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Committee Secretary
Senate Standing Committees on Rural and Regional Affairs and Transport
Department of the Senate
PO Box 6100
Parliament House
CANBERRA ACT 2600
AUSTRALIA

Via: rrat.sen@aph.gov.au and seniorclerk.committees.sen@aph.gov.au

Dear Committee Secretary

RE: SEAFOOD INDUSTRY VICTORIA SUBMISSION TO THE SENATE RURAL AND REGIONAL AFFAIRS AND TRANSPORT LEGISLATION COMMITTEE INQUIRY INTO THE PERFORMANCE OF AUSTRALIAN MARITIME SAFETY AUTHORITY (AMSA)

I make the following submission from Seafood Industry Victoria on behalf of the Victorian commercial fishing and seafood industry.

Seafood Industry Victoria (SIV) is the representative peak body for the Victorian seafood industry, from commercial fishing to the wholesale and processing sectors. The commercial fishing sector in Victoria is constituted by 654 fishing licences, the holders of which are all potentially affected by the actions and performance of the Australian Maritime Safety Authority (AMSA).

Our industry's vessels cover a significant diversity of sizes, from small 6m open dinghies; to larger vessels operating in offshore fisheries. These vessels utilise a diverse range of gear types and operate in a large variety of conditions, from sheltered waters right out to the openness of the continental shelf. The majority of seafood businesses are small, family, owner operator businesses. If an operator is lucky, they may have a wife or partner who helps with paperwork and finances.

Transition to the AMSA delivery model

Despite a long lead time, as we approached the 1 July 2017 take over date, it became obvious that AMSA was not adequately prepared to take on the responsibility for delivery of the National system. The very late consultation on the new national cost recovery levy model indicated to industry that AMSA was not prepared to adequately deliver the national system from that time, and to that end, the industry was relieved to see the 12 month extension in

takeover date, mandated by the Federal Minister, to 2018. Despite the announcement of a further \$100 million of transitional funding allocated with that extension, there remains a significant level of uncertainty around the AMSA Cost Recovery model and its true impact on industry.

Measuring AMSA's performance

Under the COAG agreed and supported principles, harmonisation of maritime safety under an AMSA single point delivery model is envisaged to deliver reduced costs, reduced red tape and improved safety outcomes. There is no doubt that these outcomes would have significant benefits for the Victorian seafood industry.

Three of the key performance indicators of the AMSA National and single point safety delivery system were identified for industry to be; reducing costs; reducing red tape and improving safety outcomes. Unfortunately, AMSA's delivery of even a subsidised national system has not yet passed on any of these three key performance measures.

The total cost to industry under the AMSA national delivery model is complex and involves the combination of a cost recovery levy, fee for service arrangements, shifted costs to private service providers and indirect costs. While it is not possible to compare all these costs for the AMSA model as yet, despite the current subsidisation, the industry is cognizant of increased costs. This paints a dark picture for the Victorian seafood industry of what lays ahead when full cost recovery is implemented.

Our assessment of proposed costs (based on current available information) indicate cost increases on Victorian fishing vessels in the order of 200–500%, which is not acceptable.

AMSA continue to admit they are uncertain of the true and full costs of delivering the National System to Domestic Commercial Vessel (DCV) operators. As such SIV remains uncertain of many aspects of the AMSA delivery model and budgeting. To date, our operators in Victoria have only experienced increased costs associated with all aspects of operating a DCV.

It remains a concern for the Victorian seafood industry, that small-scale, family owned operations have minimal knowledge or understanding of the current and proposed requirements for being compliant with the National Standard. This has led to a lack of desire to engage with AMSA or the currently poorly articulated delivery model, due to the lack of clarity, relevance and transparency. As noted by one Victorian Fisher:

“AMSA interaction with fishers wanting to bring boats, other than new build boats into survey is a real problem. In the past fishers could call Marine Safety Victoria and there were people within that organisation who could directly answer questions. They knew the requirements and they knew what they were doing. From my recent contacts with AMSA their people do not know what they are doing and are therefore not helpful. Most fishermen will complain about cost but cost is secondary to actually getting the job done. AMSA needs to employ people who have experience, can read and understand the requirements so that when a fisherman calls or emails with a practical question it is answered correctly within a short period, like a couple of days not a couple of months or even ignored. Even the surveyors are unsure of a lot of requirements”.

Recent research and engagement with industry, at a national level, has highlighted that there has been a complete disengagement by grass roots fishers operators from the ASMA national system. This research was undertaken by Dr Kate Brooks, who conducted a study into the barriers to the adoption of safe work practices in wild catch fisheries.

An interim research report can be found at:

<http://www.kalanalysis.com.au/assets/Uploads/2017-046-FG-Findings-Report-50321.pdf> ,

with the final report due for submission to Fisheries Research and Development Corporation on June 30th 2019.

The following excerpt from the report clearly presents the industries experience and view on red tape and the excessive red tape created in the move to a national system under AMSA. *“Overall, the industry articulated an openness to a responsive regulatory approach, engaging in greater persuasive and support activities that recognise existing strengths of the industry. This approach, while reflected in the philosophy of AMSAs state of Regulatory Approach, is not currently the lived experience of fishers (due to current bureaucratic paperwork requirements), likely due to the relatively recent transfer of safety responsibilities to AMSA from state based maritime safety authorities. Without assistance of robust change management expertise to align the language, communications and expressed values of both industry and regulators, shifting this attitude to safety across both industry and regulatory implementation, change and further improvement in safety culture is likely to be slow and challenging.”*

Industry strongly supports the following statement from the findings of Dr Brooks:

“An opportunity exists to reposition the current perception of regulatory requirements from that of bureaucratic requirements, to one of actions supportive of and industry’s safety culture building on fisher’s knowledge of their operations, and desire to maintain and maximise the safety of their operations”.

I confirm that SIV supports the overall objective of a single national service delivery model to assist the Australian fishing and aquaculture industry to operate safely in a more efficient and cost-effective manner. However, unfortunately to date there is no Victorian fisher, that we are aware of, who has been positively affected by this transition.

We still seek full and accurate knowledge of the cost of service delivery, with full transparency of the costs of that proposed service delivery. This is paramount to substantiate any claim made by AMSA that service delivery under their management is substantially less.

At present the industry is cautious as to the potential for a cost blow out in the transition to a national system for Domestic Commercial Vessels, and there has been no certainty provided that this will not be the case.

Thank you for the opportunity to comment and we look forward to ongoing engagement with AMSA in the implementation of a system that will reduce red tape, reduce cost to the commercial fishing industry and provide realistic, safer operating conditions. Please do not hesitate to contact me if there are any queries regarding this submission.

Yours sincerely

Johnathon Davey
Executive Director