

Coalition Senators' dissenting report

1.1 Coalition Senators note the substantial amount of work contained in the Chair's Report and the factual information it contains. However, Coalition Senators do not accept all of that report and consequently make the following observations.

1.2 Australia has a reputation as a supplier of safe, environmentally sustainable, high-quality seafood. Coalition Senators want to see the industry remain strong and sustainable, and ensure Commonwealth fisheries management practices follow or exceed internationally recognised best practice.

1.3 Coalition Senators note the committee's key objective in undertaking this inquiry was to ensure that the Small Pelagic Fishery (SPF) is managed in a sustainable way that meets the needs of current users and future generations.

1.4 Coalition Senators consider the Australian Government is committed to maintaining a balanced and science-based approach to all decisions regarding access to Commonwealth fisheries.

1.5 The FV *Geelong Star* is the most heavily regulated and closely monitored vessel currently fishing in the Australian Fishing Zone.

1.6 No substantiated, validated scientific or economic evidence was presented to the committee to indicate that either the management of the SPF fishery, or the operations of the FV *Geelong Star*, were not sustainable.

1.7 The size of the boat used to take the catch is immaterial to the long-term sustainable management of the SPF.

1.8 The latest status reports demonstrate that fisheries management based on the best available science and strong compliance will deliver sustainable fisheries for current and future generations to enjoy. Consumers should have confidence that buying Australian seafood from a Commonwealth managed fishery means that you are making a sustainable choice.

1.9 Coalition Senators unambiguously support the commercial fishing industry and understand its importance in supplying Australian seafood, creating jobs in regional communities and generating valuable export revenue.

1.10 The commercial fishing industry is an important contributor to the Australian economy and many local communities across Australia. As shown in the Australian Bureau of Agricultural and Resource Economics and Sciences (ABARES) report, Commonwealth fisheries contribute a gross value of production of around \$348 million in 2014–15 up from \$338 million in 2013–14.¹

1 ABARES, *Fishery status reports 2016*.

1.11 Indeed, there is an obligation for Australia to maximise the gross value of production (GVP) from the management of its Commonwealth fisheries and to provide an alternate source of protein to a growing world population.

1.12 Australia's fisheries are internationally recognised as among the best managed in the world and the latest Commonwealth fish stocks report, released by ABARES, shows that for the third year in a row, no fishery solely managed by the Commonwealth has been subject to overfishing.

1.13 Coalition Senators have confidence in the independent, science-based statutory regulator, the Australian Fisheries Management Authority (AFMA), as the regulator of our fisheries and in its consultations with industry and stakeholders.

1.14 All boats operating in Commonwealth fisheries, including the SPF, are subject to Australia's strict fisheries laws.

1.15 AFMA manages Commonwealth fisheries using 'output' controls, which are direct limits on how many fish can be taken in a fishing season. This ensures that the fish stocks remain within sustainable levels regardless of the number or size of fishing boats.

1.16 Placing a restriction on the number or size of vessels is known as an 'input' control. Input controls are a less certain method of ensuring a sustainable level of fishing because they do not necessarily manage the amount of fish harvested. In poorly regulated fisheries, particularly those that rely on input controls rather than quota, very large fishing vessels can do significant damage in a short time. This is why 'super trawlers' have a poor reputation worldwide.

1.17 In its evidence, AFMA stated that since May 2012, the harvesting of fish in the Small Pelagic Fishery (SPF) has been governed by a quota management regime.² The total allowable catch (TAC) for these SPF species is allocated among operators based on their quota holdings. Any catch of the target species must be covered by quota.

1.18 Furthermore, it is worth noting that where information is lacking, AFMA sets a more conservative TAC. In the case of the SPF, the committee was advised that '...the TACs leave more than 90% of fish in the water, even if all the TAC is caught'.³

1.19 As stated in AFMA's submission, the impact of the FV *Geelong Star* was described in the following manner:

- the vessel utilises a natural resource that is sustainably harvested and provides economic benefits to Australia;
- the mid-water trawl fishing method results in a low by-catch rate;

2 Australian Fisheries Management Authority (AFMA), *Submission 18*, Attachment 4.

3 AFMA, *Submission 18*.

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- there has been a steady reduction in marine mammal interactions; and
 - there has been no substantiated evidence of negative impact from the vessels fishing activity on other commercial fisheries or the recreational fishing sector.⁴

1.20 In its evidence, the Department of Agriculture and Water Resources noted that the SPF is characterised as a large volume, low per-unit value fishery, with small oily fish that readily decompose. Historically, there had been limited fishing activity in the SPF, primarily driven by economic constraints, including lack of processing capacity.

1.21 Larger vessels are primarily used for their additional processing, freezing and storage capabilities, which can contribute to the economic viability of fishing.

1.22 On-board processing and freezing capability optimises the quality and therefore the value of the fish product, allowing it to be used for human consumption rather than lower value uses such as fish meal.

1.23 Currently there are 298 boats operating in our Commonwealth fisheries, of this, around 88 boats have freezer capacity (of which some have processing capabilities) and 5 boats are factory freezers.

1.24 Factory freezer vessels have been used extensively in Australia for more than 30 years, including in the blue grenadier fishery, Heard and McDonald Island fishery and Northern Prawn Fishery.

Coalition Senators' Recommendations

Recommendation 1

1.25 The management of Commonwealth fisheries continues to be based on the best available science and a strong compliance regime.

1.26 Coalition Senators take seriously the Australian government's responsibility to protect the environment and to sustainably manage fisheries for the enjoyment of all Australians into the future.

1.27 Hearsay, anecdotes and unsubstantiated claims are no basis for sound policy and fisheries management.

1.28 Coalition Senators support a management framework that places significant emphasis on scientific research, has a strong legislative and policy framework for managing fisheries and, to ensure compliance, has an independent regulator.

4 AFMA, *Submission 18*.

1.29 Research and advice from CSIRO, the Department of Environment and Energy, AFMA, the Fisheries Research and Development Corporation, the Institute of Marine and Antarctic Studies/University of Tasmania, and the South Australian Research and Development Institute all ensure that the SPF is being sustainably managed.

Recommendation 2

1.30 There should be on-going dialogue and discussion between the commercial and recreational fishing sectors in relation to the management of Commonwealth fisheries.

1.31 Coalition Senators note that mid-water trawling and recreational fishers can co-exist. Indeed, it is disappointing that environmental activists have been able to create and then exploit differences between the commercial and recreational fishing sectors in this country.

Chair's Report Recommendations

1.32 Other than as set out below, Coalition Senators make no comment on the recommendations included in the Chair's Report.

1.33 Chair's Report Recommendation 1: Coalition Senators do not support this recommendation.

1.34 Coalition Senators note that on-board processing and freezing capability optimises the quality and therefore the value of the fish product, allowing it to be used for human consumption rather than lower value uses such as fish meal.

1.35 Factory freezer vessels have been used extensively in Australia for more than 30 years, including in the blue grenadier fishery, Heard and McDonald Island fishery and Northern Prawn Fishery.

1.36 Coalition Senators consider that an estimated \$15 million⁵ annual injection into regional economies is not a 'marginal' economic benefit as described in paragraph 6.19.

1.37 Chair's Report Recommendation 4: Coalition Senators give qualified support to this recommendation in the committee's report.

1.38 Coalition Senators note that information regarding the total value of the fishery and the quantity of the catch (by species) is already disseminated by ABARES and AFMA.

5 Seafish Australia, *Submission 22*, p. 12.

1.39 Coalition Senators noted AFMA's ongoing commitment to openness and transparency in fisheries management was balanced with the need to protect information that was deemed to be commercial-in-confidence.

1.40 Chair's Report Recommendation 5: Coalition Senators do not support this recommendation in the committee's report.

1.41 Coalition Senators believe that placing an arbitrary ban on fishing to daylight hours will result in un-necessary regulatory burden, yet provide no level of certainty as to the effectiveness of this measure.

1.42 Noting that AFMA does not report protected species interactions on a boat by boat basis but by fishery, during the 2015–16 fishing season, of the total protected species interactions in the SPF, only 15.4 per cent occurred at night (logbook reported time of 8 pm to 8 am).

1.43 Coalition Senators note that Commonwealth fisheries management and industry has demonstrated its ability to respond quickly and effectively to bycatch issues in fisheries, particularly for listed species and effectively reduce and where possible, eliminate interactions.

1.44 Coalition Senators note that since AFMA put in place physical mitigation measures and a dolphin mortality trigger for mid-water trawling (June 2015) to close management areas of the SPF fishery, there have been no dolphin mortalities. Furthermore, since additional seabird mitigation measures were implemented in February 2016, only one seabird has been killed during fishing operations.

1.45 Chair's Report Recommendation 6: Coalition Senators do not support this recommendation in the committee's report.

1.46 Coalition Senators believe there is no basis for this recommendation given that AFMA has already in train a forward work program for the SPF of spawning biomass based on the daily egg production method.

1.47 Coalition Senators noted the evidence presented by AFMA that catch limits are reduced depending on the information available for a specific fishery. In particular, where there is no daily egg production information, AFMA adopts very conservative catch limits, as guided by the SPF Harvest Strategy.

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