

NSW Lobster Industry Working Group meeting 19 May 2020 – DRAFT Outcomes

OUT20/6817

Agenda Item	Summary and Outcome
1. Welcome, apologies and introductory remarks	<p>Meeting start 09:30am</p> <p><u>Attendance:</u> Lee Monin (Industry), Daniel Stewart (Industry), Mark Horne (Industry), Peter Offner (Industry), Noel Gogerly (Industry) Oly Wady (Recreational), Fiona McKinnon (DPI Chair), Nicholas Giles (DPI Commercial Management), Geoff Liggins (DPI Science &amp; Research), Joseph Wright (DPI Compliance)</p> <p><u>Observers:</u> Scott Westley, Allan Blake</p> <p>Meeting held by Virtual Conference (VC)</p>
2. Confirmation of final minutes of the previous meeting	<p><b>Summary</b></p> <p>The NSW Lobster Industry Working Group members confirmed the final minutes from the Lobster Industry Working Group meeting held on 21 May 2019 as being a true and accurate record.</p>
3. Lobster Industry Working Group Terms of Reference and membership update	<p><b>Summary</b></p> <p>Terms of Reference for the Lobster Industry Working group were re-approved in August 2019 following review and industry consultation.</p> <p>EOI's were sought for reappointment of Region 2 &amp; 5 members and Recreational, Aboriginal and Conservation members. Region 2 &amp; 5 members and the Recreational member were reappointed for 3 years in December 2019, with no EOI's received for Aboriginal or Conservation member positions. Region 1, 3 &amp; 4 member appointments were extended for 18 months to re-establish staggered fisher appointments.</p> <p><b>Outcome</b></p> <p>Noted and discussed.</p>
4. Update on the Total Allowable Catch Setting and Review Committee	<p><b>Summary</b></p> <p>The TAC meeting will be held on 20 May 2020 by VC. Reports have been submitted to the Total Allowable Fishing Committee from Management, Research and Compliance branches of DPI. A public call for submissions was advertised on the DPI website and offices on 16 April 2020, with notification to all Lobster Fishery Shareholders for the advertisement and</p>

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(TAC Committee) program for 2020/21	<p>the dates for the Industry and TAC meetings.</p> <p>The Lobster Industry Working Group was provided with presentations from DPI on information submitted to the Committee as follows:</p> <p>Management – Nick Giles (Fisheries Manager)</p> <p>Research – Geoff Liggins (Manager, Scientific Services)</p> <p>Compliance – Joseph Wright (DFO Investigator North)</p> <p><b>Outcome</b></p> <p>For information. A TAC determination will be made by the Committee for the 2020/21 fishing period.</p>
5. COVID-19 impacts	<p><b>Summary</b></p> <p>Out of session discussion has been held with members as the COVID-19 situation developed. Industry wide assistance has been available through fee waivers and other measures, including a range of business support measures through Commonwealth and State Governments.</p> <p>Updated information on catch and market assessment was provided to the Working Group in the management presentation for discussion in addition to observations of individual members.</p> <p><b>Outcome</b></p> <p>Reported catch has remained ahead of cumulative catch in the previous fishing period. Price impacts appear evident in domestic and export markets, with beach price for the 2019/20 fishing period down approximately \$5/kg in comparison to the previous fishing period based on Sydney Fish Market data to the end of April. Gross fishery value is likely to be lower than the 2018/19 fishing period and well above that of the 2017/18 fishing period.</p> <p>The working group discussed potential carryover, recommending that this measure is not required considering likelihood of taking the full TAC, ability to pursue alternate market strategies (e.g. managing timing of fishing and marketing approach), and potential effects of taking catch in future fishing periods. DPI will continue to monitor the situation.</p>
6. Lobster Harvest Strategy	<p><b>Summary</b></p> <p>The TAF Committee has recommended developing a harvest strategy with targets that will provide clarity and guidance on</p>

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	<p>management decisions in relation to TACC setting, stock rebuilding and maximising harvest benefits.</p> <p>The Committee has also recommended for a number of years that the collection of economic data is necessary to support the TACC setting process and ensure that TACC's are set that maximise returns from the fishery to both industry and the NSW community.</p> <p>The working group and DPI agreed on key principles to support the development of a draft Harvest Strategy (including economic strategy) for the NSW lobster fishery at a September 2018 workshop (further background and outcomes available at <a href="https://www.dpi.nsw.gov.au/fishing/commercial/fisheries/lobster-fishery/nsw-lobster-industry-working-group">https://www.dpi.nsw.gov.au/fishing/commercial/fisheries/lobster-fishery/nsw-lobster-industry-working-group</a>).</p> <p>The Department has prioritised development of an overarching Harvest Strategy Policy to provide a framework to guide the lobster strategy for consistent approach to common and fishery specific issues. This process is now nearing completion.</p> <p>Development of the draft lobster strategy is continuing alongside development of the Harvest Strategy Policy.</p> <p><b>Outcome</b></p> <p>Noted and discussed.</p>
7. Code of Conduct update to address risks of whale entanglements	<p>Best practice methods to reduce risks of whale entanglements are available to fishers under the lobster fishery management framework. The Code of Conduct is being expanded to provide further information to reduce risk.</p> <p><b>Outcome</b></p> <p>A draft updated Code of Conduct including expanded information to reduce risks of whale entanglement was discussed. The Working Group supported draft content and agreed that DPI develop presentation. The Code will be circulated for comment when final draft is complete.</p>
8. Online reporting development	<p><b>Summary</b></p> <p>Online reporting was partially implemented in December 2017, with validated weights being reported through FisherMobile. The working group and DPI agreed on reporting amendments for development and wider consultation at a September 2018 workshop.</p> <p>Development is currently nearing completion for working group review. Further enhancements are being made to remove the Catch and Effort Log sheet from reporting workflow. An option for tag scanning is also being developed which would</p>

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	<p>require printing of QR or bar codes on tags to allow accurate and rapid reporting of tag numbers and links to informational or promotional web pages.</p> <p><b>Outcome</b></p> <p>Noted and discussed.</p>
<p>9. Management charges for the 2020/21 financial year</p>	<p><b>Summary</b></p> <p>A draft budget was supplied to industry members for comment, with an amended budget circulated post meeting. The proposed Management Charge is \$63.57 per share, an increase of \$1.02 per share from the previous year.</p> <p>Change is attributable to removing normal meeting costs (unspent 2020 meeting funds carried over for the 2021 meeting), cancellation of 106 forfeited lobster shares (attributable increase of \$0.69 per share, noting respective increase in quota allocation of 0.19kg in a 170t TAC scenario), CPI increase and redetermination of savings, carryover, and FRDC contribution components.</p> <p><b>Outcome</b></p> <p>The draft budget and proposed management charge were supported by the Working Group.</p> <p>The management charge is currently being finalised and invoices will be provided with normal payment terms, noting that payment of the first instalment is waived along with other assistance measures.</p>
<p>10. Tags for the 2020/21 fishing period</p>	<p><b>Summary</b></p> <p>Tenders for supply of lobster tags for a 3-year contract period were finalised in March 2019. Mega Fortris Australia Pty Ltd is engaged as the successful tenderer at the same supply price as the previous contract of \$165/100 tags + GST.</p> <p>A total of 250,000 tags were ordered for the 2019/20 fishing period TACC of 170 tons.</p> <p>Due to COVID-19 associated manufacturing impacts, 2020/21 tags will again be white with laser engraved black text and a red NSW waratah.</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 by only requesting tags they reasonable expect to be used.</p>

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	<p><b>Outcome</b></p> <p>Noted and supported by the Working Group.</p>
<p>11. Administrative sanction review</p>	<p><b>Summary</b></p> <p>Consultation has been undertaken with industry and CommFish NSW to support a proposed new Penalty Demerit Scheme to apply across commercial fisheries. Implementation is currently being pursued.</p> <p>Interim to any amendment of current provisions applying to the lobster fishery, the Department has successfully pursued share forfeiture through the Courts with 106 shares forfeited from one shareholder in July 2019.</p> <p><b>Outcome</b></p> <p>Noted and discussed.</p>
<p>12. Reporting of quota and share trading price</p>	<p><b>Summary</b></p> <p>Average quota and share trading prices are key economic indicators used to track changes in the lobster fishery over time. Reporting of price is not compulsory, however is strongly encouraged by the Department and the TAC Committee to support the TAC assessment process and track changes in fishery values over time.</p> <p>In the 2019/20 fishing period, approximately 55% of share trades (up from 50% for 18/19) and 16% of quota kilograms traded (down from 33% for 18/19) included price information. Reported price information remains undesirably low. DPI has followed up share trade data to request information to improve data. Follow up of higher numbers of quota trades is not practical.</p> <p><b>Outcome</b></p> <p>Noted by the Working Group. The Working Group supported the importance of reporting price information for share and quota trades. Members to discuss and encourage fishers in their region to report price.</p>
<p>13. Shareholder submissions to Working Group</p>	<p><b>Summary</b></p> <p>A shareholder made submissions to the Working Group for consideration of proposals regarding:</p> <ul style="list-style-type: none"> <li>• Management Fees</li> </ul>

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	<ul style="list-style-type: none"> <li>• Tag ordering and recycling</li> <li>• Use of weights on ropes</li> <li>• Daily log sheet reporting requirements</li> <li>• Automatic email acknowledgements</li> <li>• Salary of Lobster Fisheries Technicians</li> <li>• Preparation and presentation of lobster budgets</li> </ul> <p><b>Outcome</b></p> <p>The submissions and associated issues were considered by the working group in-meeting and out of session due to time constraints. A response with further detail will be provided out of session.</p>
14. Vessel Monitoring	<p><b>Summary</b></p> <p>Industry has raised potential use of Vessel Monitoring Systems (VMS) for the Lobster Fishery. Four units (2 'Spot Trace' and 2 'Y3Bi') units were trialled during 2018/19.</p> <p>DPI has investigated potential supply and support models, noting the benefits and current preference for the AFMA model and services to ensure unit and data integrity, usability and support whilst recognising potential for further investigation.</p> <p>The working group was provided and considered indicative pricing information and options .</p> <p><b>Outcome</b></p> <p>The Working Group recognised potential benefits of VMS, with greater benefits provided to the lobster fishery if implemented across all ocean fisheries. Members raised cost as a primary concern, particularly for those that use more than one vessel in their fishing operation. The Working Group recommends further consideration if wider implementation is proposed and with consideration of potential funding/subsidy opportunities, if available.</p>
15. Other business	<p>Working Group members raised additional issues through discussions:</p> <ul style="list-style-type: none"> <li>• MSC Certification</li> </ul> <p>In March 2020 Working Group members participated in a presentation on Marine Stewardship Council (MSC) pre-assessment of the lobster fishery undertaken and arranged by the Professional Fisher's Association (PFA). MSC Certification is a way of showing that a fishery meets international best practice for sustainable fishing. To become certified,</p>

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	<p>fisheries are assessed by independent certification bodies.</p> <p>A funding package has been available through the PFA to secure initial certification, with pre-assessment identifying further work required to enhance likelihood of meeting certification requirements. The Working Group requested further information on likely costs and benefits for consideration before determining a position regarding investigating certification further.</p> <p><b>Outcome</b></p> <p>The Working Group further discussed MSC Certification, with agreement that benefits would need to exceed costs of certification and that further understanding is required before forming a formal recommendation. The Region 4 member will write to the PFA to follow up further information on likely benefits and costs.</p>
Meeting Close	The Department thanked all participants for attending the meeting and closed the meeting at 17:05pm.