**—I might pass that over to my legislation and policy manager who has been closely involved in that fishery.

**Mr Mackie**—There is currently a bill before the House regarding the alleged theft of fish from the tuna farms. That bill seeks to put into place provisions which are very close to the normal trespass and larceny provisions. Industry has always claimed that poaching from the tuna cages is a considerable problem. However, it spends roughly \$115,000 to \$150,000 a year on surveillance, and there has been no-one reported at this point in time for that activity. That is not to say that it does not go on. The high value of the product means that the industry has to lose only a limited number of fish for it to be financially quite a drain upon them.

Whether the state should pay for that—this is a personal view—it is a bit like saying that the state should pay to have private security around my property. In reality, the tuna farmers are given access to an area of water to conduct a fish farming operation. I believe that the security of their product should be their concern. We will put into place the legislative arrangements to allow the prosecution for trespass, or whatever, but it is a question of whether the state should pay for private security at my property. I see no difference in that particular—

**Mr ANDREN**—There was a suggestion of a 50 metre no-go area because they are tying up on the fencing and just fishing for all intents and purposes out one side. When the tuna farmers disappear, the fishermen are over the side and gaff the tuna.

**Mr Mackie**—What we are actually proposing is that of the individual lease site which may be 10 or 20 hectares, only one-third of that will be used at any particular time. What we are proposing by way of licence condition on their licence, is that they will be entitled to ‘rope off’—for want of a better term—an area to delineate a 50 to 60 metre buffer zone around their lease and people will be excluded from that. Obviously, because of evidentiary provisions, we will have to have that area delineated somehow and that may be by marking it by floating ropes, and so on. In reality, it will only be for that part of the lease that is actually being used at the time.

The 50 to 60 metres may be appropriate in the case of a tuna farmer, but in the case of an oyster lease, for instance, it would not be appropriate at all. So, we will do it by licence condition—or that is what we are proposing—so that we can vary that distance.

**Mr ANDREN**—On page 117, the report from the ANAO is critical of the role of the South Australian government, and particularly that of one minister, in managing the King crab resource. What is the state of talks with AFMA on the enforcement issue, and can you just give us a general view on how the South Australian government reviews its problems with the OCS arrangements?

**Mr Hall**—In relation to our relationship with AFMA over compliance issues, that is very good, and in my view it has always been very good. You indicated, as did the report, a particular issue with respect to the King crab fishery which has now been resolved. Sorry, I did not pick up the second part of that question.

**Mr ANDREN**—I want you to address both the OCS arrangements and whether you feel that you are reaching a satisfactory arrangement with them. Also, can you tell us how that King crab issue was resolved?

What sorts of arrangements were entered into by the particular minister at the time, and why did they arise?

**Mr Hall**—Certainly, in terms of the OCS arrangements, as you would be aware, each of the southern states has been negotiating with AFMA for some time with the Commonwealth over the development of a package of arrangements. South Australia has basically been prepared to sign off on that for some time now, in fact close on two years. A lot of the issues have related to issues between the other states and AFMA. We really have no major issues here with respect to the OCS. We are very keen for the proposed 1 January gazettal to go ahead so that we can take over jurisdiction of both the king crab and pilchard fisheries in particular.

The king crab issue has been resolved largely by the two licence holders in question being issued with a research permit by AFMA, and that has been along the lines that we have indicated that we intend to provide them with access to that fishery once the OCS is implemented and that we are confident that the sustainability of that resource will not be threatened.

**Mr ADAMS**—And you have got plenty of research on that?

**Mr Hall**—A research program has been conducted for the last three or four years now by a gentleman called Andrew Levings, and he has been collecting an enormous amount of information from these two particular fishers that have been the subject of dispute regarding their licensed access to that fishery. We certainly believe that the scientific support is there for this continued access.

**Mr ADAMS**—Have you agreed to take on the enforcement work? Are you saying that?

**Mr Hall**—Yes, we have. The current minister certainly has agreed that enforcement work should be carried out and effectively AFMA, in good faith, is allowing the fishery to be managed as we would have it managed and, consistent with that, we are ensuring that the necessary surveillance and monitoring operations are conducted.

**Mr ADAMS**—And do you believe, as ANAO suggests, that perhaps fisheries officers who are not in the employ of governments should take on the enforcement role? If so, how could that be achieved?

**Mr Hall**—I am very reluctant that that should happen. I do believe there is potential in the future for involving trained and respected members of the community more in compliance operations, but that does not extend to action involving people other than officers of the crown in prosecution activities. My legislation and policy manager may wish to add to that.

**Mr Mackie**—I think that there are certain parts of the compliance activity that you could, for want of a better term, outsource, and we have done so in South Australia with some of our monitoring of pilchard quota, but that outsourcing only applies to the actual collection of data from the fishers. The actual compliance aspect as to whether people are living within their TAC or within their quota I believe needs to be maintained by government, mainly because of the problems of confidentiality of data and the fact that there would be very few private organisations which could develop the type of long-term expertise that would be required.

That is not to say that certain aspects of compliance cannot be done by other organisations, but I think the day of seeing private contractors—Wormalds and so on—looking at that type of issue is certainly in the very distant future and it would need to be very closely considered. There is also a whole range of legislative problems, insurance problems and so on which would need to be addressed.

**CHAIR**—Thank you very much. The committee has no further questions. Are there any points that we have not covered that you would like to raise briefly?

**Mr Hall**—Very briefly, in relation to that last point, and particularly recommendation 24, I really am opposed to formally setting criteria to enable discretionary application of rules and regulations by compliance officers. Certainly, it has been very strongly put to this agency by the judiciary that this power should remain with the courts. Really the discretion rests with individual field officers on a case by case basis.

Formally setting criteria, as recommended in recommendation 24, is not supported by the legislature, at least in this state. In my view, it should not be supported. It could actually be used down the track to set precedents and dilute more serious offences in the eyes of the judiciary. I am not in favour of formally setting down criteria to enable discretionary application of rules and regulations by the officers. I feel this is something that should be a matter for the courts and not for the management agency.

**CHAIR**—Thank you very much.



[9.46 a.m.]

**LOOBY, Mr John Grayden, Manager, Central Support Services, Fisheries Department of Western Australia, 168-172 St Georges Terrace, Perth, Western Australia 6000**

**THORN, Mr Charles William, Director, Regional Services, Fisheries Department of Western Australia, 168-170 St Georges Terrace, Perth, Western Australia 6000**

**CHAIR**—Welcome. The committee would firstly like to thank you for travelling the distance that you have to attend this inquiry today. We have received a submission from you and have authorised its publication. At this stage, do you wish to propose any changes to that submission?

**Mr Thorn**—Not at this time.

**CHAIR**—Before we begin our questions, would you like to make a brief opening statement?

**Mr Thorn**—I think the major issues that were picked up in the Western Australian paper really relate to the OCS arrangement, that we are reasonably comfortable with the OCS arrangement that operates between AFMA, the Commonwealth and Western Australia. The other issue we picked up in the paper was that through quota management there seemed to be a thrust in the paper towards that. In terms of Western Australia's position, fisheries management must be judged fishery by fishery. Both input and output controls have positive and negative benefits and need to be assessed on their merits.

The other issue we picked up in the paper—these are quick summary points which I am sure will be expanded on—is the limitations of taking an ecosystem approach, particularly to developing new fisheries. We made a point of that in the paper. We picked up the issue of cost recovery, and in Western Australia we are applying a slightly different model to the one being applied in the Commonwealth. In terms of compliance programs, we raised issues of linkages from policy research and compliance programs and the importance of those linkages to achieving sustainable fisheries management.

In terms of the management advisory committees, we picked up representation and broader community representation as a key issue. We also picked up issues such as the involvement of recreational fishing. In terms of the legislative framework, we touched on areas such as areas which need increased powers under Commonwealth legislation, particularly for fisheries officers to conduct their operations. They are some of the key points that were touched on in the paper. I think the paper is relatively self-explanatory, so I will leave my introduction at that.

**CHAIR**—Perhaps if I start first with your objection to recommendation 9. You have stated that you believe a total ecosystem or an EPA approach to decisions made on the fisheries resource development is without economic foundation or scientific realism. You further state that formal environment assessment of all well-developed fisheries is not necessary. Would you like to expand on those comments and objections?

**Mr Thorn**—There are two issues here. One is in dealing with established fisheries and one is dealing with new and developing fisheries. In terms of new and developing fisheries, and that is probably where our

major concern is, if we have to wait for large amounts of biological information to come forward, the cost of preparing that information in the early stages of developing the fishery is a major impediment. What we prescribe is that the precautionary principle take place and that we move in a very cautious manner in developing new fisheries. As we gather the data, we can either move to a position which limits those—they do not go ahead—or they do proceed, depending on the information as it comes to hand. If you like, it is really the new fishery development area that we were concerned about in that, if there were large amounts of investment required to gather enough information at the beginning, some of those fisheries may never start to develop.

**Mr Looby**—The actual cost of research to look at all the environmental impacts of a particular fishery would be extensive and probably would not be achieved unless there was some element of commerciality in it to actually have the research done. Otherwise, who is going to pay for the research in terms of developing a fishery?

**Mr ANDREN**—What are your ideas of an EIS in terms of a new fishery? Can we have sustainability without some form of EIS? I gather you and the South Australian government made the point that it is quite different to our land based resources. We can obviously see the impact there. You seem to have a very sophisticated approach to your management of fisheries. Have you developed an EIS model, or anything along those lines?

**Mr Looby**—The general approach has been cautious and we have developed slowly rather than rapidly, using the data we are collecting as we go along to actually look at what is happening within the fishery.

**Mr ANDREN**—Do you see the fishers as important players in this—their data, their logbooks, their anecdotes?

**Mr Thorn**—Absolutely. In Western Australia we run two basic systems. One is, if you like, the compulsory system. The other is particularly for, say, major fisheries like rock lobster, and is a voluntary logbook system which gives us an independent check of the other data. We find that to be quite a valuable tool.

**CHAIR**—Do you have a system in place which ensures you are getting all of the data and information from the fishers?

**Mr Thorn**—In the terms of the logbooks, yes. Under the legislation, logbooks must be submitted within a number of days. If they are not, then it is obviously a breach, and we have processes in place to deal with that.

**Mr Looby**—In major fisheries we have a voluntary logbook arrangement. The information we are going to get is usually accurate because it is on a voluntary basis, not a compulsory basis. So those people generally undertake that activity and you can assume their data is fairly reliable. Then you make corrections to the other data that are being supplied as a compulsory return across industry.

**Mr ANDREN**—So there is a lot of trust.

**Mr Looby**—Yes, you have to have trust. But we also run a fairly extensive field operation of about 80 fisheries officers. Certainly, if there were significant leakages across the board, they are likely to be detected, in the major fisheries, anyhow, by those officers. If there were a mismatch of the amount of catch being reported, we would probably have some understanding of it.

**Mr ADAMS**—Your rock lobster fishery is probably one of the best managed fisheries in Australia, and it is accepted as such. Do you feel that model there, where you do maximise the fishery, is a good model?

**Mr Thorn**—Absolutely. Testimony is in the way that the fishery is actually performing. The biological data that surround the fishery and help manage that fishery are absolutely crucial. Through the puerulus program we can actually start to predict catches four years out. That starts to give you good handles on management and by moving early in the management cycle, like we have done recently with pot reductions and the introduction of setose and so on into that particular fishery, we have been a step ahead of the situation. So we believe it has worked very well.

**CHAIR**—What aspects of that model do you think the AFMA management could benefit from?

**Mr Thorn**—Are you talking about the fisheries management model, per se?

**CHAIR**—Yes.

**Mr Looby**—Some of the linkages that, say, our department has in terms a linkage between a compliance unit, the management unit and research are more linked together and focused. This provides a much better mix of fisheries management. We are currently going through a restructure. It is now settling down, but prior to that we always had a mix of fisheries management where there was expertise in policy, compliance and research in one group.

**Mr ADAMS**—You do have a MAC structure?

**Mr Thorn**—Yes, there is a statutory MAC for rock lobster. There are three statutory MACs but the minister has the power in another section of the act to set up any management advisory committee that he sees fit. So the MAC process is critical; it is probably the most advanced MAC that we have in Western Australia in terms of its maturity.

**Mr ADAMS**—Is there someone from outside, someone from a conservation sector or the general public sitting on that MAC? Is there anyone there that you can say is not in industry, not in science, and not from government?

**Mr Looby**—I am trying to remember the MAC structure. I think that it has an independent chairman, a set number of fishermen, a set number of processors, an independent person just appointed, and someone representing recreational fishing.

**Mr ADAMS**—I say that because it has been an issue that has come up for us as a committee right around Australia. Maybe the AFMA model with MACs needs to have somebody else on the MAC, or some other people—perhaps recreational—

**Mr Looby**—Yes. I think that Western Australia is coming to agree that you certainly need broad-based MACs with a range of expertise. You certainly do not want just sector interests on board.

**Mr ADAMS**—Do you think—and we are trying to gather this as professionals—that AFMA as a model, using these MAC structures, is the way to go? You have got your own experience from your own state.

**Mr Thorn**—In terms of Western Australia's position there is no question that AFMA has provided a lead in fisheries management in a number of areas. One of those is the MAC process. We have had MACs for a long time, though we have increased the consultative process. We have actually moved to independent chairs and broader representation in a number of areas, so we agree in terms of AFMA leading the way. In terms of client module and those sorts of internal databases which provide valuable things, we are starting to pick up some of those. There have been some very valuable leads come out of the Commonwealth and I think that should be clearly recognised.

**Mr ADAMS**—The argument that we have then is one of sustainability: how do you sustain fisheries and deal with the difficulties of looking under the ocean and knowing what actually is going on? Then there are the actual costs which you mention of establishing new fisheries. Can you throw any light on that? Can you give us any pearls of wisdom on how we can add that to our knowledge base? You talk about taking the cautionary approach but, basically, if you take that approach you will never do anything, will you? We may never touch a fishery.

**Mr Thorn**—I think that is why we make our point. In particular, with new industry development, if you take an ultra-conservative approach you actually do not do anything. But I think we have made that point in the paper.

**Mr Looby**—If there is a new fishery, you move with great care. But, much of the research is going to have to be done by industry. There has got to be some economic driver to get it done. But how cautious are you—from extremely cautious, to cautious, to doing nothing? It is a balanced judgment.

**Mr FITZGIBBON**—On that point, I note that like the South Australian government you disagree with recommendation 4 which seeks to give AFMA greater power with respect to ecologically sustainable development enforcing those. Do I assume from that then that you are satisfied with the current arrangements, or are you just saying that that is not necessarily correct, and that something else could be done?

**Mr Thorn**—I think that what it is saying is that the fisheries manager has the responsibility for ensuring sustainability of the resource, and let us not forget that. I think that is really what we say in point 4. Sustainability is the key issue. It is what we all exist on and those policy managers are responsible for delivering that. We are saying that it would be a difficult exercise to take it out of their domain.

**Mr FITZGIBBON**—So it is more about being a difficult exercise, rather than concern about what might be the result?

**Mr Thorn**—I need to think that one through a bit more.

**Mr ANDREN**—Given the major disparities in the biomass assessments and even in the long established southern bluefin tuna data coming out that, in fact, the maximum age has increased from 30 to 50 years, are you concerned at the ad hoc nature of research, and are you disappointed? I understand that the CSIRO is able to make but one sweep per year down your coast, according to the evidence we got in Hobart. Instead of the CSIRO heading off overseas and selling its expertise to recover costs, do you think that perhaps we should be insisting or encouraging it to do more research in our waters?

**Mr Thorn**—Let me put the model that we are currently applying in Western Australia, the funder purchaser provider model. Essentially, that model provides a funder who is responsible for resource allocation. In other words, that determines the priorities of where major resources go. In this case, that may be DPIE—I just use this as a rough example to try to relate it to the Western Australian situation. In terms of the purchaser, that would be AFMA as the purchaser of services. They would be purchasing services from CSIRO in terms of research information that is required for biological stock assessment. They would also be purchasing policy services maybe back from DPIE depending on the level of the negotiations of those. They may also be purchasing services from BRS.

If one looks at that model as a principle, one changes the way that you do business. You then enter into service agreements with each of those people to deliver a certain set of outcomes or services that are required for you to deliver or AFMA to deliver on sustainable fisheries management. I have just raised the possibility of how that model can be applied in the Commonwealth scene. In Western Australia, we have moved to that as an internal agency because we already have it as a degree within our control. The FPP model is one which sets up a description of services. It makes you describe them; it makes you be realistic about the costs of those services. It also then identifies areas for potential outsourcing.

**Mr ANDREN**—It comes back to the level of available funding, too. Would you be prepared to nominate a percentage increase in research that is needed to achieve that sort of model? Do we need to encourage the government to—

**Mr Looby**—It seems perhaps that AFMA's ability to target its research to where it needs it and where it identifies is probably limited under the Commonwealth model compared to our model and type. CSIRO and ABARE provide services and more or less have their own funds and seem to be more independent. Under our structure, our research is much more directed towards fisheries management because we have a direct line control of it under a funder purchaser provider model where our research division is actually providing it to our management or program section.

**Mr ANDREN**—So you are talking of toughening up AFMA's role in research in a sense, rather than relying on BRS or any other—

**Mr Thorn**—As a purchaser, what you do is determine what your requirements are and you do that

through consultation through the MAC process. So you have your formal consultative processes going on. You determine what your requirements and needs are. Then what you do is you enter into an agreement and negotiate a position with the supplier of the service that you require X delivered at such and such a time. It is a very clear contractual arrangement that you enter into and you have some control over that delivery. If you do not get it—

**Mr ANDREN**—AFMA calls the shots, in other words, in research.

**Mr Looby**—If they have a chunk of money that they want direct research to, they should be able to get the service they want, rather than maybe having to tack on to other agencies to get the research they want.

**CHAIR**—Just turning to another topic of surveillance and compliance, I note in your submission that you are wanting a longer term contract with AFMA. Can you just tell us of your current funding arrangements?

**Mr Thorn**—Currently, we receive about \$816,000 from the Commonwealth to conduct domestic fisheries and foreign fishing compliance activities. That is currently a yearly arrangement. We would prefer to move to a three- to five-year contractual arrangement which fits within the business model that we are trying to develop within the Western Australian fisheries department. It allows us to ensure a long-term security of the quality of the people that we can continue to put into those programs on a year-by-year basis, particularly if there are major cuts which need to be taken. That means that staff have to be redeployed quickly in an agency. For example, this year under the potential cut regime, we were looking at having to redeploy three people that have been servicing the Commonwealth programs back within the state agencies. Sometimes that is possible if you have vacancies. Sometimes it is not. You need lead times if you need to do those sorts of things in dealing with people and staff from a human resource management perspective. From our perspective, both parties would know the contractual arrangement you are going to enter into. If there was a bit of a length of time on it, we would certainly be pushing for that.

**Mr Looby**—Western Australia provides actual dedicated units. Unlike some of the other states that just provide a set number of hours, we actually provide dedicated people who can be identified as servicing AFMA. So there are clear groups. To encourage the quality officers into those areas, if you are going to tell them that in 12 months time you may or may not be in the unit, it is not going to build up a dedication to the level. To be told suddenly also that there may be cuts and some of you will have to go and that the state agency may not have a position for you, certainly does not encourage people into that area.

We run a very professional unit that does a large amount, for instance, of foreign fishing boat work. We are regularly arresting foreign fishing boats and prosecuting them. They are very complex matters—dealing with foreign nationals—and we have a high level of expertise. This year we had major stresses within the unit simply because of the threats of budget cuts. The budget cuts looked like coming out of the foreign fishing boat unit because that was a consolidated revenue based unit, whereas the small amount of domestic fisheries we do is cost recovered and therefore not so much under threat.

It looked as if, when the proposed Commonwealth budget cuts were going to hit, they were going to

hit a highly professional unit and actually reduce it. That would have presented major problems for us. Also, we see that as an increasing area of conflict and problem for management rather than a shrinking unit. So it was going to be quite an interesting dilemma for us.

**Mr ADAMS**—As a state fishery, what other fisheries do you look after? You have rock lobsters.

**Mr Thorn**—In terms of state fisheries?

**Mr ADAMS**—State responsibility.

**Mr Thorn**—Scallops and prawns, both in Shark Bay and Exmouth—these are the cost recovered ones. We have six major cost-recovered fisheries: rock lobster, abalone—and they happen to operate in three separate zones based on species and areas—Shark Bay scallops, Shark Bay prawns, Exmouth prawns and pearling. Those six fisheries contribute somewhere up to 46 per cent of the department's income as we have moved to the cost recovery model.

Our model is such that we are not on full cost recovery. We are on a model at the moment, which is what we are calling on a 95 per cent on a cash basis. By the year 1999-2000 we will move to a full accrual basis, when all the inventory costs and staff costs will be handled. One of the difficulties with this model, of course, is handling things such as accrued long service leave and those sorts—superannuation is a key major one that needs to be thought through.

**Mr Looby**—I suppose we have another 40 minor fisheries of various types from shell collecting, aquarium fish collecting, estuarine fisheries, shark fishing—

**Mr ADAMS**—Yabbies? Who looks after marron?

**Mr Looby**—We have marron. We have yabbies which, of course, are not native to Western Australia, but we have them in big numbers.

**Mr Thorn**—We have four programs in the Western Australian Fisheries Department. At the core government level—the state government level—there is one. It is called fish resource management. They see the high level sustainability issue. Underneath that, within the agency, we have four core programs: commercial fishing, recreational fishing, aquaculture as a separate program in its own right, and now we have a separate program called fish habitat and protection.

When we rewrote the new act in 1994 the objects of the act were broadened to pick up the potential for market development, to pick up the potential for the fish habitat area and so on—for our responsibilities within those. That is not saying that it has any overlap with other agencies' jurisdictions in Western Australia, but in the fisheries department's component of it. That has reshaped the organisation over the last 12 months.

**Mr ADAMS**—You have aquaculture. Is much farming going on?

**Mr Thorn**—In terms of fish farming?

**Mr ADAMS**—Yes.

**Mr Thorn**—You would have to say at this stage that pearling is by far the biggest. It ranges between \$150 million and \$200 million a year. In terms of aquaculture, it is the biggest aquaculture product in Australia. In terms of other products, there are not a lot of other offshore products; on the land, we are talking about a yabby and marron industry; and currently there is a significant amount of R&D going into fin fish development.

**Mr ADAMS**—I want to touch on marketing. Is there any levy on fisheries for marketing at the moment? How do the fisheries market their—

**Mr Thorn**—At the moment, it is through straight commercial arrangements.

**Mr ADAMS**—The industry has not come together in any way to market and to set levies?

**Mr Thorn**—There is not a need at this point. What we do have, though, is the ability under the new act for a training levy. That has not been utilised at this point. However, I think we made a couple of points in management plans in the paper that occupational health and safety has to be a key issue in any fisheries management decision making because, if things go wrong, under that legislation you have to make sure that you are covered, particularly when you are dealing with input controls, where you are playing around with boat sizes and engine capacities and all sorts of things. You have to make sure that those do not put people's lives at risk. It is a key factor that we have had to come to grips with in the last 12 months.

**Mr ANDREN**—Picking up on your input control, I notice with the Northern Prawn Fishery, there seems to be a suggestion that input controls are being outstripped by technological advances and the capability to exploit the resource. I gather this comes back to your idea that there needs to be input and output controls on every fishery?

**Mr Looby**—No, I think what we are saying it is the nature of the fishery—you either have inputs or outputs or you have a combination of both. We would say you apply all those, depending on the nature of the fishery. In terms of input fisheries, you generally have increasing efficiency and effort, and so therefore you get more effort and therefore you need to adjust that. So what you need to have if you are having management plans for input fisheries is the capacity to adjust effort to ensure sustainability.

**Mr ANDREN**—And will not output controls necessarily act as an input control in themselves, in terms of total allowable catch and ITQs?

**Mr Looby**—I think outputs are the sort of ideal economic model, but it is whether indeed you have the research information to make it work and whether you actually can put together a compliance model that would make it work. In terms of West Coast rock lobster, as a compliance manager I would have grave concerns about my capacity to maintain a quota system on rock lobsters because a black market would immediately be set up.



At the moment, if you have a high catch season there is no black market because the fishermen can sell them, there is no limit, but if suddenly there was a fixed quota and the lobster became a black market commodity, the amount of resources I would need to manage that is significantly higher.

**Mr Thorn**—I think one of the misnomers might be that with input controls people do not feel that there is a TAC or a set level, but in fact it is not quite true because in rock lobster, for example, we know that the total catch is around 10 million kilos, plus or minus a variation, and we know what the thing is, predicting out four years. So you have got the goal. What you are doing then is matching all these other things to make sure that that is not exceeded. We could play with words, but essentially there is already a TAC set in some of those input managed fisheries.

**Mr ANDREN**—You make a point here that the failure of ANAO to visit or have open dialogue with Western Australia regarding AFMA services is disappointing. You had no contact with them before this report was published?

**Mr Thorn**—Not that we are aware of. Last night I spent a bit of time going through the ANAO's terms of reference. There seems to be a lack of concentration on the foreign fishing component which is a major component for us. In Western Australia it is probably more than 80 per cent of what we do on behalf of the Commonwealth, so it is the biggest component and it is a significant program. I think just the AFZ component is in the order of 600-odd thousand, so I suppose—

**Mr ADAMS**—That is in the Top End?

**Mr Thorn**—Yes, it is in the north. It is dealing with Indonesian fishermen.

**Mr ADAMS**—You have surveillance planes up there and—

**Mr Thorn**—Yes, we have a dedicated unit in Broome. We also have another component in Perth which deals with most of the domestic fisheries.

**Mr ANDREN**—Is that adequate?

**Mr Thorn**—In terms of the number of staff and so on to do the job, the issue that we see is that, in terms of the domestic fisheries, there is not a major problem. They are not big in that sense. We do see that there is a problem emerging in terms of managing the Australian fishing zone in terms of the number of incursions that are occurring. We are concerned that the number of platforms available through the Royal Australian Navy are dropping off, which means our ability to actually be on the seas out there is going to decrease in time, particularly as things may be changed in that particular area, which means that we may have to have higher cost operations.

These are all questions that have to be faced and there are jurisdictional issues in terms of the Australian EEZ, and where all of those negotiations go may require different levels of resourcing, so they are issues that—

**Mr ADAMS**—That is country to country, though.

**Mr Thorn**—Yes. There is the issue with the Northern Territory, Western Australia, the Commonwealth, and Indonesia potentially.

**Mr ADAMS**—There are some cultural issues with Indonesian fishermen coming down there, aren't there?

**Mr Thorn**—Yes, they are nearly all traditional fishermen at this point. For example, in the last 12 months in the domestic fisheries there have been three major prosecutions of unlicensed fishermen taking southern bluefin tuna. Those fines have ranged in the order of \$7,500 with forfeiture of catch. There have been no prosecutions in the West Coast Tuna Fishery. However, in the AFZ, we have had apprehensions and prosecutions of 80 foreign fishing vessels during the last two years, including penalties ranging from \$2,500 to \$1.4 million. When accounting for fines, forfeiture of bonds, catch and vessel, we have basically been paying for the AFZ component through the returns to the Commonwealth system through the fines and so on.

**Mr ADAMS**—That is good work.

**Mr Thorn**—In fact, we have had a couple of major vessels in recent times.

**Mr ADAMS**—What countries are we talking about?

**Mr Looby**—Indonesia and Taiwan. We are dealing with two classes of vessel. We are basically dealing with very small motorised boats that are 30-foot long, with maybe 10 or 12 people on board, maybe fishing for shark fin, maybe coming to the Australian mainland to take trochus shells or dive for beche de mer—sea cucumbers. That is one class of boat. The other class we are probably getting is what you would understand as the larger full commercial fishing boat.

From our perspective, there are basically two things happening. There is a subsistent style of commercial operation. It is our view that there are probably declining coastal resources in Indonesia so, therefore, we are going to see increasing pressure for these type to move into Australia. We are also seeing Indonesia, in its planning cycle, looking for higher levels of protein into its overall communities as a strategic plan and moving into full commercial offshore fishing. We see both those as potentially impacting into our area.

It is an international problem. People poaching other people's fish has been around for years; it is not new. At the moment we are containing it within a certain level. Every time someone gets away, it is an encouragement for other people to come. That has certainly been indicated in our trochus expedition boats. We know that if we miss one or two, it generally generates more. That is an ongoing problem for us.

The issue that we are very concerned about is that the Royal Australian Navy is winding back its Fremantle class patrol boats, which is that base platform that provides the surveillance out there. They are getting old, they are breaking down more often and they are being phased out over time. So our capacity to get out there is getting less when we actually see the problem increasing. That is an issue that we believe will

become critical in time, and we need to address that.

The other issue that we need to think about is to maybe target more Australian aid into some of these specific groups of the subsistent class of people coming here. It may be more effective to targeting dollars into some of those areas for alternative occupations for them rather than running a high cost coastwatch navy surveillance operation.

**Mr ADAMS**—I take it that that is the navy working out of Darwin?

**Mr Looby**—That is the navy out of Darwin and was the navy out of Fremantle, but they are actually redeploying the Fremantle boats to Darwin.

**Mr ADAMS**—Those boats are not going to be upgraded with the new class?

**Mr Looby**—The navy is moving to the OPC program, which is a much larger seagoing vessel. It is unlikely to be used as a small patrol boat running in and out of the Australian fishing zone. There will much less of them; I think there will only be a very small number. We have upgraded Coastwatch now. That has some excellent flying capacity and detection capacity, so finding the boats is better than ever before. But there is a decline in the availability of service platforms. That needs to be addressed, otherwise we are going to end up with a significant shortfall in being able to deal with foreign incursions.

**Mr ANDREN**—What impact do you think the Taiwanese and Indonesian catch is having on, say, the SBT fishery? Do you have any idea?

**Mr Looby**—That is very hard to estimate. A lot of the targeting is outside of our economic zone anyway—outside the Australian AFZ. I think we are seeing more players coming into the Southern Bluefin Tuna Fishery, fishing south of Indonesia, say, in the nursery areas. What the level of that impact is, we do not know. Originally, Australia and Japan were the main players in the Southern Bluefin Fishery, but now we are seeing other high sea fleets in the Indian Ocean. Even though they may not necessarily be targeting SBT, there has to be a take of SBT.

**Mr ANDREN**—Given that the tuna spawn is near Java or somewhere up there and then heads south around the corner, is there any science on intercepting those stocks on the way down the Western Australian coast? Is that likely to have any long-term impact on the mature stock in the bight and elsewhere?

**Mr Thorn**—I suppose the only thing we can say for sure is that we have had two major apprehensions in the Cocos Island area in the last seven or eight months of major fishing vessels illegally fishing. That is two that have been apprehended.

**Mr Looby**—We have no idea of the level of the potential impact; we do not have that understanding.

**Mr ANDREN**—Are you happy with the agreed tonnages—the 6,500 tonnes for Japan? Do you think that is about sustainable? Do you have any comments on that?

**Mr Thorn**—I would probably prefer not to comment. It is not an area that I am actually involved in. I am not in the policy formulation area of the department. I would prefer not to comment.

**Mr ANDREN**—I think we would clearly support some type of research being done to get the understanding of what those other fleets are doing in terms of potential impact. Those people have to be brought into negotiations with southern bluefin tuna somehow because the reality is that they are out there fishing and they are going to be catching them.

**Mr ADAMS**—There has been a recommendation for an Indian Ocean tuna commission, which I think the Western Australian government has also been asked to be a part of. Are you aware of that as yet?

**Mr Thorn**—That would be dealt with through Peter Millington, who is in our policy area in the department.

**Mr ADAMS**—I think that is an opportunity to pull in what you are talking about and try to start to get on some level of control and influence over those other countries that are coming down there.

**Mr Looby**—I think that will be essential as a challenge for Australia on the west coast. The Indian Ocean is going to come under more and more pressure. It is quite obvious that that is going to happen. Australia needs to position itself well to actually be a major player in that game.

**Mr ADAMS**—You made the point that it is important, with these fishermen who have been coming down for a long time and the sustainability stuff, maybe for Australia through its aid program to go in there and assist those fishermen in another occupation or to ensure fishing and add value to their fish that they are catching there, other than trying to spend millions and millions of dollars on surveillance and enforcement.

**Mr Looby**—I think we still need that overall capacity. I am saying that we might be able to reduce the level of the problem at the lower end. I am not suggesting that it is going to be an easy solution, because it is clearly not. But there may be some targeting opportunities that could be looked at in terms of specific groups that we could identify through our own apprehension—we keep details of where people come from—and maybe try to reduce the problem. I am sure it creates a negative impact in Indonesia when they hear in the Australian press of us arresting these boats anyway. It is good to have a balanced approach of enforcement, but assistance, wherever possible.

**Mr Thorn**—I think there are some other opportunities that we need to think about which maybe do not impact directly on the wild fisheries stock management. Australia can probably develop cooperative programs with Indonesia in aquaculture development. There is some technology. There are cheap protein sources that exist in Australia in terms of growing legumes, which would substitute for fish meal within diets, which would have major benefits on world fisheries. Once those sorts of technologies are developed, there are increased opportunities to feed people with fish proteins and maybe take a bit of pressure off some of the resources.

I think we have to think about a whole range of strategies. As John said, we do know that a significant number of these fishermen are repeat fishermen, and quite a large percentage come from known

locations, so you can almost pinpoint a lot of them.

**Mr Looby**—I suppose the other issue for Western Australia is that with the OCS arrangements on the north-west shelf, we now have responsibility for shark and commercial fish. The particular class of Indonesian—what we call low level commercial fishermen—are now targeting those fisheries. So there is now going to be a conflict between the groups where we see, say, the shark fin fishermen taking gold band snapper for bait to catch shark and then cutting the fins off the shark and dumping the shark. So there is now a conflict.

We have been involved with Indonesian fishermen since the early 1970s. We are seeing an increase in technology, which one normally expects, from a few hand lines to small long lines to better technology. We are seeing motorised boats like we never saw before. The technology is changing and you expect it to change. It is just an incremental thing. The pressure being exerted by those traditional Indonesian fishermen is also increasing and they adjust their fishing to the market. The shark fin market is high at the moment, so that is where they are currently targeting. If beche-de-mer is high, they will target that.

It is much like a commercial enterprise anywhere. They are not true subsistence fishermen who are just catching fish to eat, they are actually catching fish to sell. But it is a low-level commercial fishing operation. That is how it has always been. It has not been catching fish to feed the family.

**CHAIR**—Do you think AFMA is keeping up with this rapid change in technology?

**Mr Thorn**—Certainly, information reports are provided by the Western Australian component to AFMA. We meet six-monthly with representatives generally in the Broome location. Yes, they are well aware of what the potential threat is in terms of incursions. I think they are well aware of the situation.

**Mr Looby**—At the compliance level, I think AFMA is doing a reasonably good job. We interact very well with the compliance units within the AFMA group. Fisheries may be outside AFMA in terms of this ongoing problem, and what we are going to do about it may need some serious thought than rather just the compliance approach. I think we have to move beyond just the compliance approach.

**Mr Thorn**—I would like to raise one other issue—if that is okay—that we did not talk about. It is in terms of the powers of fisheries officers under the Commonwealth legislation. We believe that some of those powers need to be increased. I will leave John to speak a little bit more about it in detail.

**Mr Looby**—I do not want to say too much about it other than, if the AFMA approach is going to be quota management, you cannot just have powers up to where you manage to the point of first receipt and then have your powers drop away. You need powers to track the product through the whole chain, from catching through to export, and being able to reconcile and audit those figures and check catches to actually produce a viable compliance program. Otherwise, you are only looking at a fraction of the picture.

**Mr ADAMS**—A paper trail.

**Mr Looby**—Yes. The paper trail gives you the base data of where to start from. But then you have to

start from your paper trail and look at all the loops where people are going around the system. You need to be able to look from at sea, on the boat, where it could be off-loaded at sea, right through to where it is exported. You need to be able to follow that whole chain. Without that, you have gaps in your system.

I also think that penalties and some of the general powers of fisheries officers need to be reviewed against other state powers. It would be seen that, generally, the states have a far better range of powers for dealing with those issues, particularly if you are going to quota management. You need everything. You need a complete scatter gun approach. With input fisheries, you are only really looking at the fishing gear, technology and the landing, maybe, and for sizes; whereas, with quota, you introduce a whole complexion of different skills from auditors to on-the-beach routine inspectors.

AFMA needs that whole range of powers to actually make it work. I do not believe they have those. Of course, the jurisdictional problems on the east coast in terms of, say, south-east trawl, where you have different jurisdictions dealing with the same species, would be a nightmare. Western Australia is thankful that it is actually isolated from those types of problems.

**Mr ADAMS**—Your comments will probably be taken as bureaucrats trying to get more power.

**Mr Looby**—From a Western Australian perspective, because we mainly operate in foreign fishing boats and in tuna and west coast tuna, we can operate reasonably comfortably with the existing Commonwealth powers. I was just highlighting that, indeed in the east coast, if you want to manage these fisheries by quota, they are the type of powers you need.

**CHAIR**—There has to be something to back it up.

**Mr Thorn**—The compliance models that we are starting to develop—and I think fisheries management will get more sophisticated in compliance over the next few years—are a bit like the biological models. The compliance models are developing along the same route. So you identify the key points, you identify all of the risk factors and you have different types of people doing different jobs within the compliance program. As John said, you may have a team of dedicated auditors and their job is actually to go through full company analysis.

That is quite a change from where compliance has been. But, I think, over the next few years, you will see some quite significant shifts in the sophistication of compliance. For example, heat sensing technology now allows compliance to be done at a different level from what we have ever seen before.

**CHAIR**—We are all done with our questions. Are there any other matters that you would have liked to raise that we have not asked you any questions on?

**Mr Thorn**—No, not really. I think we would just sum up by saying that AFMA has led the way in a number of core areas. One was the consultative processes. Its internal processes, in terms of the client module and providing information to their internal staff to make quick decisions, is one that certainly Western Australia is looking at. We have done a review of it. We are very happy with that particular internal management thing in terms of licensing and so on. We think that that has been a very useful thing. In terms

of the board approach, we would have to say that it appears to work. We are not necessarily following that model.

**CHAIR**—Thank you very much.

[10.47 a.m.]

**WATSON, Ms Elizabeth Mary, Representative on marine issues, Conservation Council of Western Australia, 79 Stirling Street, Perth, Western Australia 6000**

**CHAIR**—Welcome. We have received a submission from you and have authorised its publication. Do you wish to make any changes?

**Ms Watson**—No, it is fine as it is.

**CHAIR**—Before we start our questions, would you like to make a brief opening statement?

**Ms Watson**—Thank you. As a representative of the conservation movement I thought it would be useful to very briefly outline some of my experience and qualifications, in a couple of sentences, because people coming from departments have recognised expertise and qualifications. I am a qualified environmental scientist and I have, over the last four years, been working very closely on marine and coastal issues in Western Australia. Part of that work has involved consultation with a broad range of community representatives including recreational fishing people, conservationists, and people working in the commercial fishing industry, for example, deckhands in particular.

That consultation has involved meeting with people from Broome through to Esperance. Therefore, I have a reasonable understanding of the range of fisheries that are occurring in Western Australia. It is my understanding that it is the first time in Western Australia that they have had a conservation representative on one of their working groups to work on the Kimberley demersal finfish fisheries off the Kimberley coastline. I have been involved in that working group over the last 12 months, particularly taking an interest in fisheries matters.

I would like to raise a few points in addition to the written material that was supplied. On the issue of ecological sustainability, I would like to make particular reference to two fisheries. One is the fishery for tuna and the other is the fishery for prawns and scallops. In reference to tuna, the issue of ecological sustainable management of highly migratory, long-living species is one of the biggest problems that fisheries face worldwide. Species like tuna and shark are highly migratory. They take up to 20 years to reach sexual maturity and therefore are very hard to manage, by fisheries' own admission. They are also targeted at various stages of their life cycle as mature fish and immature as they move through various jurisdictional areas, and there is no agreement on methods of estimating stock. I would refer to this report here which has just come out on the international agreements on tuna which was as a result of the previous inquiry on long-line tuna agreements with Japan.

I would also argue that this issue of ecological sustainability is more than likely, in the future, to be subject to legal challenges in terms of whether ecologically sustainable management was put in place at the appropriate time on the basis of the knowledge that we now have. I do not think that it is unreasonable that in the future it might be subject to challenges from people who say, 'We don't have any tuna now and that's a result of various choices in management.' I would put it to you that that is the sort of thing that is happening elsewhere in the world and it is not inconceivable that we would be looking at things like that here



also.

I would also like to make reference to the fact that in several of the submissions from commercial fisheries sectors they make reference to overseas conservationists putting arguments about Australian fisheries. To counter that I would say that, from the people I have consulted, there is a huge amount of concern from conservationists and ordinary community members about the sustainability of current fisheries practice. It is not just people speaking from overseas who are saying this. It certainly echoes concerns that have been raised overseas, and we obviously draw on the experience of other countries. But it is certainly not something that has been imposed from outside. Indeed, I would say that those concerns are echoed within the industry, especially if you talk to the deckhands and the employees, rather than the owners. There is a lot of conjecture on that one.

I also would like to refer to the impact of prawn trawling and scallop trawling. It is indisputable that it is the equivalent to clear-felling in forestry terms. Basically, prawn trawling removes the benthic habitat—end of story. That has huge ecological consequences. The ongoing operation of scallop and prawn trawling has a bycatch of approximately 10 to one. For every tonne of prawns you are taking 10 tonne of other species—and 90 per cent of those species are returned to the ocean dead. So you are actually removing 10 to one in terms of biomass from those communities.

In Western Australia we are particularly concerned with those activities occurring in World Heritage areas like Shark Bay Marine Park. We have written submissions on that subject. We argue that, in ecological terms, that is a major impact on a World Heritage area. The current method of collecting data using logbooks does not require logging of bycatch, which includes species such as turtles which are listed as endangered under other Commonwealth legislation. Therefore, the Commonwealth has an obligation to ensure that those species are not killed in any operation, including fisheries.

I would like to make some comment on the issue of industry self-management, which is certainly the direction that fisheries departments, whether at state or Commonwealth level, prefer. They also have a preference for dealing with larger companies to the detriment of smaller family businesses, based on the argument that those large companies are easier to manage. I would like to counter that, again on the basis of international experience where what is called the economics of extinction takes place. That is, that it is more economic to take a species and to overexploit it—particularly species that are of a high value, such as tuna—and to then re-invest that money in another investment. For that reason, the logic which says that if you have a high value product then you are going to ensure responsibility is flawed. We have seen that occurring elsewhere in the world. Even in some of the best managed fisheries, those economic pressures, when brought to bear, actually result in an over-exploitation of that natural resource.

I would like also to refer to the precautionary principle as it has been discussed here. An example I would like to raise is the relatively recent discovery of the patagonian toothfish around Macquarie Island. That was an extraordinary discovery for science, but resulted in an immediate exploitation of that resource. We would argue that it is totally at odds with a precautionary approach. If you know nothing about the biology of a species, the first thing you do is not go in there and take out a large proportion, or whatever proportion, of that population—we do not know because we do not know those figures—before you start to exploit that species.

I would argue against the submission from the Western Australian Fisheries Department which says that the only way to find that out is to, I guess, suck it and see. So you start taking species out—and, I might add, not necessarily just the target species but other species as well—and on the basis of that you can work out scientific information about the species. You can work out limited scientific information about the species, but we would argue that that does not represent a precautionary approach at all. You then put in place economic incentives and investments which will result in companies having a very strong leverage to say, ‘We wish to continue to do this because we’ve invested this amount of money.’ So I would argue that your research should be done by an independent scientific body which does not have an economic investment and, on the basis of that information, you proceed. That should especially be so when we are now moving into fisheries much further offshore, where even less is known about them, and especially very deep water fisheries. To allow the exploratory scientific work to be done by the exploiter of the resource is not acceptable in other industry. There is more I could say, but I will leave it there.

**CHAIR**—You have raised a number of issues which I am sure my colleagues will want to question you on, but I would like to first raise with you an issue which perhaps goes to the heart of your opening comments. AFMA has legislative requirements to maximise economic efficiency while maintaining ecologically sustainable development. Could you comment on that and on those legislative requirements?

**Ms Watson**—It is because of that dilemma that I alluded to potential legal challenges. It seems to me that with those dual requirements you have quite a dilemma in terms of assessing the argument as to what is sustainable, and this is what the whole thing comes back to. I would refer to some of the other submissions. For example, a submission from Kailis and France Foods says that fisheries science is a very imprecise science, and the South Australian submission says that we cannot predict impacts and there is a lack of baseline data. So both industry and the managing agencies agree that we are operating in a huge area of uncertainty. It then becomes a question of what you do in place of solid scientific evidence or the necessary science in which to enact reliable management practices. We would argue that you take a much more precautionary approach than is currently being taken.

**CHAIR**—So you believe the current precautionary principle is insufficient and is not working?

**Ms Watson**—Exactly. Because it is a term that does not have a precise definition or has a number of definitions it is being used by management agencies to say, ‘Yes, we are taking a precautionary approach.’ People within the conservation movement would agree that there is a more measured approach to exploiting resources than there was 30 years ago. However, especially in the cases of highly migratory species, it is not precautionary enough. There are things it does not take into consideration.

I will use an example on the Western Australian coastline of a fish being targeted inshore by recreational fishers and, say, in the Kimberley coastline also by indigenous communities. It then moves offshore and is exploited by commercial fishers. So it has been taken at both stages of its life cycle.

The Aboriginal take of fish and the recreational take of fish are not included in the equation. So, it is almost impossible to say what impact you are having on those fish, because all you are measuring is the take of target species from the commercial operators by voluntary logbooks. It is a very small slice of the information needed to assess ecological sustainability—that is, the impact on the whole ecosystem. All you

are measuring is the impact on the target species and that is the baseline problem with fisheries management.

**CHAIR**—I am sure we will come to some of your suggestions on perhaps a better way of implementing the management structure. Do you, however, believe that the management structure of AFMA, which enables consultation with industry, science, conservation groups and recreational fishers, is the best model available? Or would you suggest another model of management?

**Ms Watson**—No, I think the model is reasonably good and we do not have a lot of criticism regarding that. The criticism would be—and the ANAO report made the same comment—that to date the community representation, or the conservation representation, on those MACs is not there. We would like to see that come on board as soon as possible

**CHAIR**—And yet we have been told by several witnesses that that representation is there on the MACs.

**Ms Watson**—I can only speak for Western Australia. I am not totally familiar with the representation in the eastern states, but I can say with assurance that in Western Australia there are no conservation representatives on MACs. As I say, to my knowledge, the representatives that are defined as being community are recreational fishers. So they are still representing people who have a very strong vested interest in the operation of that management committee. Most of the discussions are regarding equity of access to the resource, not the maintenance of the resource in ecological terms or the maintenance of marine ecosystems.

**CHAIR**—I will open the up the discussion. Mr Andren.

**Mr ANDREN**—We are talking about a frontier of which we know so little. You are talking of the patagonian toothfish, and the orange roughy is, I suppose, the other classic example. So we are talking about the degree of management of a resource about which we know so little. Can you give us a model of an environmental impact study. How would you structure it? Who would conduct it? Have we got the resources within this country to do it?

**Ms Watson**—Perhaps I will start with the third and work back to the first. With regard to resources, we are concerned that the current level of industry contribution to research is inadequate. I would refer to the submission, which mentions that .25 per cent of the gross value of product goes towards research in Commonwealth fisheries. We would argue that the contribution from industry should at least be on a par with similar industries, such as the agricultural industry. We would be looking at something like 10 per cent as a reasonable contribution, considering there is a general acknowledgment that there is a lack of research and there is a general acknowledgment that more research is critical. We would be looking to a user-pays approach in a much more real financial way. We are talking about an industry that makes \$1.6 billion; a 10 per cent contribution would significantly address both research and surveillance. I, personally, do not think it is unreasonable.

On the second issue of who should do an environmental impact assessment, I would argue that the CSIRO has the capability and also has an independence which is suited to the environmental impact

assessment of marine industries. We would like to see that research, if not being totally independent from industry, at least having an openness and accountability which is totally transparent to the community. It is not within the fishing industry alone that there are criticisms of research being done by the industry itself. The same would be true of the petroleum industry or of forestry.

**CHAIR**—Could I just take you up on that point? In the past there has been a general level of distrust between industry, government and the scientist. If you then separate that whole research area from industry, are you not further adding to the level of distrust? Would it not be a better model to make sure that industry was locked in to scientific research?

**Ms Watson**—I understand the risk. There are pros and cons in terms of how closely research is working within an industry and how independent it is. You need to look at the principles of transparent processes, peer review and best international practices. You can factor that in; and certainly industry, particularly the fishing industry, because of the geography of its operation, obviously needs to be closely associated. You are going to be doing that research out on those commercial boats, so the level of cooperation has to be very high. But, certainly, there is concern about the independence of the research and also the motivation for the research. If the industry is driving it, then the motivation is to maximise economic return. We would argue that you have then got a problem, because how do you factor in full impact on the marine ecosystem? By their own acknowledgment, they do not assess the impact on the full system; they only assess the availability of their target species. It was the narrowness of those parameters which was certainly addressed by the ANAO, and that is where you have the conflict with ecological sustainability.

**Mr ANDREN**—I guess you would not have any difficulty with the WA government's view that perhaps we should bump up the ability of AFMA to source research and that, if you toughen up your MACs at the same time with a truly representative body and if AFMA is the master of its own destiny in tendering for that research, you will therefore get that transparency and satisfaction at a MAC level and an AFMA level, integrating the whole process.

**Ms Watson**—Certainly. To its credit, AFMA has moved in the right direction: there is no question about that. The model is okay; it is the implementation that is problematic. To answer your first question about a model for an EIA on fisheries, I am not a fisheries expert but I would understand that assessment of marine impacts is addressed very thoroughly by an industry such as the petroleum and the gas industry. Obviously, the impact of fisheries is different but, in terms of assessing which parameters you are looking at, the oil industry—which is very rigorously assessed—provides a reasonable model in terms of what you actually need to have as your check list for environmental impact assessment.

**Mr ANDREN**—Right. Can you tell us how they are required to determine impact on marine ecosystems?

**Ms Watson**—You start with having to do baseline studies, and this again has been touched on. It is an argument used by the industry against the ability to make an environmental impact assessment. They say that, because we have been operating in fisheries for 30 years in some cases, it is really hard to assess the impact, since we have no baseline data. That is to some extent a fair comment, but it is not a reason for not doing it.

Certainly, in new fisheries you are looking at assessing benthic communities; that is, ocean floor communities. It depends on what method of fishing you propose to undertake in a fishery. I would argue that the impact assessment for a trawling operation would be different from the impact assessment for a pot fishing proposal, because the physical impact is quite different. You have to assess what is there and the diversity of whatever marine communities are actually in that area. It is a huge thing to undertake, there is no question about that.

**Mr ANDREN**—Are you suggesting that AFMA should go to the petroleum model and work from there?

**Ms Watson**—That is a good place to start from.

**Mr ADAMS**—I guess your council takes the position that there should be marine parks where no fishing should take place. Would you like to comment on that?

**Ms Watson**—I will again refer initially to overseas experience. The fisheries in the south-east of America, which are considered to be amongst the best resourced and best managed fisheries in the world, are moving towards using no-take areas as a management tool in the marine environment. They are looking at somewhere between 15 and 20 per cent of their coastal zone being zoned as no-take. That is no-take for both recreational and commercial fishing.

**Mr ADAMS**—Is this in the Florida wetlands area?

**Ms Watson**—That is right. The work of Dr Garry Davis is particularly relevant to the sort of management choices they are taking there. Basically, they have found that gear restriction, seasonal closures and those kind of management tools traditionally used in fisheries are not adequate to manage fisheries. They are moving towards a system of no-takes.

We argue that that approach is relevant to our coastline. We argue for 10 per cent of no-takes across representative habitats to maintain biodiversity. This has an additional advantage as a management tool, because, if you have got areas where you are not removing anything, you have got a baseline to compare. It is a fault in the current fisheries management thinking that they have not included this at the outset. In a terrestrial environment you have to have control areas, and the approach is equally valid in a marine environment. In fact in some respects it is critical in a marine environment.

With regard to the marine parks established there, I do not believe that we are absolutely against any fishing in those areas. We would argue that the no-take areas need to be much bigger than they are currently. The existing no-take areas in marine parks in WA are usually associated with reef communities. They exist to separate things like scuba diving from recreational or commercial fishing activities. They are used more as a spatial separator of activities than as a management tool for maintaining biodiversity.

**Mr ADAMS**—So is it, as we would say on land, a land management situation?

**Ms Watson**—Yes, that is right.

**Mr ADAMS**—You made decisions about the turtles and things in the prawn fisheries; I understand there have been enormous amounts of work done in changing nets—escape nets and those sorts of things. We have received evidence to that effect; you are saying that is not the case.

**Ms Watson**—Not in Western Australia, no. There has been no modification. There has been a refusal, both by the Fisheries Department and the commercial fishing industry, to take on board the findings that exclusion devices are necessary.

**Mr FITZGIBBON**—Modified nets sound very expensive, do they not?

**Ms Watson**—It does sound expensive but in fairness, in regard to the issue in the states, there is a combination of factors as there always is. Part of the problem in the states was that the length of trawl, the time that the net was in the water, meant that the mortality rates were very high. The shots that they do in Western Australian waters are generally shorter. Although you are catching turtles, there is more chance of them being returned alive. However, the figures in terms of reduction in by-catch are irrefutable; you are down to a marine animal mortality rate of about one or two per cent when you put in exclusion devices. We would argue that we are not necessarily asking them to do it overnight, but they do phase in those devices. I have spoken with people who work on those boats who say they regularly bring up turtles. They also regularly lop their flippers off and throw them back in the water. That is illegal, obviously, but it goes on.

**CHAIR**—Following on that, in your opening statement you actually referred to the fact that in the prawn and scallop fisheries, the by-catch was of the level of 10 to one. Do you have evidence that you can provide to us to substantiate that?

**Ms Watson**—Yes.

**CHAIR**—If you could provide that and send that in to us—

**Ms Watson**—Sure.

**Mr ADAMS**—With the turtles, we get some evidence similar to the sort of level you are talking about. It is anecdotal. You are saying it's so many turtles. We have the case of the conservation movement doing something. Overseas, our prawns are getting banned because of something like this. Some years ago, we had the credibility of the conservation movement coming into play after it had any kangaroo products banned. Kangaroos are not an endangered species in this country, yet we went for 20 years with having a ban on their products. So I am just saying that if you can give us some evidence other than just an emotive thing, that would be helpful as well.

**Ms Watson**—If I may respond to that, the problem in providing evidence is that the logbook system does not require them to. It is a voluntary request to log things, like entanglements. It is not compulsory. We would argue that it should be. Furthermore, we would argue that there is a need for observers to be on boats occasionally to verify it.

**Mr ADAMS**—At the moment, no observers go out on the boats?

**Ms Watson**—I am referring primarily to the Shark Bay trawl. The recent draft management plan acknowledged that there was a problem in terms of an inability to assess by-catch—the species, the numbers and the mortality rate. Turtles, I guess, is the most obvious issue but there are also the issues of other species, such as sea snakes. Basically, if you bring up sea snakes in your net they are usually dead because they get crushed by the weight of the catch. Obviously, sea snakes are very unpopular to bring up. If they are still alive in the net, they always get killed because they are dangerous to the crew. Again, there is this contradiction where you have endangered species legislation but it does not tie in, in terms of the legal fisheries requirements, with actually accounting for fishing activities that are affecting those listed species.

**Mr ADAMS**—How many boats would there be in that fishery that you were talking about, in that one area?

**Ms Watson**—I am not 100 per cent sure.

**Mr ADAMS**—A ballpark figure.

**Ms Watson**—Half a dozen, 10, that sort of number.

**Mr ADAMS**—I just wanted to come back to the matter of the science. Most of the evidence we have received is on putting together the scientists and the fishermen to work through some of the issues because there has been enormous amounts of distrust. I think to move towards a situation where we are going to start to get on top of some of these sustainability questions, especially in the older fisheries, is to build some trust into the system between science and the fishermen themselves. Your council is taking a totally different perspective on that and saying that the science has got to be away from the fisheries and it has to be totally independent. Some of the evidence we received from the fishermen yesterday was that scientists see themselves as managers, when they are actually only making one input into the management of actual fisheries. How would you respond to that?

**Ms Watson**—Perhaps I would go one step back and question the assumption about whose resources we are talking about, that the whole suite of marine species should be managed for their intrinsic value, their maintenance of ecological function, because if you do not get that right then the whole lot goes down, as it has done elsewhere in the world. In fact, we can never underestimate or understate the crisis that is happening in fisheries worldwide. I think we need to always have that in the back of our mind. Certainly there is a need to build up that trust but there also needs to be acknowledgment from both industry and fisheries as a management agency that marine resources are managed for the benefit of the whole community, No. 1. As I said before, with sufficient checks and balances there is a possibility that your research can be done within the industry but the criticisms still stand that to date, because of the nature of limited information coming back to the public about fisheries, there is a level of concern that if it stays in-house, as it were, the community is being short-changed, everything is to the benefit of the industry.

**Mr ADAMS**—So you are talking about transparency of information. You have heard my colleagues raising the issue about the MACs having more people on them with a conservation concept or coming from a conservation background. I take on board what you said that from the west's point of view that is not happening there, but could you just give us a general feeling about what your council's position would be on

that?

**Ms Watson**—Certainly we are in favour of community representation on all MACs, both at the regional level and at the state level. It is fair to say that to some extent there is a level of mistrust between industry and conservationists and that needs to be redressed. I think for people to be involved at committee levels is a good way to do that. I must say that my working on a fisheries working group has raised my level of information about the industry greatly. I think it is also building a level of respect for conservation knowledge on these issues as well.

**CHAIR**—So it is a two-way thing.

**Ms Watson**—It is a two-way street. I would also state very clearly that there is a large amount of expertise in the conservation community in terms of marine management, representing people who are working in research or in universities. The rather emotive representation of conservationists as being irrational is not a fair comment and it is certainly not my experience.

**Mr ADAMS**—Some of us have other experiences.

**Mr ANDREN**—Coming at this from an uninformed base at the start of this inquiry, like many people, I have been appalled at the waste in by-catch and also at the non-target species that, because of quotas, are dumped overboard—gemfish is a classic example off the east coast. Looking at the output and input controls that we have got in fisheries, given the huge wastage of resource, which do you see as the best model? Is it a combination of both? How do we handle that non-target species wastage?

**Ms Watson**—Obviously, one of the responses is to try to utilise the by-catch in a commercial sense, so you are actually increasing efficiency in purely economic terms.

**Mr ANDREN**—Would it not become targeted then, though?

**Ms Watson**—Well, that is exactly the problem. Within the conservation movement, there is a concern that, if you move to utilise that by-catch, it then becomes a further economic incentive to maintain a practice that is ecologically not sustainable because, as well as looking at the impact on food webs, you have to look at the impact of taking that amount of biomass out of a system. Australian waters, and certainly Western Australian waters, have low productivity and they have been compared to terrestrial deserts in terms of their sustainability. Therefore, the dangers are very great in economic terms, if you gain from your by-catch, it becomes a further reason for not changing a practice. We would argue that a change should be in gear. In fact, the exclusion devices that were mentioned earlier actually assist with by-catch of other species, such as fin fish. It is not just turtles that it assists.

**Mr ANDREN**—Is there any room, do you think, for a market price for by-catch that no way reflects the market price for the species—it may be 10 per cent of market value or something, which is some return to discourage waste and the resource could then be utilised for fish meal or whatever? Would something like that work?



**Ms Watson**—I do not think that is the way that conservationists would like to see it move. We would like to see the control to come at the other end—that is, to reduce the take in the first place, especially when that take, for example, is a benthic community such as sponges, which have got very limited commercial value but, once you have removed that habitat, you have actually removed that capacity for that area to—

**Mr ANDREN**—But, if you are fishing for flathead and you get gemfish, there is no way you are going to avoid that sort of situation. You are not going to have a net that will catch flathead and not the other—this is the difficulty, is it not?

**Ms Watson**—It is a difficulty and I think it is difficult talking about, say, fisheries in general because there is one story for that sort of net fishing but there is another for scallop trawling or prawn trawling, which is a very indiscriminate method, or for long-lining, where each fishery has to be assessed separately.

**Mr ADAMS**—The difficulty in understanding arises because there are some fisheries which catch a variety of fish in their nets because fish swim together. They pull these fish aboard and then they dump them back at sea. It really seems to be a pretty crazy mechanism of going about things and to finding a solution. If we are to try to make recommendations, we have to think about those things.

There is also the situation where one fish is worth more than another. They dump the fish that they have caught first and keep the others. They are real and practical issues and the fishers would argue that the scientists and the conservationists have no idea and that they have to survive in these fisheries. Have you given any thought to it?

**Ms Watson**—Certainly and the same thing happens in recreational fishing, where you have a size limit. You catch so many, you keep them on the deck or throw them away. I fish; I know. In those fin fisheries that might well be a mechanism to utilise those fish, and that is not unreasonable. What I was trying to say is that there is a difference. I would not like to see that approach taken, say, in a scallop trawl.

**Mr ANDREN**—Do you agree that fishers who have a vested interest in sustainability—that may be arguable—are the best place to act as a research resource? Are you aware and, if so, alarmed at suggestions from some that their anecdotal and more formally collected data seems to be ignored? Would you see any role for the fisher to be very much part of the research effort?

**Ms Watson**—Absolutely, and as I was saying at the beginning, my conversations have been with fishers as well as community members and there is a great deal of concern within the industry that they are a wealth of information that is not being utilised to the best.

**Mr ANDREN**—Do you see the culture shifting towards a vested interest in sustainability rather than exploitation?

**Ms Watson**—I would argue that in my experience the family based fishing companies have a clear understanding of that. Perhaps my concern is that where the fishing industry is moving into large companies that are able to move across bigger areas and have that capacity they have less vested interest in maintaining the resource of a particular fishery than those who have lived and worked in that area for a couple of

generations. Their level of knowledge of ecosystems and fisheries is invaluable. In fact they are often the key to actually making better decisions.

**CHAIR**—Do you think one of the problems is that there is just so much information out there and it is a matter of getting the information to all the different stakeholders?

**Ms Watson**—I think it probably goes back to the issue of trust. I think that is one of the issues because of all the industries that I deal with fishing activities have a reputation for selective information giving. That goes throughout the fishing community and it is inherent in an occupation—

**CHAIR**—With the commercial interest there.

**Ms Watson**—Yes, but it even goes through recreational fishing too. People do not give away their best fishing spots. It is actually a strong psychological trait, with a sound basis, but it is right in there. I think you have to understand the culture of fishing to some extent too. We need to break down the distrust and to work with the fisheries by saying, ‘We would like to be involved.’ We would like to know more about it—and I am speaking both from a community and a conservation perspective—and work out solutions that will be mutually beneficial. That is certainly happening in other countries, like the Philippines for example, where there is a lot of interaction between local communities and the fishing interests. It can work really well, especially at a regional level, when you break down those boundaries.

**Mr FITZGIBBON**—Ms Watson, I suppose putting the case for the conservation movement is a little bit like hitting your head up against a brick wall and I am sure you can learn to come to terms with that. Thinking about the management structure of the Australian fisheries, if you were given that one single wish, what one single change would you make to the structure which you feel would best reflect your views and aspirations but more importantly best give you the influence you seek over the management of our fisheries.

**Ms Watson**—One wish? You talk about hitting your head up against a brick wall; it is a bit like being slapped in the face with a wet fish actually.

**CHAIR**—And the tooth fairy no longer exists.

**Ms Watson**—A key objective is 10 per cent no take. That will prove and is proving elsewhere an invaluable management tool as well as a conservation tool, and I mean management for the fishery as well as achieving conservation goals. Can I add two more?

**Mr FITZGIBBON**—Yes, I am a generous genie today.

**Ms Watson**—The development of an oceans policy will be a critical component because you actually look at marine systems on a geographical rather than on a resource base. Marine management is broken into management of a particular activity and that is based on historic fact which has led to problems in terms of sustainability. Environmental impact assessment of existing and new fisheries will also be critical. Those are the three major components that I see, and, certainly, community and conservation involvement on MACs across the board from state to regional level, and better communication between the sectorial interests will be

important.

**Mr FITZGIBBON**—You just answered my extended question. One of the things we are grappling with is the representation on the MACs. Of course, there is this attempt to involve the industry—but at the same time deal with the vested interests of those industry members—in the MACs. I am not sure how you would get around that. Do you have a further view on that?

**Ms Watson**—I would only comment that, based on my experience working on the working group in the Kimberley fisheries, which was preparing recommendations to the minister to formulate a draft management plan, when you start to talk to people at a committee level you begin to develop those sorts of community solutions where you are looking for win-win situations. That is where it has got to start. A lot of it is about communication, or lack thereof, about breaking down the community's understanding of how existing fisheries management tools are working or not working, and about the community putting its concerns directly to fisheries representatives.

**CHAIR**—We have completed the questions that we wanted to ask you and I thank you for your contribution. I thank you also for taking the time and the trouble to fly across here. It is appreciated. You covered a wide area and made some very valuable contributions.

Were there any points that we have not asked you questions about that you would like to make briefly in conclusion to the committee?

**Ms Watson**—I have covered all the points that I wished to make, thank you.

**CHAIR**—Thank you.

[11.44 a.m.]

**RAPTIS, Mr Jim, General Manager, A. Raptis & Sons, Southern Division, Great Australian Bight Trawl Fishery, and member, GABMAC, 1 Port Road, Hindmarsh, South Australia 5007**

**CHAIR**—Welcome. In what capacity do you appear here today?

**Mr Raptis**—As well as being the general manager of A. Raptis & Sons and a member of GABMAC, both of whom I am representing today, I am a WESTMAC member and I have, in the past, been a SETMAC member.

**CHAIR**—Thank you, Mr Raptis. Thank you very much for obliging the committee and coming here earlier. While we have not received a submission from you, I thought perhaps as an opening statement you may like to give us a brief description of the areas and the fisheries in which you are involved, and put a little flesh on the bones for us.

**Mr Raptis**—Thank you for the opportunity to come here today. We act in two capacities. One is that we are a processor based at 1 Port Road, Hindmarsh, where we have an export plant. We buy fish from Tasmania, Victoria, South Australia and Western Australia for processing and exporting and for the Australian market. Secondly, we operate two stern trawlers, the *Territory Pearl* and the *Noble Pearl* and they are licensed to fish in the western deep water trawl zone, the Great Australian Bight and the south-east trawl. We are multi-licensed so that we can move and have the flexibility. For that reason we are involved in the southern Australian fisheries.

**CHAIR**—Thank you. Would you be able to give this committee your general impression of the management structure of AFMA and how you see that working in relation to the fisheries that you are involved with and then if there are specific areas that you would like to raise with us that you think could perhaps be improved?

**Mr Raptis**—Basically, there is an AFMA board which is headed by Jim McColl. There is Stuart Richey, a fisherman from Devonport or thereabouts. There are probably some scientific people from CSIRO. There is a board made up of science, fishing and business administration management. Then below the board you have Richard Stevens, the manager of the South East Fishery, and each fishery has its manager.

**CHAIR**—A number of representatives from industry have told us of their experiences with previous management structures. They have felt that the AFMA management structure where industry is regarded more in a partnership relationship has been a positive step in the management structure. Is that something that you would agree with?

**Mr Raptis**—The system with the AFMA board and the way the fisheries are managed in Australia is quite satisfactory. I am not finding any real problems but I think that AFMA got off to a very bad start because it inherited a last minute quota system that was instigated by AFS in their dying stages and they did not have any authority to do that. We should commend AFMA since they are very hard working. We get good service, they are efficient. I guess they are there like targets for everybody to take a swipe at—

**Mr ADAMS**—Just like politicians.

**Mr Raptis**—I have to say that they do not have a negative impact, they have a positive impact on my business and I find it quite efficient to work with them. However, they started off on the wrong leg since AFS never had the authority to bring in this quota system when they knew the act was going to change, the board was going to change and the power was going to change. Something devious happened there in the dying stages. Somebody wanted to railroad a quota system in but they were not in a position of authority to be doing that. They should have said, 'It is so close now. The AFMA board will come in. Let the new board make that decision.' AFMA has been weak in accepting a system that did not work, an unfair, unjust, inequitable quota allocation. They should have seen through that—

**CHAIR**—Are you referring to a particular fishery?

**Mr Raptis**—This is in the South East Trawl Fishery. They should have seen that this was unfair, unjust and inequitable and they should have immediately alerted the minister that there is a serious problem here. If the quota system was to be adhered to they should have said, 'The way that quota has been allocated is unfair, unjust, inequitable. There is going to be an enormous amount of criticism from the public. We won't be able to cope with all these criticisms and people will have very just reasons for it.'

**Mr ADAMS**—We are talking about the South East Trawl Fishery, the quotas that were imposed in that fishery. That is a multi-species fishery. We have had quite a lot of evidence about the difficulties in that fishery. What is your experience with by-catch, catching species which are non-targeted but you still bring them up because they are there and they swim alongside the fish that you are trying to fish for? I mean things like gemfish where at the moment there is a total ban. What is your experience as far as by-catch and catching species which are non-targeted are concerned, but you still bring them up because they are there and they swim alongside the fish that you are trying to fish for? For example, in relation to gemfish, at the moment there are no gemfish to be taken. What is your experience in that regard? Do you see us coming to grips with that so we downgrade the actual loss of bringing up the species we do not want to, and also if we get them up, we do not want to dump them as such?

**Mr Raptis**—I would like to answer that, but I never got to that stage. Our company invested over \$3 million into licences. At that stage you had to buy an A, which is off the New South Wales coast, a B and a south-west sector. You had to pay for the sector licences and you had to buy units to enter the fishery. In buying those units, we knew we had the right to catch whatever swam in that fishery.

This quota system came out and we were given orange roughie quota. That is not what we bought into. When we bought units, sectors and licences we had a feeling that it might be done on catch history, so we looked at units that had good catch histories, so at least we were not disadvantaged when a quota system came in. We bought out four or five different boats. We took them out of the fisheries so that we could enter our two boats.

**Mr ADAMS**—And you had that history?

**Mr Raptis**—We had the history, but because it was amalgamated catch history, AFMA said, 'We

don't recognise it unless you have made a threshold.' We said, 'But these boats pioneered this fishery; we are entitled to that history, irrespective of whether it is amalgamated. Why should we need to meet a threshold?'

After going to the trouble of collecting all the catch histories and getting them to go through records 10 years back and getting all the information, we were not allocated any market fish. We were left with orange roughie. Our other vessel, the *Queen Maria*, which had sunk, was given an imputed catch history for market fish together with its orange roughie.

In getting the quota, we were concentrating on orange roughie, so we went around and sold some of the quota. We sold about \$125,000 worth of redfish quota to somebody in Sydney and we sold \$125,000—these are not exact figures, but are roundabout—to a person in Eden. Three months later we got a letter from AFMA saying that they had given us that market fish catch history in error and they were going to withdraw all our market fish. For the quota that I had sold, they never came and asked me for the money back, not that I would have given it to them. Secondly, they did not go to the people in Sydney and Eden and ask them for the quota back because, as it had been issued to me in error, they were not entitled to it either. I find that just incredible. As a business person, you would not accept that.

**CHAIR**—Mr Raptis, what you are saying to us is that the management tool, in managing the stock levels for the quota system that was implemented in the south-east trawl, was unfair and ineffective, not to put too fine a point on it.

**Mr Raptis**—It is not what we bought. We bought units in the fishery—units with the currency of the fishery. Therefore, if a quota was going to be introduced, units were on the basis of quota. If there are 10,000 tonne and 10,000 units and you own one unit, you get one tonne. That is just, fair and equitable. People would understand that; there would be no point arguing under that system. We would say that that is just, fair and equitable and we can understand that.

As I said, AFMA got off onto a bad foot. When they inherited this terrible, unjust, unfair and inequitable system, they really did not bite the bullet and go to the minister and say, 'Look, this is what we inherited. We have got a real problem here, we have to now go back and reallocate on units', which is the only way it can be done. They did not do that.

The point I am making is that AFMA has been good to me. I can work with them, they are efficient and I get all my notices. I have a good working relationship with all the people there. I do not have any bad friends there and I am very happy with the way they administer the fisheries. They inherited this bad system. I was allocated \$½ million worth of quota. I sold \$¼ million worth and then I got a letter saying that none of this quota should have been given to me in the first place. Why did they not come and ask me for the money? Why did they not go to the people in Sydney and Eden and say, 'That quota was given to Raptis who sold it to you. Raptis was given that quota by mistake and, therefore, we are going to take that quota back from you. You go and see Raptis and ask him for your money back.'

**Mr ANDREN**—The point there is, though, that no-one in the industry was disadvantaged because they allowed that to proceed. I would imagine that there would be more of a reason to complain had they done exactly that. Obviously, a mistake was made, but they allowed it to proceed for that particular period.

**Mr Raptis**—I think that is a bit of a blase comment and I do not appreciate that. Everybody is in this pool, so they have allowed an additional amount of quota to come in and they have covered it up and said, ‘So mistakes happen. What we will do is devalue everybody else’s quota by a minuscule amount and we will allow this to flow in and nobody will complain about it.’ That is not business. I do not accept that.

**Mr ADAMS**—That was the quota they allocated to you?

**Mr Raptis**—Yes. If I got it by mistake, you have got to take it out of the system. You cannot leave the person in Sydney with an additional quota to the one that was originally allocated in the whole fishery. You have created a new bit of quota. So where is the accountability in going and saying, ‘This has got to be sorted out?’

**Mr ADAMS**—Can we take that on board. Can we move to those other issues? You are still in the south-east trawl? You have boats in the south-east trawl?

**Mr Raptis**—Yes.

**Mr ADAMS**—About that bycatch issue I talked about—

**Mr Raptis**—We were not given any market quota because they did not recognise our amalgamated catch history, so we could not participate in it. We were locked out.

**Mr ADAMS**—I see. You are not participating in the south-east trawl?

**Mr Raptis**—Not in the market fish part of it because we were not given any quota. They would not accept the amalgamated catch history.

**Mr ADAMS**—So, you only had orange roughly?

**Mr Raptis**—Only orange roughly. We went into a fishery where we could catch gemfish, grenadier, warehou, and we could move from one species to another as the seasons changed. We were given orange roughly.

**Mr ANDREN**—So, you have got no problem with the TAC. It is just that the unit is a proportion of the TAC in terms of fishing for whatever species you like. How are they going to monitor the catch then if they do not issue quota? I am finding that a bit difficult to understand. If you are not given quota for a species, how would the units be a more equitable way of targeting species and ensuring that total allowable catch limits are achieved?

**Mr Raptis**—If you have a fishery and you quota it at 1,000 tonnes of 10 species, and that fishery previously consisted of a certain amount of units, you get the total number of kilos and the units that each holder has and you divide it into each species, and that is your allocation. Simple arithmetic. It cannot be any simpler. There cannot be any arguments. You cannot say that you have been advantaged or disadvantaged. It is total kilos and your total units divided right through all the species that are quotaed. It is grade one

arithmetic.

**CHAIR**—While there have been those problems with the south-east trawl, you were also involved in the northern prawn fishery, the south-eastern fishery and the Great Australian Bight. Could you contrast the different management structures in those? How do you find those structures? Are they better or worse? What can you tell us about them?

**Mr Raptis**—The Great Australian Bight Fishery is probably the model fishery. In the first place, in 1987, AFS—then in the chair—asked for expressions of interest from people wanting to enter the fishery. There was a selection process, which was quite fair. There was a performance process, which our company feels was quite fair, and so do all the other Great Australian Bight industry members. Eventually, 10 licences were issued to fish this area. It just goes to show how well AFMA can work and what a terrific job they can do when they do not inherit a legacy as they did in the south-east trawl, which was really unfortunate and got them off to a bad start. Secondly, they did not go back and recognise the legacy and fix it.

AFMA have done a terrific job in the Great Australian Bight. They have limited the number of vessels working in the area, so that each vessel is operating economically. There is harmony amongst all the fishermen. We have a good relationship with AFMA. The fishing is done on a sustainable basis. We do not need quotas but, if they ever have to come in at some future time, we would say, ‘There are 10 stakeholders in the fishery. We are all one-tenth shareholders.’ We know where we stand.

**CHAIR**—When you say that the fishery is on a sustainable basis, on what do you base that statement? Is that from information that you get through the MACs? Is it anecdotal evidence from within your own industry? Or are you relying on scientific data?

**Mr Raptis**—There is a stock assessment done. There was recently a stock assessment workshop at West Beach Aquaculture unit. Richard Tilzey from BRS came through and presented the findings of all the measurements from the samples collected.

**CHAIR**—Who was responsible for that?

**Mr Raptis**—Richard Tilzey. They also have the otoliths, to get the age composition of the catch. We have been fishing there since 1988. We have seen that the catch is very steady. There has been no decline in catches. The size of the fish is still as it was when it was a virgin biomass, so we are not seeing a decline in the size. A decline is normally an indicator that the resource is being overfished. The catches have been very steady for a period of eight years.

**Mr ADAMS**—Where did the chap come from who did the science for you? I am sorry, I did not quite hear.

**Mr Raptis**—From BRS.

**Mr ADAMS**—Is it prawn that we are talking about?



**Mr Raptis**—No; the fish in the Great Australian Bight.

**Mr ADAMS**—What sort of fish are we talking about, then?

**Mr Raptis**—Mainly flathead; occasionally we get orange roughy. But there are other species that go with it.

**Mr ADAMS**—Which are what?

**Mr Raptis**—You have a multitude of fish: bight redfish, leatherjackets, morwong, dog sharks, sword sharks and angel sharks.

**Mr ADAMS**—Where do the leatherjackets go? Do they go into fish fingers or something?

**Mr Raptis**—No. They are headed and gutted on board, and go into Sydney, Melbourne, Perth and Adelaide.

**Mr ADAMS**—Are they marketed as fish?

**Mr Raptis**—Yes.

**Mr ADAMS**—To move on to the broader industry, do you transport your fish to the Sydney markets?

**Mr Raptis**—No. We have a very good relationship with one company in Sydney. Also, to get fish from Adelaide to Sydney quickly, on time, and at premium quality to get a premium price, we are better off dealing with one person there. That person then does not have to compete with other people.

**Mr ADAMS**—I am more interested in how you get it there. Do you truck it in, or do you fly it?

**Mr Raptis**—We truck it.

**Mr ADAMS**—Is that a daily, fortnightly, or weekly truck?

**Mr Raptis**—It is on demand.

**Mr ADAMS**—Is there a substantial amount of trucks?

**Mr Raptis**—I regard it as substantial.

**Mr ADAMS**—Just give me a figure.

**Mr Raptis**—We will put a truckload into Sydney.

**Mr ADAMS**—Does it work out to be 500 trucks per year, or 10 trucks per year? I just want a

ballpark figure.

**Mr Raptis**—If you want statistics, we catch about 750 tonnes per boat. We have got two boats, so that is 1,500 tonnes of fish.

**Mr ADAMS**—And how much fits on a truck?

**Mr Raptis**—We would probably do short loads into Sydney: we might do 10 tonnes. Half of that fish is sold in Adelaide, so we are talking about 750 tonnes. We might send 75 truckloads.

**Mr ADAMS**—So do you have a cannery or a processing plant?

**Mr Raptis**—We do.

**Mr ADAMS**—And what sort of processing? Do you export at all?

**Mr Raptis**—We do.

**Mr ADAMS**—What do you export?

**Mr Raptis**—Mainly prawns. Occasionally, we do one or two containers of orange roughy per year.

**Mr ADAMS**—Are the prawns tinned or frozen, packet-wise?

**Mr Raptis**—They are frozen.

**Mr ADAMS**—And the orange roughy goes to the American market, does it?

**Mr Raptis**—Yes.

**Mr ANDREN**—Do you use air freight when you export?

**Mr Raptis**—Very little.

**Mr ANDREN**—With the MACs that you have been involved with, do you find they are doing generally a worthwhile job? How do you feel about the need for a more representative body, perhaps including environmental and other community representatives if need be? In the ANAO report there is some suggestion that there may be vested interests protected by the MAC system in some instances.

**Mr Raptis**—We are there to catch fish. Personally, I do not really take to the idea of having an environmentalist there, but I guess the world is a changing place and, as we have quite a big scientific base in Australia, this interest group wants to be there and the government probably wants them to be there. I guess if we lived in Iceland where 80 per cent of the income of the whole island is from fishing, you would have a different view.

People would be more serious about it. They would say, 'We have to make sure that we provide access to the vessels to trawl.' If your constituents were all fishermen, maybe you would have a different view, but because politicians and fish processors and catchers have all got their own goal to be regarded as successful in their own right, then you have to really listen to the groups that affect your performance. Therefore, probably as this environmental awareness in Australia becomes more focused, that is the problem fishers are going to have. They are going to have restricted access.

For instance, in the Great Australian Bight we worked on a basis of permits from 1988 to about 1993, and we could not get AFMA to issue us with statutory fishing rights—which is what bankers acknowledge is the right to fish there and which you can borrow money against. You cannot borrow money against permits because these can be withdrawn.

In getting our statutory fishing rights, one of the things that we had to do was to go out to public comment to see if any other interest groups had any objections. We got through that fairly cleanly. There were very few objections in 1993. Because of the remoteness of the area, nobody else was really interested in it.

Now we have ANCA coming along saying that they want a marine park in our fishery. I say, 'But you had your chance. It was put out to public comment, and you weren't interested in it. What right do you have now to ask for public comment and reverse the tables? You do not have that right. We were given statutory fishing rights and you didn't object to it. ANCA did exist and you were aware of the fact that we were going to be given statutory fishing rights in this area and you had the right to then come along and say that you wanted a marine park. You did not ask for it.' How do you sort this out?

**CHAIR**—Just mentioning those statutory fishing rights in the Great Australian Bight, where you have got currently less than half of the vessels fishing there which are able to, do you see a potential threat to the stock levels if the remaining vessels able to fish were to take up that option?

**Mr Raptis**—There is always a risk. There could be a risk with one boat. There may not be a risk until you have 100 boats there. You are only measuring that performance by the impact of the output. When you direct a certain effort to a fishery, what you take out will have an impact. Then you measure the impact on that biomass and you ask, 'Is that sustainable?'

**CHAIR**—Is the level of research there to enable you to make informed decisions?

**Mr Raptis**—I think everything has to be cost-effective. You can spend more money on research than what the fishery is worth. But I think that the research is more than adequate. I am very comfortable with it, and we are a big investor. We have two boats that are probably worth about \$3 million each. That is \$6 million we have invested there. I feel quite comfortable with our investment in that fishery. I do not see any signs at this stage that there is any reason to be alarmed.

But, at the end of the day, I am investor. It is never the resource that is at risk, it is the commerciality of the operator. The commercial risk is that if the resource declines you will go broke because you will not catch enough fish. That is the risk we knew always existed before we entered the fishery. There is no magic

formula which guarantees that you are going to make money.

**Mr ANDREN**—Do you think fishermen have ever raped and pillaged some fisheries?

**Mr Raptis**—If you have read the book, *New Directions of Fisheries*, that Kerin put out when he was the minister, it is a government document that said that there is an obligation—given a 200-mile limit zone, the Australian economic exclusion zone, or EEZ—and responsibility on government to maximise the value of those fishing resources but, at the same time, ensure that it is done on a sustainable basis. If governments have a responsibility to manage the fishery, but when there is mismanagement they say, ‘It is because the fishermen raped and pillaged them,’ then it is a bit like a bank. At 5 o’clock at night you lock the doors, you put the money in the safe and there is a system in place. If you leave it open, the money will disappear. Who do you blame?

**Mr ADAMS**—So do you think there have to be regulations and the science to look at whether it is sustainable or whether it is not? I am trying to get a response from you, from your practical point of view, because I have a feeling that you do not accept that there have to be science and stock assessments and those sorts of regulation to make sure that our fisheries are sustainable.

We have had some views that the MACs are working okay. You have said that they work okay. Some of the evidence we have received is that having the MACs and industry and science working together has been a very good thing, in the sense that people have come to understand each other’s difficulties. Do you have any thoughts on that at all?

**Mr Raptis**—I think you are putting words in my mouth because I did not make those comments.

**Mr ADAMS**—That was not my intention. I am sorry if I have done that.

**Mr Raptis**—There has to be some scientific support. Somebody has to take responsibility for managing the fishery. You are probably finding that as there is a more environmental focus in this country, as there is a more sustainable fishing focus, as we want our investments to be secure investments, through the MACs the fishermen themselves are becoming more aware that if they go and catch all the fish and deplete them completely, perhaps the resources will not be at risk but they are going to go out of business. So it is in our interest to fish those resources on a sustainable basis.

At the end of the day, somebody has to be responsible for what actually happens and that can only be through government, because its vested interest is to make sure that fishing is on a sustainable basis. The fishermen’s focus is to catch fish and conduct a commercial operation. I think the words ‘rape’ and ‘pillage’ are out of context. The way it should always be regarded is: are the people who manage this fishery performing their task on a competent basis?

**Mr ANDREN**—Do you think there is enough respect given to the anecdotal information and the research that the fishers are doing themselves in terms of the logbook input or whatever their own observations over a period of time might be about the resource? Yesterday we had a suggestion from one fisherman that he had been using spotter planes for years, but there seemed to be no real interest in that sort

of data by the scientific fraternity—they wanted to own it themselves. Do you see the fishermen as a major source of research data? How could it be more formally put together?

**Mr Raptis**—Our skippers are properly trained to fill in logbooks, to give the position where the fish were caught, the duration of the trawl shot and the kilos caught. This is done for every trawl shot they do.

**CHAIR**—Do you think enough attention is paid to that information?

**Mr ADAMS**—By AFMA.

**Mr Raptis**—I think there is. The quality of management in the majority of fisheries in Australia leads the world. You are not seeing collapsing fisheries. There are some problems in the south-east trawl fishery, I concede that, but that is because of the situation inherited, unfortunately, by AFMA and their reluctance to bite the bullet. Maybe it is difficult for them to bite the bullet. It may not be as easy as it is said to be to go and fix it, but they are certainly going to have a problem with it until it is fixed.

**Mr ANDREN**—How would you get over the problem of non-targeted species, say, the eastern gemfish, being caught when the target fish is flathead, or whatever the combination might be? To throw that resource over the side of the boat strikes me as a huge waste. But if you reward that catch it would immediately make it targeted, would it not?

**Mr Raptis**—That is a really good question. If people want to manage fisheries in Australia a lot better, they should take the Great Australian Bight fishery, use that as a case study and duplicate that everywhere else, then you would probably have terrific fisheries management. We have controlled that fishery by only allowing 10 boats in an area from Kangaroo Island to Cape Leeuwin, which is 2,000 miles of coastline. Those 10 boats hardly ever see each other when they are out fishing. Therefore you do not have a quota system and that means that whatever you catch in the net you bring home as a commercial sale. You are not having the problem of whether you have quota to cover it.

**CHAIR**—But do you think you might need a quota system if all 10 fished that area?

**Mr Raptis**—Because the likelihood of that has been remote it has not crossed my mind. It has probably crossed our minds as to how we would divide the quota, having seen the mess that happened in the south-east trawl fishery. We have said the only way we would come to a quota system is that, with the 10 of us there, we will all stakehold at one-tenth and if quotas had to come in we would all get one-tenth, irrespective of catch history.

**Mr ANDREN**—You talk about input controls rather than output controls as your preferred method of managing most fisheries.

**Mr Raptis**—It is, because with input controls you are removing effort. Why have 100 boats there with 100 crews, and 100 engines burning fuel? You are not maximising the profitability of that fishery. But it would be a major change to the way some fisheries are being managed—whether you want a lot of people out there working and making an income, or you want that fishery to return the most profit it can.

A good example is the northern prawn fishery, although I am not authorised to talk on their behalf. Voluntarily, we reduced the number of vessels from 300 to 100. Those 100 still catch the same quantity of prawns but you have got 200 boats less running around and 1,000 crew less out there. So the remaining 100 boats become profitable.

**Mr ANDREN**—But could I just add in there that, according to AFMA, a core of the fleet in that fishing ground increased the length of net tow by more than four fathoms in the 1994 season. There is a danger that the input controls will be overtaken by technology, is there not?

**Mr Raptis**—There is always that. I really do not want to comment too much on that fishery other than that—

**Mr ANDREN**—That could apply to an input control in any fishery.

**Mr Raptis**—You then go along and make an adjustment—so what? They did have the foresight to reduce their numbers from 300 to 100. That did not put the prawns under the threat of extinction. It is always the operators that are under financial threat. The resource will recover and it has recovered. But if you had only 10 boats fishing in the whole south-east trawl fishery, all these problems go away.

**Mr ANDREN**—But if they increase their ability by 10 per cent, you have effectively added another 10 per cent of capacity to the area, haven't you?

**Mr Raptis**—That is always something that you will—

**Mr ANDREN**—Compensate by trimming that back.

**Mr Raptis**—That is what we call finetuning. Later on, you come along and take another couple out.

**Mr FITZGIBBON**—I think Mr Raptis just answered my question, but I think—correct me if I am wrong—you just put a positive case for both input and output control, so I suppose it is a matter of the right mix relative to the particular fishery we are talking about. That is the bottom line, isn't it?

**Mr Raptis**—You have to have a system that is workable to the fishermen. If you impose an unmanageable system on the fishermen, they try to work around it. Maybe if they have not got a quota for gemfish but they have got blue grenadier—they need to catch their blue grenadier quota—and if they have not got quota and they cannot lease it from anybody else, what are they going to do with it? They are going to get prosecuted if they take it ashore, so they throw it over the side.

**CHAIR**—Mr Raptis, I think we have finished with our questions to you. Are there any issues that we have not asked you about that you would like to raise at this point?

**Mr Raptis**—With respect to the south-east trawl fishery, there is going to be a bumpy road ahead, and my advice to people in government would be to fix it. Go back to the system, irrespective of how unwieldy that bowl of spaghetti is, and follow the threads through and fix it. That is going to be a major

festering and it will continue and there will be court cases and they will continue. You have to go right back to the beginning and reallocate it on units.

Another thing was that AFS made promises that AFMA have not kept, in that we were told when the quota came through that we could go and catch that quota with whatever size boat we want, even if we want to go and charter the *Queen Mary*, because it is quota. How can they turn around and say, 'Oh, but we've got a 32-metre rule'? What does the length of the boat have to do with it when you have a right to catch your own quota to make a living, and then they turn it around and say, 'Oh, but you have to have a boat less than 32 metres.' We were told, when quotas come in you could go and catch it with the *Queen Mary*. That is what Bernie Scott told us. What right does AFMA have to say that you use a certain vessel? The length of the vessel does not make any difference to the amount. If a person likes to use a 50-metre boat and catch their quota in two weeks, what right have they got to deny that person the use of it because he or she is only catching their quota? It is theirs. You can take the quota away from them and say, 'Look, the fishery can't support it,' but once you have allocated somebody a quota, why do you need to dictate to them how they will catch it?

**CHAIR**—Thank you. We have taken all of those comments on board. Thank you very much for appearing here today.

### **Luncheon adjournment**

[1.58 p.m.]

**GILMORE, Mr Trevor Ray, 25 Centenary Road, Streaky Bay, South Australia 5680**

**CHAIR**—Welcome. In what capacity do you appear here today?

**Mr Gilmore**—I am a rock lobster and shark fisherman in South Australia, endorsed with the South Australian northern zone rock lobster, with a southern shark Commonwealth and state fishing authority.

**CHAIR**—The committee formally receives your submission, agrees that it be taken as evidence and authorises it for publication. Do you wish to make any changes to that submission?

**Mr Gilmore**—I would like to add point No. 7. I have it noted on the original here, ‘the GAB marine park’. Do you want an elaboration on it? That is all I put on the original.

**CHAIR**—If you would please, yes.

**Mr Gilmore**—To elaborate on that, I suppose I have put it on there because it is an issue that has arisen only recently. ANCA are asking for the possibility of a Great Australian Bight marine park to be formed in conjunction with a state GAB park that is formed at the moment. As far as where I am coming from, I would like to see support from AFMA so that the same thing does not happen in the Commonwealth as happened in the state, where there are total exclusion zones to fishermen and they are not allowed to fish there at all for 12 months of the year.

As a personal observation, as far as the material that has been put forward by ANCA, I cannot see any reason why fishermen should be excluded. I have not seen whales, if it is the whales that they are worried about in that area. They are usually close in to the coast. They move along the coast, more so than straight from sea to the coast. If they want to close it off for other reasons—for ecological reasons of the bottom—then I suppose that is a different issue and should be addressed differently.

**CHAIR**—In saying that you want AFMA to be involved in the process, by that you are meaning that you want full consultation by AFMA on your behalf?

**Mr Gilmore**—And support.

**CHAIR**—And support. Would you go through the MAC process in that?

**Mr Gilmore**—Yes. That is the way that I would like to see it happen. I do not believe that the fishing industry got much support in the state issue. The decision really was made before they came to industry and a token effort was made to appease industry, if you like. They did not really listen to industry with its views.

**CHAIR**—Would you like to make any general comment, firstly about some of the other points that you have raised with us in the submission?



**Mr Gilmore**—Point one is probably pretty self-explanatory. I believe that the standardised catch and effort and returns over the whole of the southern shark fishery is very important. I really believe it has been a bit slow happening. It is happening. Prior reporting is one of the things that is being brought in to initially start it, but the logbooks at the moment are different for each state, I believe. We should have had uniform logbooks before now. Some of the decisions that have been made, without this information, may be detrimental to the industry in the future.

**Mr ADAMS**—What do you mean by detrimental? Is it not going to be in the interests of fishers?

**Mr Gilmore**—No, it could be detrimental to fish stock as well. One of the things is mesh size: since I have been on the Shark MAC I have been trying to stop the introduction of a maximum mesh size of six and a half inch mesh, because I do not believe there is any conclusive scientific evidence to show that this will stop the catching of mature school sharks, which is the species that are supposedly having problems. I really believe all that this mesh size is going to do is kill more smaller sharks. It will still kill the larger sharks—this is a personal thing and there are a lot of fishermen who agree with me—

**Mr ADAMS**—Is this because they stick their nose in?

**Mr Gilmore**—That is right. It does not matter whether the shark is 16 foot long or six foot long, or whether the mesh is six inches or two inches, it stops it. It impedes it from swimming forward and no shark species can survive unless they have a water flow over the gills. Impeding their progress forward does not particularly panic them, but it is like locking yourself in a very small airtight room: if you suffer from claustrophobia you would panic, but if you did not, you would just go to sleep not wake up because you would run out of oxygen.

This is what happens to a lot of the sharks. They go to sleep and lay over on the ocean floor. They never wake up. They are too big to actually physically mesh in the shark mesh. When the fisherman lifts the mesh, some of them are left on the bottom, they just fall out at the bottom. Some fishermen do notice them actually falling out of the net when they are retrieving the net because they slide out of the net or just fall out. Dead carcasses just drift down into the water.

That is why I am saying it could be detrimental because if we are killing smaller sharks as well as the larger sharks we have not really done anything—we have gone backwards. At this stage there is no evidence to show that the sharks do bounce off. I would not say that some do not bounce off, but there are not even any graphs to show what bounce off you need to gain—whether it is a 50 per cent bounce off or a ten per cent bounce off.

**Mr ADAMS**—Okay. This is the school shark, right? The scientific evidence says that there is a reduction in them, right? If there is a problem, how do we solve it? How do we reduce the catch, the effort on this fishery?

**Mr Gilmore**—That is a good question and I do not want to be too critical of AFMA because I realise they made this decision before I was on the MAC and some of the previous MAC members believed that that was the way to go. There was a petition of 29 fishermen in the area affected that was presented to AFMA

and they did not take any notice of it.

**CHAIR**—They were presenting anecdotal evidence, were they?

**Mr Gilmore**—They were fishermen who believed that the sharks were being killed, that they did not bounce off. They did not want to kill the smaller ones as well.

**Mr ADAMS**—But they did not have a solution?

**Mr Gilmore**—No. Everyone comes up with solutions. Go to quota, only allow so many fish to be caught—that is a solution. Another solution would be massive net reductions. You would be talking in the order of 90 per cent reductions, at least, to come close. You take away half the nets, the sharks will still get caught—people will just catch twice as many. You have to really have a massive reduction. These are all the things that have been put up. Area closures will stop the shark being caught in that area, but they have got tails and they migrate and they swim out of that area, so all they will do is accumulate in larger schools and swim into another area and get caught. The MAC is looking at it and AFMA is looking at that at the moment with school shark. I am really dead against quotas as a rule but it is the only way that I can see that you can control the catch of a species.

**Mr ADAMS**—What about hook fishing? You are a net shark fishermen. What about using hooks?

**Mr Gilmore**—As a method of controlling the catch?

**Mr ADAMS**—Yes.

**Mr Gilmore**—You are still going to catch the same sharks. You will not catch as many because sharks only take hooks when they are hungry, whereas they swim into a net at any time. If it was purely hook fishing and you brought in the fact that you have had to throw back the large females or something like that, yes, that is a possibility. But it is like going back to horse and plough in agriculture.

**Mr ADAMS**—You were talking about the register of fishing rights. What do you mean by that?

**Mr Gilmore**—At the moment we operate under a fishing permit and we are going to get a register of fishing rights. There is no doubt about it. It is going to happen but I suppose AFMA can be criticised that it has taken 10 years and it still has not happened. I am not saying it should happen rapidly anyway; a lot of these things should be looked at really thoroughly. At the moment we have a consultant that is looking at proposals to limit the catch of school shark. I suppose they will come up with a management plan out of all this, which will then end up with a register of fishing rights. That is happening rather rapidly at the moment; it is all going to be in according to AFMA on 1 January 1998. That is 12 months. That is not a lot of time when you are talking the livelihood of the shark fishermen forever afterwards. Then again, some people would say it is too much time.

**Mr ANDREN**—I have two questions: one about the school, the other about the gummy sharp. You said that school shark is ‘supposedly’ at risk; they were the words used. Do you suspect that they are not at

risk given the fact that the BRS says three times the fishing effort is needed to catch school shark, compared with that in the mid-1970s? Do you agree with those statistics?

**Mr Gilmore**—Let us go back to the uniform log books. We have not even got them and everything is pretty airy-fairy about the figures that they have got. They are working with the best information they have got and any fishermen will agree that there are less school sharks on the ground today than there were back in the early 1970s or late 1960s. But scientists told us back in 1986 that by 1990 there would not be a school shark left in the water to catch and we are still catching 900 tonnes a year. We will probably catch more than that this year. I do not believe they know the full extent of the range of the school shark and where it is coming from. I am not saying that we still should not cut back on catches, but I believe we are still erring on the conservative side. They do know now that school shark interact with school shark from New Zealand and I believe they must interact with school shark from elsewhere as well. Otherwise why do they keep turning up? We have another species of shark which does not get mentioned—the whiskery shark—and it is almost history. That must be a local population and they have certainly declined. If you were relying on the whiskery shark as a commercial fishery, you could forget about it today. People could not economically make a living out of it.

**Mr ANDREN**—Are you confident that, say, with the gummy shark, that 40 to 55 per cent of the original biomass is there? How do you suspect they arrive at those sorts of figures, and do you believe that that sort biomass, if it is true, is sustainable for the gummy shark?

**Mr Gilmore**—Most of these figures are based on the gummy shark fishery in Bass Strait. They do have a lot of evidence there. The numbers have increased even though where once they could harvest a shark of 10 kilograms, now they are harvesting sharks of two, three, and four kilograms. They have to kill a lot more sharks to get the same weight. It seems to be sustainable at the moment. I cannot really debate the figures, their models, and things like that, with scientists. I could debate with them about the school shark because their history and what they set out there is not good. I believe that they are a lot closer to the mark with their school shark assessment now than they have ever been before.

**Mr ANDREN**—But being on the MAC, do you feel any obligation on your part to be more across the science input, or do you feel the need for the AFMA and the MACs to have more ability to access? You seem to be suggesting that the scientific input is a little bit separate from the management. Should they not be more meshed so that you totally understand where they are coming from?

**Mr Gilmore**—I have only been on the MAC since May. I have attended one meeting. It was not a scientific sub-committee; it was the planning one. But I am not on any of those committees; possibly, in the future, I may be. They have had fishermen on those committees before, so I believe that the scientists and industry in the last two or three years anyway have been working together reasonably well on the issues that you are saying. I believe that industry is getting better representation all the time. It is probably still not excellent on the MAC, but it is far better than it was on the previous MAC.

**Mr FITZGIBBON**—Do you have any problem with the representation?

**Mr Gilmore**—No. It has nothing to do with the quality; I am talking about the range. The quality

might not be as good, but the depth and range over the whole fishery is better today than it was in the previous MAC.

**CHAIR**—You are getting more input from a wider cross-section?

**Mr Gilmore**—From different types of fishers. I am what people refer to as a B5-unit holder. I believe that every unit is equal—I am a 5-unit; someone else is a 10-unit. But these smaller unit holders have never had representation on the MAC before?

**Mr ADAMS**—That is based on the size of the catch, is it not?

**Mr Gilmore**—Originally, it was, yes. In 1986 when the original criteria came out, there was a criteria.

**CHAIR**—It is not based on that now?

**Mr Gilmore**—No. Now, every unit holder has however many units, and each unit is 420 metres long. So, all units are equal.

**Mr ANDREN**—It strikes me that this concern over marine parks is but the tip of an emerging iceberg, perhaps. Confronted with the sorts of figures that we have got: that three times the fishing effort is needed to catch the same as the mid-1970s; the over estimation of the orange roughy situation; the crisis in the eastern gemfishery; the inability of the east coast trawl to get its act together, now the message is being sent to conservationists—and I am only looking at their point of view—that this industry has not got its act together. There is going to be more pressure for more parks, if only as a holding operation. Would you agree with that scenario, and do you see any imperative for a greater conservation representation in the industry on the MACs, and so on?

**Mr Gilmore**—I think it is important that we have got conservation representation on the MACs, we have got a full time conservation observer, Mr Glenn Slant, on the Shark MAC. I think it is very important. Going to the GAB, I just think that's a bit like—no, I won't say it.

**CHAIR**—Now's your chance.

**Mr Gilmore**—It is a bit like Aboriginal land rights: they put a claim over everything, hoping to get something.

**Mr ANDREN**—Do you see the imprecision of the science in establishing biomass and the fear perhaps of those that say, 'They haven't got a handle on what's there, so let's protect as much as we can.' Obviously we have learnt in the last couple of days that it is a real concern for the local industry.

**Mr Gilmore**—On the state issue, I am a northern zone rock lobster fisherman. It is probably the fishery that was impacted most by the Great Australian Bight Marine Park that has been declared in state waters. It has taken away in the vicinity of two and a half to five percent of the annual income of that whole

fishery. To go a bit further, the industry is looking at getting compensation for that so that it can buy effort out. Basically, it can take out two and half percent of the operators so that the fishery remains stable.

Government, and I believe I can say this in here, issues veiled threats. If you go to government with these sorts of things—that you want compensation for it because there have been cases where compensation has been paid—they will then impose resource rent taxes and things such as that. The issue is then whether you take the punt and try to stabilise your industry by getting compensation and perhaps face having the government force a rent on you. It's pretty nasty.

Basically, the Great Australian Bight Marine Park was put there for whales. The rock lobster fishermen and shark fishermen have been fishing there for 50 or more years and the whale population has increased, with no problems. Why can't there still be access to the fisheries? While the rock lobster fishermen are there, there are no whales there. The whales come after the lobster fishery and disappear before it starts. Why that couldn't have happened, I don't know.

Getting back to the ecological argument, they want to protect the bottom, and they want to look after the seaweeds and the reefs and things like that. As I said in my submissions, I have no argument with that. But if governments are going to make a decision to exclude rock lobster fishermen, they must exclude all fishermen. But they have not done that. They still allow recreational fishermen to fish in the exclusion area. They still allow recreational divers to dive in the area, drop anchors and damage the bottom that they are so worried about. It is a one-sided thing.

I spoke to the minister about it on the night of the day that he had released it in Port Lincoln. He said he did not realise that the recreational fisherman could still fish off the beach. He did not realise that people could still go in there with boats and anchor them. Yet he has just carved two and a half to five percent of a fishing industry's income. If the fishermen get the support of AFMA, and we work with conservationists, I believe we can have a conservation park where everyone can be happy. There are some fisheries that may damage things permanently so perhaps you have got to exclude them.

**Mr ADAMS**—Trawling.

**Mr Gilmore**—Yes, that would be an example.

**CHAIR**—You have identified a number of problems and it seems to me that—I do not want to put words in your mouth—the problem of research is an obvious problem. Do you think that industry should be contributing more to research?

**Mr Gilmore**—I think I mentioned, on point 6, that the fishing industry is to blame in the past. I have 'better representation needed' in front. And really the fishing industry should be blamed. You cannot blame AFMA because AFMA has been working with the fishing industry as it has been able to. People have jumped up and made themselves obvious and put their views across and, whether it is one sided or not, AFMA have accepted that view as being the view of the total fishing industry. That is where the fault has been. But I cannot blame AFMA for that—that it has not been a balanced representation of fishermen. I can only blame the industry itself, that it has not represented itself—

**CHAIR**—You have actually told us though that there is better representation now on the MACs, so that the management structure of AFMA certainly has improved. It is one thing having better representation, but if the knowledge that those people on the MACs are getting is not the most up-to-date knowledge, surely there is still a problem. So we come back to research.

**Mr Gilmore**—Research has been led a little bit by industry in the past. This is just a scenario: if it was one group of industry that was controlling the input into AFMA, that was the way the research was going. If there was a vested interest in proving something, then that was the way the research was going. I believe the research was a bit unbalanced because of that.

This mesh size is a classic example. I believe that in the future the scientists will come out in favour of saying, 'No, we were wrong.' It is pretty hard to get anyone to say they are wrong, once they have made a decision.

**Mr ADAMS**—Politicians do that.

**Mr Gilmore**—Yes, it is going to be pretty hard. But I believe they will come out. I went up to the world fishing congress in Brisbane and I spoke to one of the scientists that gave a paper there. I said, 'It really annoys me.' He said, 'Why?' I said, 'The whole of Australia could have egg on its face because what you are preaching there may not be right.'

He was preaching that we should harvest the small fish and allow the big ones to go and he is preaching this to the rest of the world. I went to the graphs, showed him the graphs, we discussed it and he started to think in a different way because it was a different fisherman with a different view, perhaps pushing a different wheelbarrow, whereas there had been a group of fishermen that had been targeting the scientists before, who were fishing with a six-inch mesh net, which is the smallest you are legally allowed in a fishery.

That group of fishermen were probably harvesting the majority of the fish. They did not want to have any impact on their method of fishing so they would use the scientists—whether the scientists knew it or not, and they probably did not—and twist the scientists and mould them so that their part of the fishery did not get affected. Yet they would try and use another part of the fishery to right the problem.

I suppose I have to talk about the power base of shark fishermen in the Bass Strait area that have basically controlled this fishery in the past. They have directed the scientists—unwillingly or willingly—to leave them alone and look at other areas to stop the rot, if you like, whereas they should have looked over the whole area. The scientist is probably looking over the whole area, but they always come up with arguments.

Someone asked me a question about 30 or 40 per cent of the gummy—am I happy and comfortable with that? All the Victorian fishermen think it is great. The gummy is healthy and they say, 'There are no problems here. Leave us alone. Let the others do all cuts and that. We are okay. We have proved we are okay.' It is the same fishery and the cuts have really got to be across the board and balanced.

I do not want to be too critical of AFMA. I have also put in there, point 6, state versus

Commonwealth management of fisheries. I believe that with AFMA we are getting far cheaper management than we would be if it was done with the states.

**CHAIR**—Could I just take you back. You are not the first person to have actually given us an example of that issue up in Brisbane where the scientists were saying one thing and the industry were questioning whether that was really a viable way to go for the future. Does that indicate that industry and the scientific community are still a fair distance apart? Is there a suggestion that you could make to us through the structure of AFMA to bring the two closer together? Is it through the MACs?

**Mr Gilmore**—Only being on the MAC since May, I would have to say that I believe scientists and industry are working fairly closely together today.

**CHAIR**—And yet you and others have given us examples where industry and science are miles apart.

**Mr Gilmore**—Yes, but that is in the past. This has all happened in the last four or five months. I think the scientists are going to come back with graphs and things in the very near future. I have not got it with me, but in last year's assessment of the shark industry—the school shark, gummy shark and the total industry—scientists in there said, and this is one of the points I made to AFMA, 'There is minimal impact by going to a smaller mesh size'. There is minimal improvement that they can see. So they have already changed in that six months from saying that it is going to save the industry to saying it might not have any impact at all. I believe that in six months time they will be saying, 'Hey, this could have a detrimental impact. Some of the fishermen may have been right.'

It is always hard to go back up a mesh size, if you people can understand that, than go down, because once you fish a fish stock down to a smaller carcass size, if you go up a mesh size, all those fish for 12 months will swim through the net and not get caught, so the operators are going to go broke while they are waiting for the fish to increase in size. And that has been the problem all the time—personally, as far as I am concerned—with Bass Strait, that the operators fish down to this minimum size of six inch. If they had been legally allowed to go to five inch they would have gone to five inch, but they were stopped at six inch and they are not allowed to go any lower, and if anyone mentions that they should go up to seven, even six and a half, the fish would almost double their weight in 12 months, so they can harvest almost twice as much weight in 12 months time, but for 12 months they are going to catch nothing, and they scream they are going to go broke. And it is reality—they would go broke. So they are locked down on this small mesh size.

That was one of the points that I brought up when I was crusading to keep the mesh size at seven inch on the west coast from Kangaroo Island west at least, that in a year we will fish the fish down. We will all catch more shark, we will all make more money this year because we have gone down a mesh size—we will catch the big ones and we will catch the small ones. A few of the big ones will drop out dead, but we will sling our nets really loose so we will still get a fair few of the big ones. But then after 12 months we have fished them down to that smaller mesh size, so then the catches will go down in 12 months time, and if some one says to us, 'Let us go back and go back up to seven inch,' we have got to put up with a whole year of not catching fish.

**CHAIR**—Could I just take you to point 5 in your submission where you talk about paying tax and

cost of administering the fishery now. Will you just expand on that?

**Mr Gilmore**—I was reading through one of the summaries faxed to me from this inquiry, and one of the things it looked at was the payment in the nature of a community return. I am personally quite opposed to that. I am sure most fishermen are. I believe we pay tax and we pay the cost of administering the fishery today—the costs that come from the shark fishery to administer the shark fishery in the Commonwealth. Under the next point I have put ‘Common Property Resource’. What is that? That is what the fishermen get thrown at them by bureaucrats all the time—‘It is a common property resource so you should be paying something back to the community.’

**Mr ADAMS**—Do you understand what they mean?

**Mr Gilmore**—I understand what they are on about but I do not believe it is an issue. Two hundred years ago in this country, no-one owned any land; there were no farmers, they did not own any land. Today they own land and if you suggested to them that that was common property and the whole community should be getting a return from it, they would be up in arms over it.

I believe, as a southern shark fishermen, if there are 130 of us, I am a part-owner of that fishery. I pay levies and things towards the management and the running of it. I do not believe that this issue that bureaucrats keep throwing up as a means of trying to raise more money—a resource rent they call it, or something like that—should even be entertained. I do not think you will find a fisherman that agrees with it, and you can probably understand that.

**Mr ADAMS**—It is not common ground out there I do not think.

**Mr Gilmore**—No.

**Mr ADAMS**—The fish do not belong to the people, they belong to the fishermen. That is basically what you are saying, is it not?

**Mr Gilmore**—No. I am saying that the right to catch the fish belongs to the fishermen. Anyone of the people can go out and buy that right, just the same as any person can go and buy a farm. Anyone can go fishing if they want to, they just go and buy the right the same as the farmer goes and buys the right to go farming. And that is the way it should be and that is why I have got down there, ‘Register of Fishing Rights’, underneath.

**CHAIR**—Mr Gilmore, I think perhaps we have exhausted the questions to you. Are there any issues that we have not covered that you would like to raise in conclusion?

**Mr Gilmore**—Yes, I did have three other issues there you have not raised. On the OCS agreement, I think that is going to slow up this whole management plan.

**CHAIR**—I think there is general agreement within the industry that it already has.



**Mr Gilmore**—Yes, but nothing seems to be happening on the OCS scene at the moment and yet everything else is being done towards having a management plan brought in by 1 January 1998. I think there needs to be some stirring up with that.

**CHAIR**—I think it is our understanding that things are happening but perhaps that information is not coming back to industry.

**Mr Gilmore**—That things are happening?

**CHAIR**—That things are moving, yes. Anyway, we will take that on board.

**Mr Gilmore**—The other point I have got there is the SEFNTCC. I have a problem with that. This is the South East Fishing Non-Trawl Consultative Committee. It has just become an issue. They are wanting to put shark fishermen on quotas and basket limits. Quotas I do not have a problem with. If everyone is being quotaed, you have to be quotaed. You cannot quota one sector and not quota another, every sector has to be quotaed. But if you are not quotaing one sector on other scale fish, why should you quota the original sector on a basket limit that they are putting on?

Scale fish have always been a target species of shark fishermen and this SEFNTCC is a fishery that came out of people that missed out of being in the shark fishery. So they started a new fishery, and they are trying to take stocks by creating these basket limits out of the shark fishery to create a new fishery. I have a real problem with AFMA supporting people starting another fishery out of an existing fishery.

**CHAIR**—You have the opportunity though, through the MAC, to speak about this issue?

**Mr Gilmore**—I have been, yes, so that is no drama.

**CHAIR**—We have also noted that.

**Mr Gilmore**—The other point I have got is trawlers. I was in fisheries management in South Australia 10 or 12 years ago on SAFIC for several years. We always brought up the issue of trawlers catching shark. I am not sure if it was 10, 12, or 15 years ago, but the trawlers sent a representative along to a SAFIC meeting after letters backwards and forwards. It was young George Raptis that came along. His answer was, 'We don't catch shark. Leave us alone. We don't want to know about it. We don't want to pay levies'—this was when they were talking about introducing levies into the shark fishery—'We don't want to be part of that.'

Today, the figures show that the trawlers catch in the vicinity of 160 tonnes. That is what they show. It is probably much higher than that. I can speak to skippers on boats that have landed more shark in one trip than is shown for a month for the whole fishery. Whether they are not putting in returns, I do not know.

**Mr ANDREN**—Is that being dumped?

**Mr Gilmore**—No, they sell it. Why are they going to dump a fish that they can get \$8 a kilo for

when they are trawling for fish that they get—

**Mr ANDREN**—Have they got a quota for the shark though?

**Mr Gilmore**—No.

**Mr ADAMS**—There are no shark quotas.

**Mr Gilmore**—No.

**Mr ADAMS**—But you are opposed to quotas?

**Mr Gilmore**—Only inasmuch as I believe it stifles the individual wanting to get out and work a bit harder or not work harder. But I see no other way to bring school shark catches from 900 tonnes down to 520 tonnes than with a quota. That is being realistic.

But trawlers: imagine you are a trawler operator or a trawler skipper and you are fishing for fish which are worth \$1 a kilo or 50c or 70c a kilo for flathead—\$2 a kilo maximum. You set your nets away and you pull up 300 or 400 kilos of school shark in your net at \$8 a kilo. So what do you do? You do not think, ‘Oh, these are protected species. We’ve got to look after the poor old shark fishermen. We’ll got out there a bit further and we won’t worry about that.’

You turn around and you go straight back on the same depth, the same sort of bottom, and try and get 400 kilos of school shark, because you are making more money out of getting your school shark than you are getting tonnes and tonnes of the other fish. It is all very well for the trawlers to say they want to be left alone.

**Mr ADAMS**—The only way you will get on top of that is by having a quota.

**Mr Gilmore**—Yes, but I believe they should have a by-catch limit—five carcasses, 50 kilos and throw the rest over the side. It is alive. They can throw it over.

**Mr ANDREN**—They will survive.

**Mr Gilmore**—If they do not, at least they will not shoot back the next time and try and catch more of them if they have got to throw them over. In South Australia, the prawn trawlers in the gulfs have to throw those fish over. If they catch shark, they have to throw them over—dead or alive, they throw them over. They are not allowed to land them. I believe that is an option.

Otherwise if the trawlers want quota, they buy it off shark fishermen when it goes to quota. But I know what is going to happen—there is a lot of money tied up in trawlers—they will be in there when quotas come about and they will say, ‘We want our share of the quota,’ in the beginning. They will say, ‘We catch 160 tonnes’—in fact, by that time, they will have it up to 320 tonnes. They will say, ‘Yeh, we want 25 per cent of the school shark quota.’ So that is a problem as far as I am concerned. They have never wanted it

before. They should not be even given a sniff of it when the cake gets cut up. They should be able to buy it off shark fishermen if they want it in the future. That is the last issue I have got.

**CHAIR**—Thank you very much, Mr Gilmore. We appreciate that you have travelled quite a distance to come here today, so thank you for that.

Resolved (on motion by Mr Adams):

That, pursuant to the power conferred by paragraph (o) of standing order 28B, this committee authorises publication of the evidence given before it at public hearing this day.

**Committee adjourned at 3.42 p.m.**