

SEAFOOD INDUSTRY ADVISORY COUNCIL

Meeting 7 – 1 December 2006

The Conference Room, Level 41 GMT
1 Farrer Place, Sydney

Draft Outcomes

ATTENDANCE

Hans Heilpern (Chair), Graeme Byrnes (Deputy Chair), Ian Charles, Gary Braithwaite, Jim Drinkwater, Ron Firkin, Don Johnson, Megan Kessler, Bill Pearce, Grahame Turk

Barry Buffier, Director-General, NSW Department of Primary Industries

Deputies: Tony Forster for Ron Prindable, Kel Henry for Tony Troup, Kelly Collins for George Davey

Grant Johnson, Executive Officer

Apologies: George Davey, Nicholas Georgouras, Terry Outtrim, Ron Prindable, Tony Troup, Stephan Schnierer, Jonathan Yee

Absent: Richard Bagnato

Observers: Anissa Lawrence, Oceanwatch; Tony Puglisi, commercial fisher; Renata Brooks, Deputy Director-General, Agriculture & Fisheries, DPI; Nick Milham, Director, Policy & Legislation Coordination, DPI; Anthony Hurst, Director, Wild Harvest Fisheries, DPI; Bill Talbot, Director, Fisheries Conservation and Aquaculture, DPI; Peter Turnell, Minister's Policy Advisor; Dianna Watkins, Manager, Share Management Implementation, DPI.

COUNCIL AGENDA ITEMS

Chairman's Welcome and Introductory Comments

The meeting began at 9:05am with the Chairman welcoming members to the 7th meeting of Council. The Chairman also welcomed Tony Forster attending as Deputy for Ron Prindable and Kel Henry as Deputy for Tony Troup.

The Chairman noted apologies from George Davey, Nicholas Georgouras, Terry Outtrim, Ron Prindable, Tony Troup, Stephan Schnierer and Jonathan Yee.

General Business

1) Confirmation of Outcomes from SIAC Meeting 6

Members confirmed the Draft Outcomes for the 6th meeting of Council held 17th March 2006 as a true and accurate record (Attachment 1).

Action:

1. Executive Officer to post confirmed Outcomes for the 6th meeting of Council on the Seafood Industry Advisory Council webpage of the DPI Website.

2) Update of Implementation of Category 1 Share Management

DPI provided a presentation on progress in the implementation of Category 1 share management, which is scheduled to begin on 5 February 2007. DPI noted the complexity of this process and the need for a “running in” period before the new licensing and share transfer systems were fully operational.

While acknowledging the hard work to date some members noted the need to progress structural adjustment and marketing initiatives, as a matter of urgency.

Council noted the DPI report on the implementation of share management and supported the timetable proposed for completion.

3) 2006/2007 Commercial & Aquaculture Trust Fund Drawdown

DPI referred members to the agenda paper and noted plans to move to project based reporting and documentation. The Director-General DPI noted the move to project based reporting across the department so as to standardise administration and reporting, including to advisory councils.

Council noted the report on the drawdown of funds from the Aquaculture and Commercial Fishing Trust Funds, and that industry is looking forward to greater input to the decision making process in the future and noted the commitment by DPI to implement the new process of project based reporting by 2007.

4) Seafood Vision Statement Update

Council in noting the 2006/07 Vision Statement Update report recognised the substantial achievements of the last three years, and expressed appreciation of the Minister’s and DPI support and efforts in this regard.

Members in noting progress, particularly regarding the implementation of share management, expressed concern over the urgent need for structural adjustment and efforts to improve industry profitability.

In particular, members expressed serious concern regarding the economic viability of the commercial fishing industry and consider that further steps need to be taken as a matter of urgency to improve industry profitability.

As such, Council noted the need to review and revise SIAC priorities and that the Executive Officer will circulate a copy of the outcomes the Strategic Planning Workshop, held in December 2005, to members.

Members also noted progress regarding “country of origin labelling” and that fishers in the Estuary Prawn Trawl fisheries are exploring the potential for certification to the Marine Stewardship Council (MSC) standard for sustainable fisheries.

Action:

2. Executive Officer to circulate the outcomes of the Strategic Planning Workshop, held in December 2005, to members.

5) Structural Adjustment Working Group Report

Bill Pearce reported to the meeting the working group’s views on closures, the economic state of fishing co-operatives and the need for urgent action on structural adjustment.

Members noted the impact that fishing closures due to recreational fishing havens, marine parks and other closures were having on industry profitability and commercial viability. Members expressed concern about the cumulative impact of these closures, and the process by which they were declared and their ability to be reviewed.

Council recommended that a staged review of fishing closures affecting the NSW commercial fishing industry be conducted following completion of the implementation of share management and that an appeals process be put in place to cover all closures.

Council recommended that the MACs be requested to review the list of closures in the Supporting Plan and provide advice to Council, through their industry members, on the key closures for review.

Council noted the declining profitability of many fishing co-operatives as a result of declining catches, increasing costs and, in some cases, poor management. In particular, Council noted the parlous economic state of some co-operatives and the need for an audit of these co-operatives. Council recommended that the Minister for Primary Industries write to the Minister for Fair Trading requesting that the Registrar of Co-operatives conduct a review of economic viability of commercial fishermen’s co-operatives in NSW as a matter of urgency.

Council noted the need for an independent consultant to be appointed to develop a Structural Adjustment Plan for the NSW seafood industry, and that

the Structural Adjustment Working Group would develop the Terms of Reference for such plan and oversight the conduct of the review.

Action:

3. MAC representatives on Council to advise their MAC of Council's concerns in relation to this issue, and to request that the MAC review the list of closures in the Supporting Plan and provide advice to Council, through their industry members, on the key closures recommended for review.
4. Council recommended that the Minister for Primary Industries be requested to write to the Minister for Fair Trading requesting that the Registrar of Co-operatives conduct a review of economic viability of commercial fishermen's co-operatives in NSW as a matter of urgency. Executive Officer to prepare draft letter.
5. Council requested that DPI explore mechanisms for the funding of an independent consultant to develop a Structural Adjustment Plan for the NSW seafood industry, and that the Structural Adjustment Working Group would develop the Terms of Reference for such plan and oversight the conduct of the review.

6) Pricing and Charging Working Group Report

The Chairman updated Council on progress on the work of the Pricing and Charging Working Group since the last meeting of Council. Council supported the continuation of the project to identify areas of synergy between the agencies with aim of reducing fees, charges and administration.

Council requested that agencies review all permits and authorities with a view to consolidating multiple permits and authorities where there is an identifiable efficiency, and examine the possibility of issuing them for longer terms e.g. five years.

Additionally, Council recommended that the frequency of compliance audits should be kept under review.

Action:

6. Chairman to continue the project to identify areas of synergy between the agencies with aim of further reducing fees, charges and administration.
7. Council requested that agencies review all permits and authorities with a view to consolidating multiple permits and authorities where there is an identifiable efficiency, and examine the possibility of issuing them for longer terms e.g. five years.

7) Industry Development Working Group

– CONFIDENTIAL DRAFT –

Council considered the report of the Industry Development Working Group (IDWG) and noted that Council does not support conduct of a survey into public perceptions on the impact of dioxin on fresh NSW seafood at this time.

Council noted concerns about the need to promote the message that no seafood was being taken from dioxin affected areas and the urgent need for that message to accompany any future media releases regarding the issue of dioxin in seafood.

Council requested the IDWG to prepare a proposal for a promotional program for fresh NSW seafood.

Action:

8. Council requested that agencies and the Minister's Office be notified about the need to promote the message that no seafood was being taken from dioxin affected areas and the urgent need for that message to accompany any future media releases regarding the issue of dioxin in seafood.
9. Council requested the IDWG to prepare a proposal for a promotional program for fresh NSW seafood.

8) NSW Food Authority Update

Council noted the report of the NSW Food Authority regarding the issue of seafood retailer compliance with labelling and country of origin requirements. Council noted the needed to positively promote the high rate of compliance, versus the few cases of non-compliance, and the resulting positive implications for seafood purchaser confidence.

Council briefly considered the food safety implications of fish auctions following recreational fishing competitions and agreed that it should be placed on the agenda for its next meeting.

Action:

10. Council requested that the food safety implications of fish auctions following recreational fishing competitions and agreed that it should be placed on the agenda for its next meeting.
11. Council recommended that NSW DPI and the Food Authority liaise with the Sydney Fish Market before issuing media releases regarding seafood retailer compliance with labelling and country of origin requirements.

9) Harvesting of Mullet in prawn farms

Council noted the report by DPI that some Clarence River prawn farms are licensed to grow mullet in prawn farms for subsequent sale of legally sized fish.

10) Sale of protected species

– CONFIDENTIAL DRAFT –

Council noted the changes in legislation which allows the sale of protected species lawfully caught in other States/Territories and commends the Minister and DPI for this action.

Other Business

- 11) Council noted advice from the Lobster Management Advisory Committee (LOBMAC) representative that LOBMAC was seeking legal advice on the legality of the cost of management fees.
- 12) Council noted the appreciation of aquaculturists for the help provided by DPI regarding the recent registration of new aquaculture chemicals by the Australian Pesticides and Veterinary Medicines Authority (APVMA).
- 13) Council supported the motion of condolence proposed by the Deputy Chairman regarding the recent death of Don Campbell, who was Region 5 representative for many years, noting that he had been a good, honest, determined and tenacious representative. Council requested that the Chairman write to Don's family expressing same. Executive Officer to prepare letter.

Next Meeting

To be advised.

Meeting closed at 4:00pm

Grant Johnson
Executive Officer
Seafood Industry Advisory Council
5 December 2006