



## COMMERCIAL FISHERIES REFORM

# Commercial Fisheries Newsletter

Newsletter Number 1/2013

### Welcome to the first edition of a DPI newsletter aimed at improving communication with commercial fishers in NSW.

The newsletter will be sent out to fishers regularly via mail, email and the internet during 2013 and 2014. It will fill the gap between other updates via letters, emails, phone calls, face-to-face meetings and the DPI website. The newsletter will cover issues that are important to commercial fishers, focussing initially on the commercial fisheries reform program.

### Reform Program

In November last year, the NSW Government broadly adopted all 22 recommendations of the Independent Report into NSW Commercial Fisheries Policy, Management and Administration.

The report highlighted three key areas for reform: structural adjustment, communication and governance (governance relates to the administrative arrangements that underpin fisheries management).

### Why reform?

The industry has given the NSW Government a strong message that it is struggling and action must be taken now to make the industry more viable and secure. Many things have contributed to this - past and present policies and rules, the way the industry itself operates, and external factors such as cheap imported product and increasing fuel price rises.

The new reforms will:

- provide an opportunity for fishers to leave the industry via a \$16 million Government structural adjustment package, while at the same time assisting fishers wanting to remain

to acquire shares during a (temporary) period when there will be considerable downward pressure on share price;

- provide a structure for the industry to autonomously adjust in future - i.e. once shares are linked to catch or fishing effort, shareholders will be able to modify the structure of their businesses (eg- to upscale or downscale) to meet their individual needs;
- restore confidence in decision making processes, including the consultation process;
- deliver a more efficient industry operating in an environment with less red tape;
- provide certainty that the non-fishing public and seafood consumers can continue to enjoy fresh, local NSW seafood; and
- provide added community confidence that NSW commercial fisheries are managed and operating at sustainable levels.

### Independent Structural Adjustment Review Committee (SARC)

The SARC is an independent committee formed to oversee the structural adjustment process. It will make the final recommendations to the Minister on share linkage and provide oversight, guidance and advice to the working groups, the DPI and the peak industry body (once formed) as the reform program progresses.

Mr Ian Cartwright is the independent chairperson of the SARC. He was a member of the independent review team and has a good understanding of the structure of NSW commercial fisheries, the fishing rights regime and the issues that need to be worked through. The SARC is also made up of an independent fisheries manager, Ms Mary Lack and an independent fisheries economist, Ms Sevaly Sen.

## Share linkage and exit grants

A key part of the reform program is the need to make decisions on share linkage by the end of 2013.

Share linkage can occur in a number of ways.

Three typical examples are:

1. each share gives you a portion of a total catch level that is set - e.g. x shares = y kg of catch), like in the lobster fishery;
2. each share gives you a portion of a total effort level that is set - e.g. x shares = y amount of gear, or x shares = y fishing days;
3. minimum shareholdings can be used to limit the number of endorsements that are available (if neither approach above is feasible).

The idea is that shares will entitle the owner to hold a set portion of access to the fishery (or a "set piece of the pie"). Once that happens, even though the size of the pie might change over time due to the health of the stocks, your share of the pie stays the same. This means that new effort cannot enter the fishery at any time and undermine your share of access to the resource.

As part of working out which linkage options to look at, we will also be seeking feedback on which, if any, existing controls could be modified or removed once shares are linked.

It is important to note that no decisions have been made at this stage about what shares in each share class will be linked to (catch or some form of fishing effort)<sup>1</sup>.

The Professional Fisherman's Association (PFA) has recently held a series of initial meetings with its members to discuss share linkage issues and options. Their views, along with others received, will be considered by working groups that are being set up and then all fishers will have an opportunity to comment on the options.

Once it is known how shares will be linked, fishers will be better placed to make an informed decision about their future in the industry. For example, fishers will have a choice about their future and will be able to decide if they wish to exit the industry or a particular fishery by submitting a tender to the \$16 million exit grant program and/or downsize, increase or maintain their current shareholding in preparation for the linking of shares to catch or effort.

<sup>1</sup> Apart from spanner crab northern zone where, following previous support from industry, the Minister has confirmed that shares will be linked to a catch quota.

## Share linkage working groups

Working groups will be set up to identify and assess the options for linking shares to catch or fishing effort in each share class. Expressions of Interest (EOIs) have been sought from shareholders who would like to join a working group.

The working groups will include DPI and industry people only – other sector groups (e.g. recreational fishing, conservation) are not involved in these discussions. The final makeup of the working groups is currently being decided.

All shareholders can now put forward ideas and proposals for consideration by the working groups. The shortlisted options identified by the working groups will be sent to all shareholders for comment around the middle of this year.

The working groups will not be involved in making the final recommendations on linkage. This will be the role of the independent SARC.

## Public share holding information for share managed fisheries

Publicly available information on share holdings in each share managed fishery can now be accessed on the DPI Commercial Fisheries web page

[www.dpi.nsw.gov.au/fisheries/commercial/shareholding-information-for-share-management-fisheries](http://www.dpi.nsw.gov.au/fisheries/commercial/shareholding-information-for-share-management-fisheries)

The aim of providing up to date information on the share holdings within each fishery is to create a more informed marketplace and facilitate the trading of shares. This information will also be a feature of the new online self-service system, FishOnline, which is currently being developed by DPI.

## Industry peak body

The independent report recommended "that a State wide peak body for commercial fishers is required" and "that the government consider a compulsory industry-wide fee increase to provide financial support for the activities of the peak body for a three year period to facilitate its establishment."

The Government supports the establishment of a peak industry body for NSW's commercial fisheries.

The body will have two main functions:

1. delivery of consultation services on behalf of DPI, which are funded through an additional mandatory industry contribution, with the structure, amount and timing of the contribution to be determined; and

2. a representative/advocacy function which is funded through a voluntary fee set by the body and payable directly by shareholders/fishers.

A discussion paper was sent to commercial fishers in February seeking comments about the formation and structure of a NSW peak industry body.

The discussion paper, which was prepared by Mr Peter Neville, an independent fisheries consultant, closed on 14 March 2013.

Approximately 70 submissions were received from the industry, which are currently being reviewed by Mr Neville.

A consultation services contract is now being developed by DPI for public tender, with the aim of the new peak body being established by the middle of the year.

### **New study on NSW Commercial Fishing Cooperatives**

While it is still early days in the reform process, several fishing co-operatives have raised concerns about the potential impacts of changes on their viability.

Some of the issues raised include:

- indications that the viability of some co-operatives is already tenuous;
- assertions that any loss of seafood supply or a decline in the co-operative shareholder base could lead to reduced viability and/or closure of some co-operatives;
- varying views on what the financial requirements and obligations of co-operatives are, should shareholders leave a co-operative;
- concerns that co-operative closures will threaten the ongoing operation and viability of the commercial fishing industry (to which it provides certain services) contrary to the objectives of the reform program; and
- concern about the potential impacts of the 'fish receiver review' which may influence the rules applying to, and the way the fish is handled from its point of capture to point of sale.

Currently, there is a lack of information to respond to the above issues. Following a request from the PFA and the NSW Fishing Co-operatives Association, DPI will be commissioning a desktop study that aims to fill some key information gaps and provide a better basis for an informed discussion about future policy.

This study will require the cooperation of fishing co-operatives in providing relevant shareholder policies, constitutions, annual reports, financial information in a timely manner. Information not

provided will risk not being taken into account in the future policy discussions.

### **Ministerial Fisheries Advisory Council**

The legislation is being amended to establish the new Ministerial Fisheries Advisory Council (MFAC). The MFAC will be independently chaired and comprise experts in commercial fishing, recreational fishing, Aboriginal fishing, aquaculture and conservation.

Once formed, it will provide advice to the Minister on high-level fisheries policy issues, starting with two priority areas: a fisheries resource sharing policy and a cost recovery policy.

### **Disaster grants available for flood affected fishers**

On 19 March 2013 the NSW Minister for Primary Industries, Katrina Hodgkinson, announced that commercial fishers have been recognised as primary producers under the revised guidelines for Natural Disaster Relief and Recovery Assistance.

Clean up and recovery grants of up to \$15,000 will be made available for eligible fishers in the Tweed, Lismore, Clarence Valley, Coffs Harbour, Bellingen, Nambucca, Kempsey, Port Macquarie-Hastings and Greater Taree local government areas.

Fishers can apply for the grants through the NSW Rural Assistance Authority. For further information fishers can contact the Rural Assistance Authority on 1800 678 593 or at [www.raa.nsw.gov.au](http://www.raa.nsw.gov.au)

### **Fee relief for Region 2 Estuary General and/or Estuary Prawn Trawl shareholders**

Following a submission from the PFA and other local fishers, DPI has agreed to waive a portion of the share management charges for certain Region 2 Estuary General and/or Estuary Prawn Trawl shareholders.

The decision by DPI recognises the impacts of the January and February floods on estuary fishing activities in the region.

### **Rural Assistance Authority Financial Counselling Service**

Restructuring the industry can pose a challenge for fishers and their families. It is important that fishers are aware that help is available. The Rural Financial Counselling Service is a free and impartial service that is independent of Government.

Rural financial counsellors provide a range of services to primary producers and fishers who are suffering financial hardship or need assistance in business planning and identifying future options for their business.

Services offered include:

- assess and prepare reports on current financial, cash flow and viability circumstances;
- help fishers understand their financial and business position;
- help fishers complete action plans, identify issues and plan options to achieve realistic goals;
- connect fishers to information about government and industry assistance;
- support and help fishers prepare for succession planning processes, including preparing statements of their current financial position and compiling relevant questions for succession planning experts;
- assist fishers to identify training needs; and
- refer fishers to a range of professional service providers, including accountants, lawyers, financial planners, social counsellors, family mediators, small business advisors and other relevant professionals.

For more information please contact:

**Macksville:** Terry Pearce (Ph: 6568 3888)

**Gloucester:** Ron Lindsay (Ph: 6558 2570)

**Taree:** Michelle Blakeney (Ph: 6592 0302)

**Cooma:** Leanne Jardine (Ph: 6452 5059)

### Small Biz Connect

Help is also available from the NSW Government's Small Biz Connect advisors. There are around 60 Small Biz Connect advisors based around NSW, who offer face-to-face assistance.

The experts can help fishermen start, expand or exit their business. There is an online postcode search tool for people to find the nearest Small Biz Connect advisor.

[www.smallbusiness.nsw.gov.au/smallbiz-connect](http://www.smallbusiness.nsw.gov.au/smallbiz-connect)

Alternatively, the office of the Small Business Commissioner can be contacted via phone.

Ph: 1300 795 534 or (02) 8222 4800.

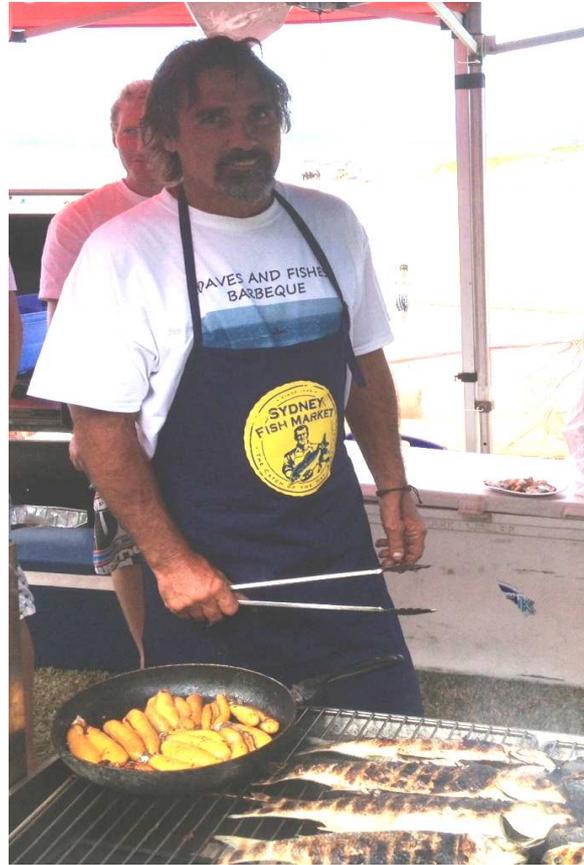
### Fish and Loaves Barbeque 2013

On Good Friday, NSW Seanet and NSW Ocean Haul fishers held the 3rd 'Loaves and Fishes BBQ' at South West Rocks. This initiative encourages communication between South West Rocks ocean haul fishers, OceanWatch Australia, fishery managers/officers and the community.

An informative display was presented to improve community understanding of the fishery, build regional unity and support for local wild harvested seafood. The day was attended by over 700

people, over 1000 sea mullet sandwiches were consumed and over \$1000 was raised for the Surf Lifesaving Club.

DPI congratulates NSW Seanet, commercial fishers and OceanWatch on this highly successful event.



### Local commercial fisherman Vince Jordan Jr New DPI Industry Liaison Manager

In December 2012, Dallas D'Silva commenced as the Industry Liaison Manager. Dallas has worked in commercial fisheries management for 15 years in Queensland, Torres Strait and Victoria.

The new role has enhanced communication with commercial fishers, with a particular focus on the reform program. Dallas has met with fishers in Ballina, Maclean, Coffs Harbour, South West Rocks, Tuncurry, Newcastle, Sydney, Jervis Bay, Tweed Heads, Taree, Bermagui and Eden. Dallas will soon be meeting with fishers in Batemans Bay, the Hawkesbury River and other coastal locations.

Fishers are encouraged to read the independent report and Government response, and contact Dallas should they require further information about the reform program.

Dallas' contact details can be found at the bottom of the newsletter.

## Movements of Fisheries Staff

### Fishery Managers

There have been several changes to fisheries managers and their contact details. Doug Ferrell, Veronica Silberschneider and Miriam Vandenberg are now based at the Sydney Institute of Marine Science located in Chowder Bay. Belinda Lucas is located at a NSW DPI office in Newington, Sydney. Joshua Foster has relocated to Coffs Harbour.

The commercial management staff previously located at the National Marine Science Centre north of Coffs Harbour are now located in the DPI building at the Coffs Harbour jetty. Darren Hale remains in the Fisheries Office building in Maclean.

Regretfully, Carly Hulme has left DPI and her position will be filled through a recruitment process in the near future. DPI Fishery Managers can be contacted on the telephone numbers below:

<b>Ocean Trap &amp; Line</b>	Veronica Silberschneider Miriam Vandenberg	(02) 9435 4679 (02) 9435 4680
<b>Ocean Trawl and Estuary Prawn Trawl</b>	Darren Hale	(02) 6645 0503
<b>Ocean Hauling</b>	Joshua Foster	(02) 9961 9674
<b>Estuary General</b>	Darren Reynolds	(02) 6691 9682
<b>Lobster and Inland</b>	Belinda Lucas	(02) 9741 4792
<b>Abalone</b>	Cameron Westaway	(02) 6042 4211
<b>General</b>	Doug Ferrell	(02) 9435 4667

### Catch Records

The catch records section of Fisheries Business Services is based in Coffs Harbour.

Phone: (02) 6648 3921

Facsimile: (02) 6391 4709

Post: Catch Records  
PO Box 4157  
Coffs Harbour Jetty NSW 2450

Email: [catch.records@dpi.nsw.gov.au](mailto:catch.records@dpi.nsw.gov.au)

### Licensing

The licensing section of Fisheries Business Services is based in Nowra.

Phone: 1300 720 662

Facsimile: (02) 4424 7449

Post: Fisheries Business Services  
Locked Bag 3020  
Nowra NSW 2541

Email: [fisheries.businessservices@dpi.nsw.gov.au](mailto:fisheries.businessservices@dpi.nsw.gov.au)

### Feedback welcome

DPI welcomes feedback from the industry on this newsletter and communication tools in general.

Given the diverse nature of the industry, a variety of communication tools (eg- DPI website, media releases, letters, emails, telephone, face to face meetings) will be used to keep fishers informed and seek their feedback on the reforms.

Suggestions on this and other communication tools (eg-social media) to ensure timely and efficient communication with the industry can be provided to Dallas D'Silva.

### For more information contact

Mr Dallas D'Silva

Industry Liaison Manager

NSW Department of Primary Industries

PO Box 4291 Coffs Harbour, NSW 2450

Email: [dallas.d'silva@dpi.nsw.gov.au](mailto:dallas.d'silva@dpi.nsw.gov.au)

Phone: (02) 6691 9684

[www.dpi.nsw.gov.au/fisheries/commercial/reform](http://www.dpi.nsw.gov.au/fisheries/commercial/reform)

© State of New South Wales through the Department of Trade and Investment, Regional Infrastructure and Services, 2013. You may copy, distribute and otherwise freely deal with this publication for any purpose, provided that you attribute the NSW Department of Primary Industries as the owner.

Disclaimer: The information contained in this publication is based on knowledge and understanding at the time of writing (April 2013). However, because of advances in knowledge, users are reminded of the need to ensure that information upon which they rely is up to date and to check currency of the information with the appropriate officer of the Department of Primary Industries or the user's independent adviser.

Published by the Department of Primary Industries.

Newsletter 1/2013 (Reference number 11022)