



## **Release of the NSW Commercial Fisheries Reform Structural Adjustment Review**

### **Committee Final Share Linkage Recommendations and the NSW Government's response**

May 2016

The NSW Government welcomes the final recommendations of the Structural Adjustment Review Committee (SARC) and congratulates it on the detailed work it has done to create an economically viable, environmentally sustainable commercial fishing industry where fishers have the opportunity and certainty they need to grow their businesses. It is also important that the industry can continue to provide the people of NSW with locally caught fresh seafood and bait for recreational fishing.

Under the current fisheries management arrangements, in most cases the value of fishing rights (shares) is not proportional to catch or effort. The Government will change this by linking shares with catch or fishing effort to create greater certainty for fishers, greater viability for the industry and more sustainable fisheries.

The NSW Government supports the forms of share linkage proposed by the Structural Adjustment Review Committee, which link fishing rights (shares) with catch or fishing effort for 24 share class groups (encompassing 103 share classes) within the Estuary General Fishery, the Ocean Trawl Fishery, the Ocean Trap and Line Fishery, the Estuary Prawn Trawl Fishery and the Ocean Hauling Fishery.

The extensive consultation undertaken by the Government in relation to the commercial fisheries business adjustment program has indicated a strong appetite for change in the industry. It has also highlighted the need for a comprehensive package of assistance measures to assist fishers to transition to the new share linkages. The SARC also recommended a number of assistance measures it considered would assist industry adapt to the changes. The assistance measures that will be made available by the Government are:

#### **\$1,000 grants for independent financial advice**

Commercial fishers who want to seek independent financial advice to discuss their future viability in the industry can access grants of up to \$1,000 to help off-set the cost of seeking this advice.

#### **Subsidies for buyers and sellers (formerly 'exit grants')**

A \$16 million package has been set aside to help share the cost for those fishers buying more shares and those who want to sell shares. It will be designed to assist active fishers. This money will also go towards buying out the fishing businesses of fishers who own multiple fishing businesses and want to consolidate their shares into a single fishing business.

### Low interest rate loans

Loans of up to \$80,000 at a fixed interest rate of 2.5% over a maximum 12 year period will be available for viable businesses. Those eligible can use their commercial fishery shares as security for the loan.

### Cooperative assistance

Grants of up to \$30,000 will be made available to fishing co-operatives so they can obtain specialist business advice to determine how to adjust their operations to account for the new catching structure. Additionally, the Government will explore whether it is appropriate to apply a subsidy for cooperatives for a two year period (charging on the statutory minimum rent payment) to enable those funds to be used to adjust the cooperative's business in response to the changes in the catching sector (e.g. by paying out any exiting co-operative shareholders).

### Retraining assistance

Commercial fishery shareholders who choose to leave the industry will be eligible to apply for grants of up to \$10,000 to assist with the costs of retraining. Course fees, travel, meals and accommodation, textbooks and tools required for a new line of work can be claimed.

### Social licence and fresh local seafood projects

\$400,000 will be committed over the next two fiscal years to fund projects aimed at building improved community support for commercial fishing into the future and increasing consumer demand for fresh, locally caught seafood. These initiatives will help to build improved certainty and viability in the fishing industry sector.

### Source of origin labelling

The Government will work closely with the retail sector and the fishing industry on a project to consider introducing source of origin labelling requirements for cooked seafood sold in NSW. This would provide a clear option for NSW consumers and may result in improved value attributed to locally caught seafood.

The NSW Government is confident that the implementation of the share linkages recommended by the SARC, combined with the assistance measures proposed, will ensure that the NSW commercial fishing industry is economically viable and environmentally sustainable into the future.