

F2000/0531

1 November 2000

Dr John Carter
Sectional Committee Secretary
Inquiry into Coastwatch
Joint Committee of Public Accounts and Audit
Parliament House
CANBERRA ACT 2600

Dear Dr Carter

INQUIRY INTO COASTWATCH

I refer to your letter of 21 September 2000 regarding your Committee's inquiry into Coastwatch in which you sought AFMA's response on a number of additional questions. I will address each of those questions individually.

Information arising from the hearing of 8 September 2000.

The Committee wishes for more information relating to the rate of apprehension of foreign fishing vessels. Would you provide:

- *the consolidated data you provided at the hearing on 8 September 2000, but broken down into vessel type;*

I have enclosed tables at Attachment A providing a summary of vessels detained BY PORT for the period 1994 to 7 September 2000. This is subsequently divided into type of vessel in the table headed BOAT NUMBERS BY TYPE. Boat numbers for the period 1994 to 7 September 2000 are also provided BY AFZ SECTOR (which relates to the sectors detailed on the attached map (Attachment B)) and BY PRIMARY TARGET SPECIES.

- *rate of apprehension data for the last 12 months (again broken down into vessel type);*

I have also enclosed an updated Rate of Apprehension of foreign fishing vessels map to cover the period 1 January 1999 to 31 December 1999 (Attachment C).

- *trend data for the last 5 years (again broken down into vessel type);*

I have provided this information in my response to the first question. The overall trend has been a peak in the number of apprehensions in 1997 with ongoing apprehensions at approximately half that number in each subsequent year. The increase in numbers in 1997 (as in the previous peak in 1994) was due mostly to a

dramatic rise in the number of Type III vessels apprehended. Shark has become the overwhelmingly most important target species.

Would you also provide similar information for the Torres Strait and other areas of Western Australia?

The above data covers the area of the Torres Strait Protected Zone and provides trend data over a seven year period. There have been no apprehensions in that period in waters off Western Australia south of the line indicated on the map (Attachment C).

The relationship between Coastwatch and its clients

Do you think a purchaser/provider model would increase the effectiveness of Coastwatch?

AFMA's experience is that the purchaser/provider model provides a reasonable basis for allocating resources when there is an adequate market and no market failure. In this situation the market is severely limited by the specialised services required and the size of the assets involved. The ability to periodically test the market is further limited by security issues. As an example of this, in sourcing a vessel to conduct the civil charter in the Heard Island and McDonald Islands area AFMA encountered significant difficulties in locating appropriate tenderers because of the security requirements. For the type of services that AFMA requires (an armed and manned vessel capable of apprehending foreign fishing boats) the number of potential suppliers will be very small, possibly, only the defence force or an enhanced Coastwatch.

AFMA is already encountering further difficulties in maintaining flexibility in dealing with a private sector supplier who has to balance competing priorities where AFMA is the secondary charterer.

The role that Coastwatch is required to carry out involves providing surveillance platforms and coordinating compliance activities. The "at sea" element is only one part of the compliance package. Coastwatch coordinates detection of illegal operators with the response to those incursions. AFMA is concerned that Coastwatch will not have access to the most appropriate response platforms while decisions on the acquisition of those platforms are made outside its area of influence. AFMA became directly involved in HIMI enforcement because of the lack of appropriate platforms available through Coastwatch and would need to continue that program unless there is a dramatic change of focus of Coastwatch and/or the defence force. The fact that the current program has operated successfully and could form the foundation of a larger program when the requirements of the United Nations Fish Stocks Agreement (UNFSA) come into effect means that AFMA would seek, for the time being, to maintain its direct control over at least the budget for this program.

AFMA also has concerns about how the general application of a purchaser/provider model would work in practice. If each agency was provided with adequate funds to purchase its own surveillance and response capabilities, it could lead to a duplication of effort in various areas and, if different suppliers were selected by different

agencies, difficulties in coordinating activities. It would also be unlikely that individual agencies could avail themselves of the economies of scale available to Coastwatch.

If the model introduced involved allocation of funds to agencies to bid for services from a common supplier it could lessen the degree of cooperation amongst agencies and decrease the effectiveness of coordination. Allocation decisions would be based more on individual agencies' budgetary position than the overall national benefit.

Under existing arrangements there is considerable flexibility in responding to changing priorities, for example, by retasking surveillance platforms at short notice from fisheries to immigration duties. This flexibility would be lost if changes in priorities were to be achieved through changes in individual agency budgets. This could introduce considerable lags in responding to changed situations. For example, it is unlikely that an increase in the requirement for fisheries surveillance would immediately be matched by an increase in funding, given Government funding processes.

There would also be difficulties of quarantining funds diverted from Coastwatch within individual agency budgets, which could lead to an overall reduction in the surveillance effort.

Is AFMA satisfied with Coastwatch current client task ranking process?

There are two areas to address in this question, the first being the forward surveillance plan and the second being how Coastwatch deals with competing priorities.

In regard to the forward surveillance plan, Coastwatch has, in recent months, changed the forward tasking process with its clients in an attempt to provide better service delivery. At this time, AFMA is generally happy with the level of assets deployed against our tasking requests in relation to the forward surveillance program.

In relation to the ranking process used to determine competing priorities in response actions, AFMA is unaware of how competing priorities are determined at the day-to-day operational level and whether a standardised ranking process is used to determine the outcome of these competing priorities. Although AFMA is involved in the overall planning process through the Operations and Planning Advisory Committee (OPAC) and the Planning Advisory Sub-committee (PASC), this relates to programmed surveillance activities and does not cover response situations.

Are you aware of AFMA being favoured or disadvantaged as a result of Coastwatch's non-standardised client ranking processes?

For the most part, AFMA's requirements are met in relation to its requirements for surveillance. However, AFMA accepts that national priorities dictate operational changes and, therefore, rarely takes issue with changing priorities in relation to such matters. AFMA would, however, seek to be notified of changes in asset deployment in a more timely manner and that adverse impacts are minimised. Where AFMA has

most been affected in the past is when there are competing client priorities in response actions. This is usually when the competing priority relates to immigration matters.

Although generally satisfied with the resources being allocated to fisheries taskings, there are instances where AFMA interests are considered to be of less a priority than that of other agencies. These have included the releasing of apprehended fishing boats to enable a surface platform to respond to immigration taskings. On other occasions, where AFMA wishes for aerial platforms to remain covert for operational reasons, aircraft are tasked to fly overt and to determine the nationality and numbers of persons on board suspected illegal fishing vessels. This can impact negatively on AFMA's ability to apprehend and prosecute where fishers dispose of evidence and depart the AFZ as a result of being alerted before the surface support arrives.

In summary, AFMA is usually able to obtain access to adequate surveillance resources, except in times of major national focus on issues such as immigration, because of its ongoing involvement in the planning process, but is less confident of securing a response capability when required.

The effectiveness of Coastwatch's new resources in Torres Strait

When the new helicopter was purchased for the Torres Strait, was AFMA consulted regarding its capabilities?

At the time of procuring the Bell 412 for operations in the Torres Strait Protected Zone (TSPZ), it was AFMA's understanding that, although multi-tasked, the aircraft was primarily for undertaking patrols relating to DIMA tasks. AFMA was aware of the impending procurement but was not directly consulted in relation to its capabilities prior to that procurement.

From AFMA's viewpoint how effective has the new helicopter been?

The helicopter is not used on a regular basis by AFMA but has been used to good effect at night on several occasions in conjunction with surface response platforms. This has resulted in the detection of offences and prosecution of offenders. AFMA is keen to increase its use of the helicopter.

Other Matters

On 28 September 2000 you sent an e-mail to Mr Geoff Rohan, General Manager, Operations, requesting a brief description of each type of vessel apprehended, as summarised in the AFMA statistics, and the threat posed by each to Australia's fisheries resources. I have set out the various types of vessels below.

Type I, Type II and Type III refer to the different size and build of Indonesian fishing boats that have been apprehended in the Australian Fishing Zone (AFZ). The differences may be summarised as follows:

TYPE I

- wooden, double ended hull
- single mast stepped almost from bow inclining aft, single sail
- cabin amidships
- sometimes fitted with fish drying racks over the cabin
- usually approx. 7-9m in length
- frequently accompanied by dugout canoes
- usually crewed by 5-6 persons

TYPE II

- wooden hull, long overhanging square stern
- mast stepped about 1/3 of length from bow, has jib and mainsail
- low cabin amidships
- often cabin covered with fish drying racks
- usually approx. 9-12m
- frequently accompanied by dugout canoes
- usually crewed by 6-9 persons

These two types of boats are usually referred to as 'traditional' type fishing boats being powered by sail and having no motorised equipment on board. Any gear is hauled by hand. The sails are usually cotton or plastic weave in coloured stripes or checks.

TYPE III

- motorised
- usually long slim hull with low freeboard
- accommodation and wheelhouse usually aft
- sometimes fitted with a short mast and bowsprit for auxiliary sail power
- usually approx. 10-25m in length
- maximum speed 8-10knots
- usually carry navigational equipment
- can be crewed by 6-20 persons, but usually 8-10

I have enclosed photographs of a typical Type II fishing vessel with its sails furled and unfurled and of a Type III fishing vessel at anchor (Attachment D). Type Is are rarely seen in Australian waters.

In regard to the threat posed by each to Australia's fisheries resources, I propose to deal with Type Is and Type IIs together.

Type Is & Type IIs

The Memorandum of Understanding with Indonesia, which was implemented in 1974, allows for Type I and Type II boats to fish within an area known as the "MOU box"

(see Attachment C). This agreement recognises traditional Indonesian access to that area.

A recently completed reef-top survey by the CSIRO of the MOU box (final report pending) has recognised the impact on collection fisheries such as trochus and beche-de-mer (trepan) and on the major target species (shark). That survey indicated severe overfishing of the sedentary species and that low shark abundance may be attributable to overfishing.

That this level of depletion has occurred with the use of non-motorised boats and equipment indicates the limited productivity of the resources in the area and the level of effort that can be applied by numerous small fishing vessels.

Type IIIs

These boats come in several shapes and forms, with differing levels of sophistication. Overall, the vessels in the past have been smaller, poorly built boats with little more than a motor, compass and fishing gear. Increasingly, AFMA is finding boats that are larger with more sophisticated levels of equipment, handling and storage. A more recent development has been the appearance of "ice boats" using insulated ice boxes and reasonably modern fishing equipment.

It is clear that there is a higher level of species-based targeting together with better-trained crews.

Although numbers of incursions into the AFZ vary, anecdotal evidence indicates that effort per boat is increasing, with boats carrying more lines and hooks than ever before.

If you require any further assistance on the matters covered in this letter please contact Mr Peter Venslovas, Senior Manager, Compliance on (02) 6272 5682 or facsimile (02) 6272 5784.

Yours sincerely

Frank Meere
Managing Director