

NSW Lobster Industry Working Group meeting 9 June 2015 - Outcomes

OUT15/15629

Agenda Item	Summary and Outcome
1. Welcome, apologies and introductory remarks	<p>Meeting start 11am</p> <p><u>Attendance:</u> Nicholas Giles (Facilitator), Noel Gogerly, Lee Monin, Peter Offner, Daniel Stewart, Scott Westley, Geoff Liggins, Andrew Field.</p> <p><u>Non-attendance:</u> NCC Representative, Apologies received from Oliver Wady</p>
2. Confirmation of final minutes of the previous meeting	<p>The NSW Lobster Fishery Working Group members confirmed the final draft minutes from the Lobster Industry Working Group meeting held on 20 May 2014 as being a true and accurate record of the meeting.</p>
3. Validation process – Options to enhance integrity	<p>Compliance and Science & Research Branches will establish a project to examine weight differences between validated and final weights within the validation window.</p> <p>Outcome – Noted. DPI to report to working group on progress as appropriate. Working group members offered to make their storage facilities available for testing if required.</p>
4. Update on the Total Allowable Catch Setting and Review Committee (TAC Committee) program for 2015/16	<p>A public call for submissions on the 2015/16 TACC was advertised on 29 April 2015, and a further letter sent to all Lobster Fishery Shareholders notifying of the advertisement and the dates for the Industry and TAC meetings.</p> <p>The Lobster Total Allowable Commercial Catch (TACC) meeting was held on the 10th of June 2015.</p> <p>All members of the Working Group and a number of additional lobster shareholders attended the meeting. Overview presentations of the information submitted from DPI Management, Science & Research, and Compliance were provided for the TAC Committees deliberations on the 2015/16 TACC. DPI and industry members provided additional information in response to queries from the TAC Committee. The Committee will subsequently make a determination on the TACC.</p> <p>Outcome – For information</p>
5. Management charges for the 2015/16 financial	<p>A draft budget was supplied to industry members for comment. The proposed management charge of \$54.62 per share is an increase of \$1.81 from the previous year, attributable to CPI increase and redetermination of savings and FRDC contribution components.</p>

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year	<p>Outcome – The draft budget was supported by the Working Group. The Working Group noted (as in previous years) that that lobster shareholders pay more than other share and endorsement holders, and the review of cost recovery across all fisheries is still yet to happen. DPI advised that changes to cost recovery is an issue for the Ministerial Fisheries Advisory Council, and is expected to occur following finalisation of the Commercial Reform process.</p>
6. Tags for the 2015/16 fishing period	<p>An initial order for 150,000 tags has been placed with MegaFortris Australia Pty Ltd at a price of \$179 + GST per thousand. A further order will be placed on the TACC determination by the TAC Committee (anticipated to be a further >70,000 tags). The tags will be white with laser engraved black text and a red NSW waratah.</p> <p>DPI raised that fishers are encouraged to only request enough tags that they reasonably expect that they will require, and to return excess tags when they finish fishing in the fishing period. The number of tags required will vary according to the expected average size of lobsters, influenced largely by the time and area of fishing activity.</p> <p>The cost of tags is recovered from industry, and forms a component of the management charge. The department minimises the cost (number of tags ordered) as much as possible, however relies on industry to assist so fishers do not hold tags that are not expected to be used, and which are only returned after the season finishes.</p> <p>The potential to reduce the length of the individual tag numbers (Action item from previous meeting) was examined by DPI prior to making the seasons order, however the large number of tags required for each season precludes reducing the number of digits.</p> <p>Outcome – Noted and supported by the Working Group.</p>
7. Retaining lobsters taken in demersal fish traps (ongoing)	<p>An industry member raised a proposal to be able to retain lobsters taken in demersal fish traps (DFT), when the fisher holds both Lobster and DFT endorsements, at the previous industry meeting.</p> <p>Retention of lobsters is prohibited under C17A of the <i>Fisheries Management (Ocean Trap and Line Share Management Plan) Regulation 2006</i>, which relates to the fish trap itself.</p> <p>The potential amendment to allow taking of lobsters from demersal fish traps has been discussed out of session with the Ocean Trap and Line Fishery Manager. The outcomes of the commercial reform in the Ocean Trap and Line Fishery (form of linkage) will be a key factor in determining the appropriate way forward with the proposal. Amendments may be required to the <i>Fisheries Management (Ocean Trap and Line Share Management Plan) Regulation 2006</i> to align the management plan with any new structure that may be approved by the Minister, with potential to include assessment and consultation on</p>

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	<p>this proposal as appropriate.</p> <p>Outcome – The Lobster Fishery Manager and the member raising the issue to continue discussions with the Ocean Trap and Line Fishery Manager as new information becomes available.</p>
<p>8. Product branding for the NSW Lobster Fishery</p>	<p>The TAC Committee has provided recommendation that industry investigate marketing approaches to help with product differentiation (from other lobster products). Feedback is sought from industry on the benefits of product branding to differentiate NSW Eastern Rock Lobsters, noting the ‘Sustainable Wild Harvest’ printing on the underside of tags currently used.</p> <p>Outcome – The tag design has been further updated for the 2015/16 fishing period with the inclusion of the red NSW waratah (in keeping with the NSW Government branding guidelines). Additional pastel colour samples from the current tag supplier have been received and the colour rotation supports the design. The improved aesthetics and ‘pop’ of the tags will assist with consumers readily identifying NSW product in domestic and overseas markets.</p> <p>Comment from industry is welcome at any time with suggestions which may raise the profile of NSW rock lobster product.</p>
<p>9. The next steps for the NSW Fishery – Industry Update</p>	<p>Comment and discussion is sought from Working Group members on their vision for the next steps for the NSW Lobster Fishery.</p> <p>Outcome – Due to time constraints, this item was not specifically discussed. However, discussion on DPI and industries vision and future direction is encompassed in item 10.</p> <p>Comment is welcome at any time from shareholders on their vision for the future of the fishery.</p>
<p>10. Economic Data – Industry support</p>	<p>The TAC Committee has recommended for a number of years that the collection of economic data would assist in determining a TACC which would provide the most economic benefit to industry. Industries position has been to focus on the building of biomass to ensure the sustainability of lobster stocks. Comment was sought by the working group on their current position.</p> <p>Outcome – The Working Group reiterated its view that the focus for the fishery has been the rebuilding the spawning biomass, and initially indicated that this remains the primary focus. Subsequent discussions in and following the industry and TAC meetings, including potential implications of an indication of a levelling of CPUE in the past ~ two years, raised discussion on the capability of the stock to provide for continued TACC increases in the future (Noting that the CPUE indicator is not absolute, and may be a temporary plateau). Modelling options will continue to be explored by DPI to</p>

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	<p>estimate the likely long term stable harvest from the fishery to inform potential future management targets.</p> <p>The Working Group supports in principle exploring future management options including the setting of longer term targets for the fishery (including but not limited to CPUE targets and/or progression to regimes that provide for increased fisher profits e.g. MEY yields). The option of forming a working group to focus on these issues is supported and is proposed to be pursued by DPI.</p>
<p>11. IVR and Online Systems</p>	<p>DPI provided an update on the progression of the Online and IVR systems. The pilot trial continues with >200 fishers registered. Legislative amendments are required before the full implementation of the system (including online business transactions). Initial amendments are contained in the Fisheries Management Amendment Bill currently open for consultation.</p> <p>Outcome – Noted by the Working Group</p>
<p>12. Nominations and administrative processes in the lobster fishery</p>	<p>A range of administrative procedures may be triggered following offences (including in the Lobster Fishery). This includes share forfeiture and CFL suspension or cancellation. Industry raises appropriate actions relating to administrative process (including nominated fishers and share forfeiture) for offending fishers in the NSW Lobster Fishery.</p> <p>Outcome – Discussion centred around a recent decision not to forfeit shares following convictions on the North Coast, and the potential implications on illegal activity in the fishery and the demerit and forfeiture provisions.</p> <p>DPI expressed the views that:</p> <ul style="list-style-type: none"> • Demerit points will be recorded against the shareholder where a conviction is recorded, • Where >6 demerit points are recorded, the Ministers decision on potential forfeiture will be taken with consideration of the individual circumstances of each situation, • The recent decision does not bind future decisions or provide that forfeiture will not occur in the future, • The primary concern of industry regarding this decision is whether offences committed by a nominated fisher exclude forfeiture action being taken against the shareholder. DPI's position is that this is not the case, and that the demerit and forfeiture provisions continue to provide significant deterrent and risk of share forfeiture where fishers are found to have contravened the management arrangements. • Whether the decision is viewed by industry (and particularly any fishers who intend to commit offences) to minimise

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	<p>forfeiture risk by having a nominated fisher will be determined by any significant changes in nomination structures in the near future. It is the position of DPI that this is unlikely, considering that there is still significant risk of penalty, conviction, and share forfeiture; and that changes in nominations and business activity/structure will in effect identify fishers more likely to commit offences to compliance officers.</p> <p>The Working Group proposed a motion:</p> <p>The Working Group raises extreme concerns over the recent decision not to forfeit shares. The fishery has significantly increased in value, which has in the opinion of industry made the decision on forfeiture much harder and less likely to be taken. The Working Group is concerned about the effect of the recent decision on future decisions. The Working Group requests DPI to review the demerit and forfeiture provisions and assess if they continue to provide for the deterrent and purpose as when implemented, and also to examine alternate models such as the New Zealand model (which essentially provides that quota may not be allocated to the respective shareholder for a period of time).</p> <p>DPI supported reviewing the demerit and forfeiture provisions, including potential alternate models. It is proposed that a working group (initially internally) will be formed to conduct the review.</p>
<p>13. Lobster Industry Working Group membership rotation/nomination</p>	<p>The Lobster Industry Working Group was established in 2012. The Terms of reference at the time required that after three years, two of the regional fisher representatives and the Recreational and conservation representatives be renominated, and the terms of reference be reviewed. In 2014, DPI established the Fisheries non-statutory working groups procedures, which sets the procedure for the establishment of working groups following the removal of MACs.</p> <p>Outcome – DPI thanked all members for their time, input and participation over the past three years, including the significant contribution to the TAC process and the management of the fishery.</p> <p>The previous terms of reference and renomination of members were discussed by the Working Group.</p> <p>It is proposed to re-establish the working group under the new procedures. The Working Group supported reviewing the terms of reference and calling for nomination for two of the five fisher positions, and the recreational and conservation representatives. DPI will review and provide updated terms of reference, compliant with the new procedure, to the Working group for comment out of session. Following this, the Working Group will be reformed. Until this happens, the current members will continue to form the group.</p>
<p>14. Retagging of lobsters in</p>	<p>Where lobster are stored in Fishermen's Cooperatives and tags fall off or lobsters moult, industry raised whether the</p>



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Fishermen's Cooperatives	lobsters should be retagged by Compliance Officers or fishers. Outcome – DPI advised that it is preferable that tags are reapplied by Compliance Officers. DPI will follow up with Senior Fisheries Officers to ensure that compliance officers are aware of this and will attend as necessary.
15. Meeting Close	The department thanked all participants for attending the meeting and closed the meeting at 17:45pm.