

**Senate Standing Committee on Rural and Regional Affairs and Transport**

**ANSWERS TO QUESTIONS ON NOTICE**

Additional Estimates February 2007

**Agriculture, Fisheries and Forestry**

**Question no:** AFMA 01

**Division/Agency:** Australian Fisheries Management Authority

**Topic:** Expected impact of management plan

**Hansard page:** 7 (16/02/07)

**Senator O'Brien asked:**

**Senator O'Brien**—So, for each of the fisheries management plans that have been put into effect over the last decade, AFMA would have provided advice on the expected impact of that new management plan to the department and to the government?

**Mr McLoughlin**—Yes, because the management plans are widely consulted through industry and publicly. The consolidated comments on the effect of the implementation of those plans—most of which have been very strongly supported by industry—are identified, because it is ministers during that period that have been signing off on those plans to turn them into law.

**Senator O'Brien**—Can we see copies of those views that were arrived at by AFMA in relation to the expected impact of the management plan?

**Senator Abetz**—If it is advice to government, I dare say not, but we can take that on notice and see what the protocol around that is.

**Answer:**

Division 2, Part 3 of the *Fisheries Management Act 1991* deals with the determining, amending and revocation of plans of management for fisheries. To a large extent, the obligations are the same for the determination, amendment and revocation of plans of management: s20(5).

Generally speaking, The Australian Fisheries Managements Authority (AFMA) has a duty to determine plans of management for all fisheries: s17(1). A 'fishery' is a class of activities by way of fishing, and includes activities defined by reference to all or any of the matters set out in the definition of 'fishery' in s4(1).

Before AFMA can determine a plan of management, s17(1) requires AFMA to:

- consult with such persons engaged in fishing as appear to AFMA to be appropriate; and
- give due consideration to any representations mentioned in s17(3).

The representations mentioned in 17(3) can be made in relation to a draft of the plan of management, which AFMA must prepare. AFMA must also issue a public notice that it intends to determine a plan and invite 'interested persons' to make representations in connection with the plan:s17(2). Section 17(4) describes how public

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notice is given. It involves a Gazette notice, a notice published in a newspaper circulating in each State and Territory and in such other newspaper or publication (if any) that appears appropriate to AFMA in the circumstances.

In addition to public notices under s17(2), AFMA is required to notify the terms of the public notice to all persons and organizations listed in the register established under s17A:s17(2A). AFMA is required to give annual public notice inviting persons and organizations to have their names and addresses entered, and remain, on the register. Public notice is given as described in s17A(7).

It is also usual for AFMA to prepare a Regulation Impact Statement in relation to the determination, amending or revocation of a plan of management in accordance with the requirements of the Office of Best Practice. Finalised Regulation Impact Statements are publicly available through the Australian Government Attorney General's Department, at ComLaw - Federal Register of Legislative Instruments on the Internet.

After determining a plan of management AFMA must submit the plan to the Minister and inform the Minister of the nature of any representations it received and the consultations it conducted, before determining the plan:s18(1). The Minister must accept the determination, amendment etc if it appears to the Minister that, inter alia, AFMA gave due consideration to any representations it received and conducted adequate consultation, before determining the plan: s18(2).

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**Question no:** AFMA 02

**Division/Agency:** Australian Fisheries Management Authority

**Topic:** Revenue from levies and license fees

**Hansard page:** 9 (16/02/07)

**Senator O'Brien asked:**

**Senator O'Brien**—The annual report talks about the subsidised levies, does it, and the PBS talks about actual levies?

**Mr McLoughlin**—The budget for fisheries management would be as outlined in the annual report. The funds that come through from levies, which are administered funds, would be—

**Senator O'Brien**—It is the budget for revenues from levies and licence fees that I was talking about.

**Mr McLoughlin**—I do not have the annual report with me, but I can provide you on notice with a breakdown of where the funding has gone.

**Senator O'Brien**—Thank you for that.

**Answer:**

Total budgeted revenue for the Australian Fisheries Management Authority (AFMA) in 2006/07 can be broken down as follows:

	\$'000s
Industry levies and license fees	8,271
Levy subsidy	7,000
Other Government funding	44,777
Other revenue	2,052
Total revenue	62,100

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**Question no:** AFMA 03

**Division/Agency:** Australian Fisheries Management Authority

**Topic:** Projected drop in revenue

**Hansard page:** 9 (16/02/07)

**Senator O'Brien asked:**

**Senator O'Brien**—The forward estimates for 2009-10 on page 122 of the PBS show a drop in projected revenue of more than \$11 million. Why is that?

**Mr McLoughlin**—Page 122?

**Senator O'Brien**—You will see the out years drop down from \$66 million to \$54.68 million.

**Mr McLoughlin**—Senator, that reflects the phasing down of the \$21 million over that period of three years. That is what I believe to be the case, but can I confirm that. Given that that \$64 million in the forward estimates for 2007-08 reflects the fact that we are still in a levy subsidy and research subsidy period, that phasing down will be what that represents. But I need to confirm that for you, and that can be part of the additional advice that I provide.

**Answer:**

The reduction in revenue between 2008-09 and 2009-10 on page 122 of the Portfolio Budget Statements (PBS) of around \$11.3m is comprised of two main elements:

- (a) lapsing of around \$9.5m in the 2008-09 estimates for the construction of boat destruction facilities; and
- (b) lapsing of \$2m in funding per year for 'improved science, compliance and data collection' provided through the *Securing our Fishing Future* package.

While the levy subsidy included in the *Securing our Fishing Future* package also lapses in 2008-09, the current forward estimates assume that levies charged to industry will increase by a corresponding amount, with no impact on the total revenue for Australian Fisheries Managements Authority (AFMA).

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**Question no:** AFMA 04

**Division/Agency:** Australian Fisheries Management Authority

**Topic:** Attribution of compliance costs

**Hansard page:** 11 (16/02/07)

**Senator O'Brien asked:**

Can we get a breakdown of how our compliance expenses are expended?

Not necessarily by each fishery, but if that is simpler than an aggregated one, that will be fine.

**Answer:**

For the 2005/06 period the compliance expenditure breakdown is as per the following:

<b>Australian Fisheries Management Authority</b>			
<b>Actual Expenditure for 2005/2006</b>			
<b><u>Total Domestic Compliance</u></b>			
<b>Description</b>	<b>Total</b>	<b>Industry</b>	<b>Govt</b>
<b><u>Direct Costs</u></b>			
Salaries & Staff Related Costs	<b>563,232</b>	273,749	289,483
Consultants & Contractors a	<b>110,790</b>	55,395	55,395
Travel & Subsistence	<b>30,063</b>	14,925	15,138
Other Administrative Costs b	<b>682,869</b>	332,076	350,793
State Reimbursement Program c	<b>1,248,552</b>	624,276	624,276
<b>Total Direct Costs</b>	<b>2,635,505</b>	<b>1,300,421</b>	<b>1,335,084</b>
<b><u>Overheads *</u></b>	<b>829,940</b>	407,435	422,505
<b><u>Total Costs</u></b>	<b><u>3,465,445</u></b>	<b><u>1,707,856</u></b>	<b><u>1,757,589</u></b>

Note:

a *Consultant & Contracts*: refers to costs associated with a contractor who has been engaged to process submitted catch disposal records from concession holders, boat inspections reports and monitoring manual reporting arrangements associated with Southern Bluefin Tuna fishery tow vessel positions.

b *Other Administrative Cost*: includes field equipment, vessel monitoring systems and the Southern Bluefin Tuna fishery farm sector monitoring program of fish transfers.

c *State reimbursement program*: reimbursement to state fisheries agencies for undertaking fisheries compliance functions on behalf of the Commonwealth. These include at sea patrols, port inspections and aerial surveillance.

\* overheads are allocated based on direct costs and staff numbers.

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**Question no:** AFMA 05

**Division/Agency:** Australian Fisheries Management Authority

**Topic:** Statistics on Inspections

**Hansard page:** 12 (16/02/07)

**Senator O'Brien asked:**

Again in the annual report, the total number of trips and landings in Commonwealth fisheries for 2005-06 was 9,689; the total number of inspections was 664; 6.8 per cent of all trips were inspected by Fisheries officers; and the number of offences detected was 104 from 664 inspections, or 16 per cent. Perhaps you could advise us on notice how that compares with the previous three years.

**Answer:**

The following table details inspections and offences for the previous four years:

	<b>2005/2006</b>	<b>2004/2005</b>	<b>2003/2004</b>	<b>2002/2003</b>
<b>Total trip/landings@</b>	10,576	13,110	13,895	14,602
<b>Total inspections conducted*</b>	664	910	1,181	946
<b>% of trips/landings inspected</b>	<b>6.27</b>	<b>6.94</b>	<b>8.49</b>	<b>6.47</b>
<b>Investigations/offences detected</b>	104	150	71	92#
<b>% of investigations/offences detected per trip/landings inspected</b>	<b>15.66</b>	<b>16.48</b>	<b>6.01</b>	<b>9.72</b>

Note:

@ Figures indicate all trip and landing data recorded by Australian Fisheries Managements Authority (AFMA) for the financial year and may vary slightly from the Annual Report due to AFMA not having received all concession holder returns at the time of compiling the Annual Report statistics.

\* Does not include inspections of fish receiver premises

# Two (2) offences were identified as offences under legislation administered by the Australian Government Department of the Environment and Heritage (DEH) and subsequently referred to DEH.

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**Question no:** AFMA 06

**Division/Agency:** Australian Fisheries Management Authority

**Topic:** Inspections and Detection of Offences

**Hansard page:** 13 (16/02/07)

**Senator O'Brien asked:**

**Senator O'BRIEN**—What sorts of offences were discovered, given that 38 per cent of inspections—that small number of inspections—detected offences?

**Mr McLoughlin**—I do not have the data in front of me but, given that it is a complex management system, my guess would be that they are mostly administrative offences.

**Senator O'BRIEN**—Can you take that on notice and give us a more confident answer?

**Mr McLoughlin**—Yes I can.

**Answer:**

The following types of offences were detected from vessel inspections during the 2005/2006 financial year:

- Shark finning
- Taking of prohibited species
- Taking of undersized species
- Failure to submit/complete logbook/catch declaration documents
- Non compliance with Threat Abatement Plan obligations (measures to minimise by catch of threatened species)
- Exceed by catch limits
- Failure to carry concession on board a boat
- Unauthorised gear use
- Fishing without authorisation
- Failure to obey a fisheries officer.

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**Question no:** AFMA 07

**Division/Agency:** Australian Fisheries Management Authority

**Topic:** Inspections and Detection of Offences

**Hansard page:** 15 (16/02/07)

**Senator O'Brien asked:**

**Mr McLoughlin**—We also do random inspections in ports via fisheries officers where there is, as I indicated earlier, a secondary set of documents that we put in place for quota managed fisheries. We have a cash disposal record system, and the first receiver of the fish off the boat has to sign a document stating the amount of fish received, where it came from and the dates and times it was received. If people are going to undertake a fraud or an attempted fraud at the boat level, it is another thing to try to then include the next stage up in the supply chain. If offences have occurred, they are fraud against the Commonwealth and they are treated as such.

**Senator O'BRIEN**—How many convictions have you obtained recently for that type of offence?

**Mr McLoughlin**—In terms of fraud offences against the Commonwealth, there has been one already this year in the state of Victoria. We do not have that data with us, but we can provide it on notice.

**Senator O'BRIEN**—Yes, if you can. The claims that fudging is not uncommon need to be balanced against what your success rate is in proving such fudging. One this year is all that you can recall.

**Answer:**

Of the twenty-six fraud related offences that were detected in the 2005-2006 financial year, three matters have recently been heard before the courts. These resulted in convictions relating to the non-reconciling of quota with catch, fraudulent submission of documents and failure to complete/submit logbooks.

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**Question no:** AFMA 08

**Division/Agency:** Australian Fisheries Management Authority

**Topic:** AFMA contract and temporary observer staff

**Hansard page:** 16 (16/02/07)

**Senator O'Brien asked:**

**Senator O'Brien**—According to this chart, there are no contractors, in the annual report: observer program, three positions, three core staff, no temporaries, no contractors—three total staff.

**Mr McLoughlin**—Yes, that is in those groups. The observers themselves are contractors.

**Senator O'Brien**—Why don't they appear as contractors in this chart?

**Mr McLoughlin**—I do not have it in front of me. It relates to the staffing of AFMA. We do not see that contractors are recorded as core staff, other than the ones that are in those groups.

**Senator O'Brien**—No, but you have a column for core staff, you have a column for temporaries and you have a column for contractors.

**Mr McLoughlin**—I will have to provide clarification for you, given that I do not have the annual report in front of me. In terms of the staffing of AFMA, for the period of that annual report, I can provide clarification around those comments.

**Answer:**

As at 30 June 2006, the information provided in the annual report is correct. The observer program maintained 3 core Full-Time Equivalents based in the Canberra office. There were also 20 temporary employees engaged at the time that were based in various ports around Australia. These 20 positions are listed in the annual report, Table 21 in the line immediately below 'Observer program' staffing. They are labelled 'Seasonal observers'. The reason for separating them from the Observer section line above is because of their different location and terms of employment.

The number of out-placed seasonal observers varies through time according to load and demand for services. As at 31 January 2007, the number of temporary seasonal observers was 19.

Observers are employed under a temporary employment contract. The usual term of the contract is 12 months.

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**Question no:** AFMA 09

**Division/Agency:** Australian Fisheries Management Authority

**Topic:** AFMA staffing and contracting

**Hansard page:** 17 (16/02/07)

**Senator O'Brien asked:**

**Senator O'BRIEN**—How many people are actually in core staff positions?

**Mr McLoughlin**—I will have to take that on notice, as of today, because it changes. Obviously staff turnover is an issue for us.

**Senator O'BRIEN**—All right. Do you have any of those figures available or will you have to take any questions on this matter on notice?

**Mr McLoughlin**—As I said, the staffing that we are budgeting for at the present time is 220, and that is changing as we pick up staff.

**Senator O'BRIEN**—No, I know what you are budgeting for. I am actually asking how many people you have got. The budget might be for twice as many; I do not know. I would just like to know how many people are actually on the payroll at the moment or are contractors.

**Mr McLoughlin**—I can take that on notice—to let you know the total staffing as of today.

**Senator O'BRIEN**—Well, it can be as of 1 February or 31 January, whichever is the easiest payroll date.

**Mr McLoughlin**—I can certainly do that.

**Senator O'BRIEN**—It does not have to go across pay periods, if that is inconvenient. Something contemporaneous would be useful.

**Mr McLoughlin**—I will provide that information on the last payday for AFMA, from today's date.

**Answer:**

At payday on 8 February 2007, The Australian Fisheries Management Authority (AFMA) had 216 staff on the payroll including 17 persons employed on a casual basis as fishery observers. In addition, AFMA had 6 people engaged as contractors.

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**Question no:** AFMA 10

**Division/Agency:** Australian Fisheries Management Authority

**Topic:** AFMA staffing

**Hansard page:** Written question

**Senator Ludwig asked:**

For the years 2005-06, please indicate:

1. Not including those employed in policy functions, the number of Full-Time Equivalent positions assigned to the following areas:
  - a. Border compliance;
  - b. The development of technology or programs designed to augment, replace or assist any of the above functions;
2. For each of the categories in (1), please indicate:
  - a. The breakdown of APS classifications for those personnel;

The total wages cost of all personnel under that category;

**Answer:**

1. (a) For the years 2005-06, there were 19 Full-Time Equivalent positions assigned to foreign fishing compliance operations.  
  
(b) The Australian Fisheries Management Authority (AFMA) is developing a new database for foreign fishing compliance. The database will track, manage and report on the status of individual illegal foreign fishers and vessels from apprehension to prosecution and repatriation. AFMA is also implementing a biometric identification system to improve its capacity to identify recidivist offenders.
2. The breakdown of APS classifications for foreign fishing compliance operations in 2005-06 is: one EL2, three EL1s, eight APS 5/6, seven APS 3/4. The wages cost for foreign fishing compliance operations personnel was \$624,146.63.