

## Outcomes from the Lobster Industry Working Group meeting held on 14 October 2010

Agenda Item	Outcome
1. Welcome and apologies	<p>Meeting start at 9:30am</p> <p>The Chairperson welcomed LobMAC industry representatives and observers to the first Lobster Working Group meeting for 2010.</p> <p><u>Attendance:</u> Alan Dodds (Chairperson), Daniel Stewart, Noel Gogerly, Scott Westley, Peter Offner, Lee Monin.</p> <p><u>Observers:</u> Ron Firkin (Industry), Paul O'Connor (I&amp;I NSW), Peter Turnell (I&amp;I NSW), Cameron Westaway (I&amp;I NSW), Tony Andrews (I&amp;I NSW), Anthony Chen (I&amp;I NSW), Dr Geoff Liggins (I&amp;I NSW), Alice Gleeson (I&amp;I NSW), Amy Priestly (I&amp;I NSW)</p> <p><u>Presenters:</u> Peter Brown (I&amp;I NSW), Graeme White (I&amp;I NSW).</p> <p>Agenda items 2 and 3 were postponed until the next LobMAC meeting, to ensure sufficient time for discussion of the most pressing items.</p>
4. Management Charges and Cost Recovery	<p>Paul O'Connor, Principal Director, Fisheries and Compliance, and Peter Turnell, Director, Fisheries Resource Management I&amp;I NSW, attended the meeting to discuss industry's concerns regarding the lobster management charge and cost recovery.</p> <p>Industry's main concerns were related to;</p> <ul style="list-style-type: none"> <li>• The inequity associated with the level of cost recovery paid by the lobster fishery compared to the other Category 1 Share management fisheries.</li> <li>• Transparency in determining some components of the annual management charge, including the level of salary overheads (48%) and the amount of management and/or administrative support required.</li> <li>• The component of the management charge related to compliance.</li> </ul> <p>I&amp;I NSW advised that the Cost Recovery policy was currently under review with a view to establishing consistency between the various fisheries. It is also proposed to develop a transparent, five-year budgetary model for determining the fisheries management charges.</p>

	<p>Tony Andrews, Manager Special Operations I&amp;I NSW, provided the Working Group with a detailed overview of the organisational structure and operations within the Compliance branch. Industry representatives expressed their disappointment and concern with the outcomes of recent court prosecutions arising from targeted lobster compliance operations. The requirement for industry to fund a dedicated compliance officer was also questioned given the widely accepted view that the lobster industry generally is highly compliant. An alternative arrangement was proposed by industry representatives for Departmental consideration, whereby industry would fund specific targeted compliance operations on an as needs basis with industry funding sufficient planning and operational resources to achieve successful court prosecutions.</p> <p>The working group also discussed the demonstrated inequities existing between the abalone and lobster fisheries, in the amount that each fishery contributes towards compliance. As a result, the Working Group proposed that industry would pay only the equivalent of what the abalone fishery is currently paying for compliance, which is 1/4 of a Full Time Equivalent Fisheries Officer position.</p> <p><b>Outcome: The Working Group accepted the management component (i.e. Fisheries Manager and Fisheries Management Officer salaries, and associated operating costs) and the research component of the proposed 2010/11 lobster budget.</b></p> <p><b>Outcome: The Lobster industry did not support the proposed compliance component of the draft lobster budget. Industry is, however, prepared to pay the equivalent of what the abalone fishery is currently paying for compliance (i.e. One quarter of a Full Time Equivalent Fisheries Officer).</b></p> <p><b>Action: I&amp;I NSW is to consider the lobster industry's proposal regarding the level of compliance costs included in the annual charge, and provide industry with a decision as soon as possible. I&amp;I NSW will also discuss the level of overhead costs included in the annual management charge with Departmental Executives. However, it was acknowledged by the meeting that there is unlikely to be any significant changes in the short-term.</b></p>
6. Lobster quota season dates and quota carry-over	North coast lobster Industry representative, Noel Gogerly, provided the working group with a history of the situation on the north coast.

Industry was presented with the following options to consider;

- permitting carry-over between seasons, or
- changing the current quota season dates to 1 August to 31 July.

The concept of quota carry-over was not supported by industry representatives or the Department due to the apparent difficulties of administering a carry-over system, the costs involved (e.g. management and IT system adjustments) and the associated high compliance risks.

Changing the current quota season dates to 1 August to 31 July was considered to be a more practical option. This arrangement would greatly benefit the north coast deep-water lobster fishers by providing an extra month for a break in the seasonal current, and is unlikely to have a significant impact on the operations of other sectors within the lobster fishery.

An adjustment to the quota season date could also alleviate the current problems associated with lobsters molting around the full moon in July. Issues associated with this event include; tag loss from molted lobsters, difficulty in tagging soft lobsters and increased mortality of live stored lobsters. There is also a limited market for soft lobsters. Adjusting the quota season would allow more time for molted lobsters to harden in traps and pens (until the end of July), before being moved from traps/pens or being sold.

An alternative option is to leave the quota season unchanged.

**Outcome: Lobster Industry representatives supported a change in the quota season dates to 1 August to 31 July, subject to assessment of the impact on other lobster fishers.**

**Action: Industry representatives to discuss the option of changing the quota season dates to 1 August to 31 July with other lobster fishers from their respective regions, and provide feedback to I&I NSW by Friday 22 October 2010.**

**Action: I&I NSW to investigate the costs (administration, IT system adjustments, etc) associated with changing the quota season dates to 1 August to 31 July, the implications to the TAC setting process (if any) and the time frame for proceeding with the legislative changes associated with such a change.**

	<p><b>Action: When LobMAC representatives have provided feedback from industry, and consideration has been given to the costs and implications associated with changing the lobster quota season, I&amp;I NSW is to forward an information paper to all lobster shareholders. This will give industry the opportunity to provide comment on the proposal.</b></p> <p>The Working Group was also advised that the current TAC setting process would soon be reviewed.</p>
8. (b)(ii) Statutory review of Lobster Share Management Plan	Industry representatives noted that the review of the lobster SMP would proceed following the finalisation of the recruitment for a Fisheries Manager (lobster).
8. (b)(iii) Payment for lobster taken in excess of quota allocation	<p>The working group was informed that 14 lobster shareholders had exceeded their quota allocation during the 2009/10 fishing period. Of these, nine lobster shareholders still had negative quota balances at the end of the 2009/10 season. The Department and Working Group discussed administrative procedures for dealing with these cases.</p> <p>In every instance that a shareholder exceeds their quota allocation, compliance will be notified. Compliance will investigate the situation and proceed with the appropriate actions.</p> <p>Regardless of the level of compliance action taken, the shareholder will be encouraged to lease in more quota so that their quota balance is no longer negative. This will ensure that the lobsters caught in excess of the shareholders quota allocation do not compromise the TAC.</p> <p>If the shareholder's quota balance remains negative at the close of the lobster fishing period (i.e. 30 June), the shareholder will be required to pay back the market value of the lobsters caught in excess of the shareholders quota allocation.</p> <p>The market value will be determined using the average beach price for eastern rock lobster sold through the Sydney Fish Markets. The Department will not pursue payment for lobsters caught in excess of the shareholders allocation if the amount is less than 1kg.</p>
7. Marine Parks	<p>Graeme White, Manager Fisheries Information &amp; Protected Areas, discussed the progress of the Solitary Islands and Jervis Bay Marine Parks Zoning Plan reviews with the Working Group.</p> <p><b>Action: The Working Group requested that Graeme White be invited to the next Lobster Industry meeting (Date TBC) to discuss the release of the final Solitary Island zoning plan.</b></p>

5. Recommendations from the 2010/11 TACC Report & Determination

- *Availability of more timely quota lease information*  
The Working Group was advised that Version 1 of FishOnline would be available in December 2010, and that Version 2 is expected to be available in a year's time.
- *IVR System discussions*  
The Working Group was advised that the roll-out of the IVR system has been delayed until 2012 due to timelines associated with the necessary amendments to the *Fisheries Management Act 1994*.
- *Recreational Rock lobster catch*  
The Working Group was advised that I&I NSW is currently looking at options for refining the recreational fishing licence system. The Department will be investigating ways to better define the various user groups within the recreational fishery, with the aim of improving estimates of recreational catch and effort.  
  
The Working Group was also informed that I&I NSW Compliance is currently refining its procedures for recording sightings of recreational rock lobster catches.
- *Rock lobster catch estimates from cultural fishing arrangements*  
Information noted.
- *Development of a harvest strategy, including target reference points relating to MEY*  
For consideration during the upcoming review of *Fisheries Management (Lobster Share Management Plan) Regulation 2000*.
- *Survey of the costs of fishing*  
The Working Group did not consider this to be a priority at this stage, given that the lobster stock is still recovering.
- *Funding for the costs of fishing survey*  
As above.
- *Reporting of quota transfer price information*  
For consideration during the upcoming review of *Fisheries Management (Lobster Share Management Plan) Regulation 2000*.

	<p>- <i>Refinement of illegal and unreported lobster catch estimates and establishment of an I&amp;I NSW /Industry working group</i></p> <p>Enhancement of compliance procedures for recording sightings of recreational rock lobster catches, and refinement of the recreational fishing licence system (as discussed above) will contribute to improving illegal and unreported lobster catch estimates.</p>
9. FishOnline	<p>Peter Brown (I&amp;I NSW) provided a demonstration of FishOnline, <i>Version 1</i>, which is scheduled for release in December 2010.</p>
10. Other Business	<p>a) <i>Crewing arrangements in abalone and lobster fisheries</i></p> <p>Under clause 47 of the <i>Fisheries Management (Lobster Share Management Plan) Regulation 2000</i>, an endorsement holder must not take or attempt to take rock lobster in the fishery more than 2 times in any calendar month while using a fishing boat on which any member of the crew of the boat is not a licensed crew member, except with the approval of the Director-General. A contravention of this clause is an endorsement holder offence.</p> <p>It was suggested at the meeting that this requirement could be repealed during the regulatory reform program. Removing this requirement would offer greater flexibility for business owners, and reduce industry and administration costs. This would also improve consistency between the different fisheries.</p> <p><b>Outcome: The Working Group supported removing the class 2 (crew) licence requirement and associated provisions (fees etc) from the <i>Fisheries Management (General) Regulation 2010</i> and the <i>Lobster Share Management Plan 2000</i>, and removing all provisions relating to limitations on the use of unlicensed crew in the Lobster fishery (limit of 2 days per month etc) from the <i>Fisheries Management (Lobster Share Management Plan) Regulation 2000</i>.</b></p> <p>b) <i>Statutory Review of the Fisheries Management Act 1994 - Discussion Paper &amp; Call for Submissions</i></p> <p>The Working Group was advised that a website has been set up for the purpose of undertaking consultation on the current review of the <i>Fisheries Management Act 1994</i>. An email was sent to lobster industry representatives advising them of the review and directing them to the website, which includes background information, a discussion paper that can be downloaded, and details about how to make a submission. Submissions close at 5pm on Friday, 12 November 2010.</p>