

SEAFOOD INDUSTRY ADVISORY COUNCIL

Meeting 8 – 1 June 2007

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

Draft Outcomes

ATTENDANCE

The Hon Ian Macdonald MLC, Minister for Primary Industries

Hans Heilpern (Chairman), Graeme Byrnes (Deputy Chairman), Garry Braithwaite, Ian Charles, Jim Drinkwater, Ron Firkin, Don Johnson, Megan Kessler, Bill Pearce, Stephan Schnierer, Grahame Turk.

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

Deputies: Paul Bagnato for Richard Bagnato and Kelly Collins for George Davey.

Grant Johnson, Executive Officer.

Apologies: George Davey, Nicholas Georgouras, Kel Henry, Ron Prindable and Jonathan Yee.

Observers: Gary Warren, AbMAC; Tony Puglisi, commercial fisher.

Renata Brooks, Deputy Director-General, Agriculture, Fisheries & Regional Relations, DPI; Nick Milham, Director, Policy & Legislation Coordination, DPI; Anthony Hurst, Director, Wild Harvest Fisheries, DPI; Dr Steve Kennelly, Director Systems Research and Chief Scientist.

Jamie Gibson and Laura Best (part meeting), Office of the Minister for Primary Industries.

COUNCIL AGENDA ITEMS

Chairman's Welcome and Introductory Comments

The meeting began at 9:40am with the Chairman welcoming members to the 8th meeting of Council. The Chairman also welcomed Paul Bagnato attending as Deputy for Richard Bagnato and Kelly Collins as Deputy for George Davey.

The Chairman noted apologies from George Davey, Nicholas Georgouras, Kel Henry, Ron Prindable and Jonathan Yee.

General Business

1) Confirmation of Outcomes from SIAC Meeting 7

Members confirmed the Draft Outcomes for the 7th meeting of Council held 1 December 2006 as a true and accurate record (Attachment 1).

Council also noted the need for the Outcomes of Council to be available to stakeholders and communicated to industry.

2) Fishing Closures

Council noted the briefing provided by NSW DPI on fishing closures and that DPI is reviewing existing closures with a view to placing them in the relevant Share Management Plan Regulation, and that the MACs have been requested to review closures and provide advice during this process.

Action 8.1: MAC representatives to advise NSW DPI of high priority closures for review and NSW DPI to report to next meeting of Council on implementation of MAC recommendations.

3) Commercial Fishermen's Co-operatives

Council noted the report by Bill Pearce on *NSW Commercial Fishermen's Co-operatives* which outlined the problems affecting co-operatives and possible recommendations to address these.

Council agreed:

1. To organise a meeting between the Minister and representatives of the co-operatives and the Sydney Fish Market to resolve some of the issues confronting this sector.
2. That the Agenda for the meeting with the Minister include the following topics:
 - (1) The legislation that allows commercial fishers to sell seafood direct to the general public should be reviewed.
 - (2) It is important that no further restrictions be placed on the supply of seafood until the individual co-operative boards have had the opportunity to review their situation and take the steps that are necessary to safeguard their future in this industry.

Action 8.2: Bill Pearce to arrange meeting with the Minister in consultation with the Chairman.

4) Food safety Implications of Fish Auctions

Council noted the NSW Food Authority report on the food safety implications of fish auctions.

In doing so Council expressed concern that charity fish auctions were at risk of becoming 'de facto' fish markets by allowing the sale of substantial quantities of fish to commercial concerns and that there appeared to be a large (possibly increasing) number of such auctions, with 24 held since August 2004.

Action 8.3: NSW DPI and the NSW Food Authority to report to the next meeting of Council on the approval process, number and nature of charity fish auctions, including the frequency in each area and the "paper trail" requirements for fish purchased by retail outlets at charity fish auctions.

5) **Share Management Implementation Update**

Council received an update from NSW DPI on share management implementation. Council noted the report and requested:

- Clarification of the nomination process to investigate the possibility of fishermen previously bought out being nominated to work someone else's fishing business.
- A presentation by NSW DPI on the share transfer transaction process for the next meeting of Council.

During the discussion, Council noted its support for the concept of minimum shareholdings and requested that the various MACs determine minimum shareholdings that should apply in the fishery and timeframes for introduction, for both current and new entrants to be active in the fishery, and report back to the next meeting of Council.

Action 8.4: NSW DPI to investigate and report to Council on the issue of fishermen previously bought out being nominated to work someone else's fishing business.

Action 8.5: MACs to determine and report back to the next meeting of Council on minimum shareholdings that should apply in the fishery and timeframes for introduction, for both current and new entrants to be active in the fishery.

6) **Strategic Priorities and Vision**

Council considered the Draft 2007 Strategic Priorities resulting from its out-of-session (OOS) consideration of this issue during early 2007.

Council resolved that:

1. 'Commercial industry viability', 'resource sustainability', and 'appropriate regulation/resource access', in that order, be adopted as the Agreed Key Strategic Priorities for Council during 2007.
2. A draft 'plain English' promotional document be prepared by 30 June 2007 based on: (i) Council's Agreed Key Strategic Priorities for 2007; (ii) the 'Dec 03 – Dec 06 Vision Statement Achievements Report'; and (iii) the Terms of Reference for the Structural Adjustment Consultancy being

developed by NSW DPI for consideration by Council. That members then be asked to provide OOS comments on this document, and that these comments be provided to the Industry Development Working Group (IDWG) for consideration and advice to Council on both the promotional document and process for delivery.

3. Council endorsed development of a vision for the NSW seafood industry, and that NSW DPI and the IDWG prepare a draft Vision Statement for the next meeting of Council.

Action 8.6: NSW DPI to generate a draft promotional document by 30 June 2007. Draft document to be circulated to Council members for comment OOS.

Action 8.7: NSW DPI to prepare a draft Vision Statement by 30 June 2007 for consideration by the Industry Development Working Group. IDWG to finalise the draft for consideration at the next meeting of Council.

7) **Structural Adjustment Consultancy Terms of Reference**

Council noted its agreement to the:

1. Engagement of a consultant;
2. Draft terms of reference regarding the engagement of an independent consultant to provide recommendations on a strategy to deliver a more profitable and efficient commercial fishing sector; and
3. Formation of a NSW DPI – SIAC Liaison Committee to liaise with the consultant and guide the inquiry.

Council agreed that the DPI – SIAC Liaison Committee would be composed of Hans Heilpern, Graeme Byrnes, Don Johnson, Grahame Turk, Tony Puglisi and Jim Drinkwater, plus one DPI representative.

8) **Commercial Fishing Trust Funding**

Council:

1. Noted the NSW DPI Aquaculture and Commercial Fishing Trust Fund Report;
2. Agreed that the associated draft expenditure budgets be approved 'in principle';
3. Agreed that members would advise the Executive Officer within ten (10) days of any concerns regarding the draft expenditure budgets and that the Chairman will advise the Minister accordingly of those comments unless, in the view of the Chairman, nothing significant arises in which case he will inform the Minister of Council concurrence to the expenditure.

Council agreed that in relation to concerns regarding 'commercial-in-confidence' fishing related data collected through the observer program that

NSW DPI would consult with the affected fishers to ensure such confidentiality, and report to Council at its next meeting on this issue.

Action 8.8: Council members to advise the Executive Officer within ten (10) days of any concerns regarding the draft expenditure budgets. Chairman to subsequently advise the Minister of Council concerns or concurrence.

Action 8.9: NSW DPI to provide Council with a report on the issue of 'commercial-in-confidence' fishing related data collected through the observer program.

9) Aquaculture Trust Fund

Council endorsed the recommendation to drawdown \$9,521 from the Aquaculture Trust Fund to cover expenditure incurred by the former Oyster Research Advisory Committee.

Action 8.10: Chairman to advise the Minister of Council's endorsement of the drawdown of \$9,521 from the Aquaculture Trust to cover expenditure incurred by the former Oyster Research Advisory Committee.

10) Commercial Fishery Fees and Charges

Council noted the NSW DPI report on Commercial Fishery Fees and Charges and the proposed development by NSW DPI in consultation with industry of a comprehensive cost recovery and charging policy consistent with share-based management and the industry's ability to pay. Council expressed appreciation for NSW DPI's willingness to acknowledge the pressures on industry when establishing management charge levels.

11) Promotion of Industry

Council considered the Industry Development Working Group report on industry promotion and the related proposal by Sydney Fish Market, *Promotion of Fresh Australian Seafood*, and noted its support for:

- A national program (supported by local programs) for the promotion of fresh seafood with the objective of increasing consumer awareness of the desirability and sustainability of Australian seafood; and
- The attached funding application by the Sydney Fish Market which aims to:
 - I. Increase the price consumers are prepared to pay for Australian product.
 - II. Increase the demand for under-utilised species.
 - III. Correct negative consumer perceptions of the fishing industry.

Council noted that NSW DPI is a partner in this program, and that it and the Sydney Fish Market will provide support of \$200,000 and \$330,000 in cash and "in kind" respectively to this project.

12) Communications and *Communiqué*

Council agreed that the Chairman and Deputy Chairman would draft a *Communiqué* after each meeting covering the main issues considered. The draft will be distributed to members for comment and then submitted to the Minister for approval for public release.

Council also requested NSW DPI to advise whether meeting outcomes and the SIAC *Communiqué* could be listed under the 'News' section on the NSW DPI website.

Action 8.11: Chairman to prepare draft *Communiqué* for SIAC 8, with Chairman to discuss with Minister.

Action 8.12: Executive Officer to explore possibility of listing meeting outcomes and the SIAC *Communiqué* under the 'News' section of the NSW DPI website.

13) Grey Nurse Shark Surveys

Council agreed for this item to be listed on the agenda for the next meeting of Council.

Action 8.13: NSW DPI to provide a report on Grey Nurse Sharks to Council.

14) DECC Beach Access

Council in considering the DECC report on beach access expressed concern about perceived inconsistency in DECC processes in dealing with different user groups, especially for commercial *vis-à-vis* recreational users.

Council requested the Director-General DPI to consult with the Director-General DECC to discuss Council's concerns regarding access to beaches, and the consistency and equity of DECC policies affecting commercial fishers.

Council agreed that members would advise the Executive Officer of their concerns for advice to the Director-General DPI.

Council agreed that the Chairman and Deputy Chairman of Council would discuss this issue with the Chairman of the Advisory Council on Recreational Fishing.

Action 8.14: Members to advise the Executive Officer of their concerns regarding beach access through DECC controlled lands for advice to the Director-General DPI.

Action 8.15: Director-General NSW DPI to discuss the issue of beach access with the Director-General DECC and to provide a report to the next meeting of Council.

Action 8.16: The Chairman and Deputy Chairman of Council to discuss the issue of beach access through DECC controlled lands with the Chairman of the Advisory Council on Recreational Fishing.

15) Commonwealth Export Approvals and the EPT Fishery

Council noted NSW DPI's comments on the current situation regarding Commonwealth export approvals and requested that Council be kept informed (at least every six months) of developments and ongoing requirements, including assessments of FMS and the development of a 'three way' partnership between industry, the Commonwealth and NSW.

It was requested that NSW DPI and a representative of the relevant Commonwealth department provide a briefing on the Commonwealth export approvals process, in terms of the EPBC process and relevant international obligations to the next meeting of Council.]

Action 8.17: NSW DPI to provide a six (6) monthly update briefing to the appropriate meeting of Council on developments and ongoing requirements, including assessments of FMS and the development of a 'three way' partnership between industry, the Commonwealth and NSW.

Action 8.18: NSW DPI and a representative of the relevant Commonwealth department to provide a briefing on the Commonwealth export approvals process, in terms of the EPBC process and relevant international obligations, to the next meeting of Council.

16) GST on Live Fish

Council discussed the complexity of the GST arrangements on sales of live fish and recommended that the Minister for Primary Industries make representations to the Australian Government seeking consideration of this issue with the aim of achieving a simpler system.

Action Item 8.19: Executive Officer to prepare a draft letter for consideration of the NSW Minister for Primary Industries on the issue of GST on live fish.

17) Garfish netting in estuarine waters

Council noted the concerns of members, and that NSW DPI had undertaken to advise on this matter at the next meeting of Council.

Action Item 8.20: NSW DPI to advise on this matter at the next meeting of Council.

18) Viability of the lobster industry:

Council noted the report of the industry representative regarding the factors adversely affecting the viability of the Lobster Fishery.

19) PriceWaterhouseCoopers Report:

Council noted that copies of the 2004 PWC report on monitoring of fishery management strategies are available to members if required.

20) Aquaculture Extension Officer:

The Aquaculture representative noted that he had received a briefing on this issue from NSW DPI.

Other Business

21) Council endorsed Don Johnson, Tony Puglisi, Jim Drinkwater and Ian Charles as the SIAC Fisheries Research Advisory Body (FRAB) representatives.

22) Council resolved to advise the Minister for Primary Industries that it supports the re-appointment of Professor Tony Underwood to the FRAB.

Action 8.21: Executive Officer to clarify the FRAB appointment process and to advise FRAB of Council nominations and appointments.

23) Council discussed concerns of some members in relation to FRDC project funding in NSW and recommended that a review of this funding compared with the contribution made by the NSW fishing industry be undertaken and reported on at the next meeting of Council.

24) Council invited Patrick Hone of FRDC to the next meeting of Council to discuss industry governance and capacity building.

Action 8.22: NSW DPI to arrange for FRDC attendance at the next meeting of Council.

25) Council noted that the Abalone Fishery is also experiencing difficulty in paying management charges.

26) The Chairman noted that NSW DPI had requested feedback from the Chairman and the Executive Officer on the forthcoming DPI market research into community knowledge and attitudes towards primary industries.

Action 8.23: Executive Officer to clarify with the Chairman of Council the feedback to be provided to NSW DPI.

27) Council resolved that a briefing on the status of the Indigenous Fishing Strategy should be included on the agenda for Council's next meeting.

Action 8.24: NSW DPI to provide a briefing on the status of the Indigenous Fishing Strategy.

Next Meeting

Late September - early October and, if possible, to coincide with a regional meeting of Cabinet, so that the Minister can attend in a regional setting.

Meeting closed at 4:00pm

Grant Johnson
Executive Officer
Seafood Industry Advisory Council
5 June 2007

4 June 2007

Professor Derek Anderson
Chairman, Fisheries Research Advisory Board
Unit 7C
4 Hampden Street
Paddington NSW 2021

Dear Professor Anderson

The Seafood Industry Advisory Council at its meeting of Friday, 1 June 2007, resolved that I should write to you noting that:

- a. Council endorses Don Johnson, Tony Puglisi, Jim Drinkwater and Ian Charles as the SIAC representatives to the Fisheries Research Advisory Board (FRAB); and that
- b. Council advise the Minister for Primary Industries that it supports the re-appointment of Professor Tony Underwood to the FRAB.

Should you require further information regarding this matter, please contact Grant Johnson, Executive Officer SIAC, on 02 8437 4951 or 0425 270 869.

Yours sincerely

Hans Heilpern
Chairman