

GENERAL PURPOSE STANDING COMMITTEE NO 5

INQUIRY INTO COMMERCIAL FISHING IN NSW

Supplementary questions: Mr Raymond Saunders and Mr Grant Saunders, Aboriginal Commercial Fishers

- 1. Can you describe the section of the river impacted by leaching from the local dump and the location of dump?*

The section of the river we believe is impacted by leaching from the Buckets Way Dump extends to the prawn dig below Wynters Creek above Tinonee and further downstream below Gollan's Hill directly adjacent to Buckets Way Dump (please refer to attached map in Appendix A). The impact equates to an observed dramatic decline over the past 15 years in prawn stocks along with a decline in Sand Whiting which feed on red worms and prawns in that area. This theory is held by a number of fishermen who have been working the area for over 50 years. This theory is also supported by the fact that the Greater Taree City Council pleaded guilty to the NSW Land and Environment Court for polluting waters through mismanagement of leaching from the dump in 2014ⁱ and we believe this mismanagement has affected fish and prawn stocks, despite the court finding that "the offence was in the low to moderate range of objective seriousness." Another indicator of pollution in the river that may also point to leaching from the dump is the toxic plume, which we also mentioned in the inquiry, witnessed just 10 kilometres downstream from the dump in November 2016.

At the hearing we also mentioned the concerns we have over water contamination caused by acid run off from fracking and open cut mining in the Gloucester Mountains which could also be responsible for low prawn stocks. We have attached an article from the Sydney Morning Herald in regard to this issue experienced in river systems in China to support our concerns. (see attached copy of article in Appendix B)

- 2. Have you reported the impact - as was said in the hearing of prawns dying in crab traps overnight - to NSW Fisheries? If yes, have you received a response?*

As for the reported impact on bream and crabs, not "prawns", dying in the crab traps overnight, this story was told by Stuart Chase, a crab fisherman on the Manning, five years ago. Mr Chase may have reported this event at the time but the point of mentioning it now to this inquiry is to demonstrate what fishermen have observed over the years in regards to the health of the river system and the impact it has on fishing, our livelihoods and consumers.

- 3. With regard to the Minister's comments about a role for the Aboriginal Commercial Fishing Trust being a possible vehicle for purchasing share to support aboriginal commercial fishing (see Minister's transcript). Have you heard of the Aboriginal Commercial Fishing Trust? Has anyone from the department spoken to you about how it might operate or who might sit on the trust's board?*

NO. No members of any government department or representatives from Southern Cross University, the body charged with the responsibility to conduct research into Indigenous fishing and report back to its informants, have notified us of its existence or any benefits arising from it.

We and other Indigenous commercial fishermen would greatly appreciate further information about the trust and its benefits to ensure our survival in this industry as Indigenous commercial fishermen.

We would like to now further elaborate on an answer provided to a question raised at the hearing by the Honourable Dr Phelps on why we thought two-thirds of the Manning River was taken off us.

To put it simply we were told it was for an environmental impact study, yet there were a number of contradictions and coincidences that we believe point to other reasons.

Firstly, environmentalist/recreational fishing groups were apparently observing and reporting claims of a decline in fish and prawn stocks, attributing this to the impact of commercial fishing, yet fishermen were recording some of the largest quantities of prawn and fish from digs in the bottom two-thirds of the river. Two years prior to the river closures in 2002, the Saunders family fishing crew was making the best wages they had ever made in previous years. Around the same time, in one day, a prawn trawler fishermen recorded 1900kgs out of the mouth of the Manning, other smaller fishing crews recorded in excess of 1000kgs on average per week. These records on their own contradict the justification for the river closures, based on so called fish and prawn stock decline, and Manning River commercial fishing catch histories will attest to this fact. Since the closures, fishermen now crammed into less than a third of the river can no longer survive on prawns alone for subsistence when it was once lucrative and sustainable. A once healthy, economically and ecologically sustainable industry has now forced fishermen to employ unhealthy and unsustainable practices in order to survive financially.

The closures came without any consultation with commercial fishermen and instead consultations were made with local councils, tourist developers and recreational fishers. This is why we say it was the interests of these groups that were prioritised over the interests of commercial fishing. Decisions to close the rivers were made by a ministry headed by a now found to be corrupt politician Mr Eddie Obede and again we now question the validity of those decisions and demand that a further inquiry be made into the various connections and dealings he had while ruining the livelihoods of small commercial fishing families like ours.

This inquiry is the first time commercial fishermen have had a chance to properly voice their concerns not only for their livelihoods but for the health of our waterways. Studies have been made to discriminate against commercial fishermen and benefit recreational users, land development and tourism but no studies until now have been conducted on

the impact of the river closures on our livelihoods or the ecological sustainability of the waterways, taking Aboriginal cyclic fishing methods into consideration as well as other sustainable fishing methods employed by Indigenous and non-Indigenous commercial fishermen.

Coinciding with the river closures was the development of Harrington Waters Estate by Roche Development. Environmental studies used to restrict commercial fishing allowed a big land developer to turn Harrington Wetlands into “Harrington Waters”, promoted by John Laws on his radio talk show. The height of this land has since created a flood problem for people living in older sections of Harrington, being raised more than three feet above the rest of the community. There was a low-lying creek in this same area, which was a relief notch that allowed flood waters to flow onto the moors north of Harrington and into the great swamp. The creek no longer exists; instead just a couple of dams on a golf course.

Indigenous and other older family commercial fishing businesses have historically monitored the waterways to maintain a healthy river system for the benefit of their communities; monitoring natural destruction as well as man made through mining, agriculture, land development and water management. By blocking commercial fishing out of Harrington Waters, the community was suddenly denied this monitoring system, seemingly in the name of environmental science while conveniently and paradoxically allowing the Roche developers to get away with environmental vandalism.

Another coincidence to consider is the establishment of the prawning aquaculture industry at the same time as the imposed river closures. Many fishermen believe that in order to justify the viability of this new industry a need would have to be established and commercial fishermen catching vast quantities of prawn and fish would contradict this need and therefore taking commercial fishermen out of the equation was necessary for its success.

Speculation? Maybe, but not unfathomable given what we’ve since learned about Mr Obede. It is not news that local councils have a lot of input from the chamber of commerce and the political parties have their influential power brokers. Eddie Obede was a power broker who for years denied misconduct in officeⁱⁱ until recently being sentenced for misconduct in December 2016ⁱⁱⁱ. Stephen Dunne, a former Maritime official and colleague of Obede was also found to be corrupt over the café leases. Succeeding Obede as Minister for fisheries was another corrupt colleague, Mr Ian McDonald who was given the portfolios of Mining, Agriculture and Fishing, allowing the perfect opportunity for laws to be passed in favour of a corrupt government official. This knowledge in itself should justify a further inquiry into the restrictive policies on commercial fishing born out of a corrupt ministry. Whose interests apart from their own were they serving? Local councils? Tourist operators and developers? Land developers? Waterfront land owners? The recreational fishers? The questions need to be asked because decisions they have made while in office have seriously detrimentally affected ours and other small fishermen’s livelihoods.

Another example to support our claims that local council were against commercial fishermen in favour of recreational fishermen was in a statement made to the Manning River Times in regard to the re-establishment of the Cattai Wetlands^{iv}. Commercial fishermen recognised a problem with the wetlands decades ago, due to the acid sulphate problems created by local farmers on the lower flood plain with their drainage systems, yet their concerns back then again were unheard. In 2003 Taree Council finally sought funding to buy back this land from the farmers in order to fix the problems and announced that it was done for the benefit of recreational fishing, clearly indicating the council's allegiance to recreational users of the river. Moreover, if Commercial fishermen were consulted 50 years ago we may all still be enjoying a healthier river system.

By decreasing the working area of commercial fishermen in the Manning River and other river systems in NSW, Eddie Obede's Ministry and successive governments are ultimately responsible for crippling small fishing families and ruining a once viable, healthy and sustainable industry.

Apart from our speculations of corruption at a state ministerial level, there is hard evidence to suggest serious mismanagement by Fisheries again based on a lack of consultation with fishermen. Leading up to the closures on the Manning River other fishermen were receiving government buy-outs from their river closures and subsequently fishermen from as far south as Botany Bay bought up shares in zone 4 and started fishing in the bottom end of the Manning River. Without local knowledge or respect for cultural protocols, both Indigenous and non-Indigenous, these new fishermen became a nuisance for other local fishermen as well as other users on the water, so much so that people like the Croki Caravan park owner, who we mentioned in the hearing, made complaints to council. Because of the behaviours of a handful of outsider fishermen, the local community became more and more against commercial fishing in general, which is evidenced in numerous Manning River Times comments to the editor. The growing animosity toward the commercial fishermen fed into the lobbying power of the then Recreational Fisher's Party, led by Rex Hunt, and the subsequent justification of the Manning River closures to commercial fishing and the creation of recreational fishing havens. Instead of punishing the fishermen who were not observing the "rules of the water", local fishermen who had the respect of the community and worked the waterways for generations in a sustainable way were also punished.

Eight fishermen accepted government buy-outs, but instead of decreasing the efforts of commercial fishing there was no restriction on the number of fishing businesses allowed to work in the restricted zones and after the buy-outs, more fishermen moved in, now competing for limited fish and prawn stocks. This decision made no ecological sense whatsoever and future decisions about our industry will continue to make no sense without proper and meaningful consultation with all stakeholders including small commercial fishing families who have been working the waterways for generations.

The proposed reforms in relation to creating a share market system will be the final nail in the coffin for small fishing businesses. It will allow bigger fishing businesses to buy up

smaller businesses, which will either be forced to sell up because they won't be able to afford the shares required to continue fishing or they will die a slow death under the pressure of bigger businesses who can afford the shares. The small family business determined to continue their cultural practise, the legacy of their ancestry and to remain gainfully employed in the only profession they know will refuse to sell up with no secure future, eventually succumbing to the pressures of a restrictive and regulated industry and will be left with nothing. Consequently, more families will be forced to subsist off the welfare system and the general public will yet again lose a healthy local food industry monitored and caught by ecologically conscious fishing families like ours.

Apart from the recommendations that we tabled in our opening statement at our hearing, we would also like to know if the Fishers, Shooters and Farmers' Party are going to include commercial fishers in their plans for better managed waterways in NSW and other states?

As Indigenous fishers we have historically been locked out of Australia's economy or to participate equally but despite dispossession, denial of citizenship rights, stolen family members, Aboriginal protection board control, poor health and housing and racism in all its forms, the Saunders family successfully created a viable commercial fishing business to become economically independent of the welfare state. Our father/grandfather Horrace Saunders (see Appendix C) fought against all these road blocks placed in front of Aboriginal people to become a successful Aboriginal fisherman so that he could create an economic future for us and generations to come and the transference of Aboriginal cultural maintenance. His legacy is worth fighting for and this is why we take this opportunity to voice our concerns and our recommendations in the hope that governments will now truly listen and act before we lose out on another precious resource; our fresh, healthy and local seafood caught by local ecologically sustainable conscious fishermen.

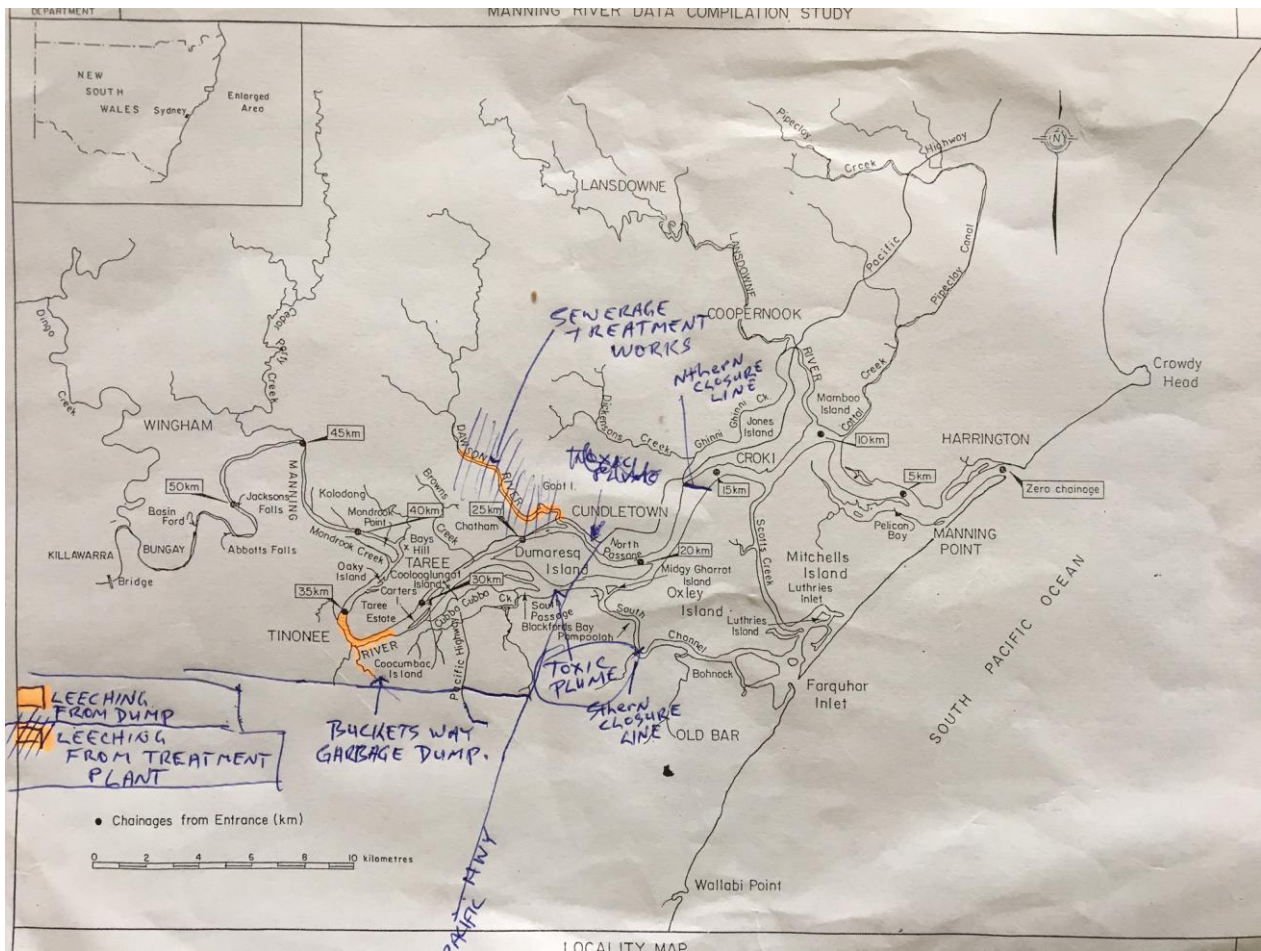
ⁱ <http://www.epa.nsw.gov.au/epamedia/EPAMedia14070902.htm>

ⁱⁱ <http://www.abc.net.au/news/2014-12-18/eddie-obeid-granted-bail-over-misconduct-charges/5976040>

ⁱⁱⁱ <http://www.abc.net.au/news/2016-12-15/eddie-obeid-sentenced-five-years-jail-misconduct-public-office/8122720>

^{iv} http://www.lgnsw.org.au/files/imce-uploads/35/repairing_cattai_wetlands_greater_taree_council.pdf

APPENDIX A



Europe Big increase in secret agreements with multinationals

'Sweetheart' tax deals go beyond Apple

Nassim Khadem

If you thought that the European Union coming down hard on tech giant Apple was the end of secret tax deals, you're wrong.

New research from the European Network on Debt and Development, a network of 47 civil society organisations from 20 European countries, shows that since the LuxLeaks scandal, the amount of secret deals – what it calls "sweetheart deals" – between multinational corporations and European governments has increased by almost 50 per cent.

In August Apple was ordered to pay up to €13 billion (\$19 billion) in back taxes, plus interest, to Ireland after the European Commission found the software giant had received "illegal state aid" and avoided paying almost all tax on profits in Europe over the past decade.

But the report, *Survival of the Richest*, said that it's "as if the LuxLeaks never happened".

The November 2014 leaked PwC papers, which came to be known as the LuxLeaks scandal, had revealed that Luxembourg had signed off secret deals with some 340 corporations from 2002 until 2010. The cache of documents was handed to the International Consortium of Investigative Journalists by two whistleblowers and a journalist, who went on trial and faced sentences for the leaks.

The LuxLeaks named Australian companies, such as AMP, Macquarie Group and Lend Lease, which had funnelled hundreds of billions of dollars into Luxembourg to slash their tax bills.

The report said despite those revelations – and the more recent ICIJ release of the Panama Papers, that revealed 20,000 secret offshore entities linked to Panama law firm Mossack Fonseca – European governments continue to sign secret deals that undermine taxation, especially in developing countries.

Around the world tax authorities use what are known as an Advanced Pricing Agreement (APA). These deals, used by tax jurisdictions for decades, enable companies to lock in the amount of taxes they pay in future years.

It is important to note that companies can do this only if the tax authority agrees, and these deals are completely legal. However, they are done confidentially.

The report refers to European Commission data showing such secret deals are becoming a rapidly growing trend in Europe. It said the number of APAs in the EU rose from 547 in 2013, to 972 in 2014, and reached 1444 by the end of 2015.

"One question that remains unanswered is how many of these APAs are simply legitimate agreements to ensure tax certainty for multinational corporations, and how many are the type of instruments of large-scale tax avoidance" that have been exposed in the LuxLeaks scandal and the state aid cases," the report said.

China oversight boost for miners

Mining Zac Crellin

As iron ore prices eclipse \$US80 per tonne, Australian mining companies have China to thank for a lucrative oversight.

To combat unprofitable thermal coal production, the Chinese government implemented supply-side reforms, which inadvertently applied to coking coal.

In April the National Development and Reform Commission (NDRC) enacted a 276-working-day rise, barring all coal mines from operating on weekends.

Since that month, the price of thermal coal at Newcastle's port jumped 80 per cent to \$US89/tonne, while coking coal has tripled to \$US300/tonne.

"They [the government] miscalculated a lot of things and they basically just created a massive shortage," said Brad Potter, head of Australian equities at Nikko Asset Management, who recently returned from a fact-finding trip to China. "Coking coal was effectively an innocent bystander of the regulatory forces trying to manage price and volume in the 3.2-billion-tonne thermal coal market."

"So it's really nothing to do with fundamental supply and demand, it was based around a policy decision that went wrong."

The spike in prices in coal meant Chinese steel mills went from spending 20 per cent of their total costs on coal to 40 per cent, pushing them in turn to seek higher grades of iron ore to make the steel making process more efficient. For every 1 per cent increase in the grade of iron ore, the amount of coking coal required is reduced by roughly 2 per cent.

"What was originally just a China-centric event then spread out to the seaborne market," Mr Potter said.

Compounding this situation is the mass closure of mines across the country for environmental reasons, primarily water contamination from acidic mine run-off. The city of Shanxi accounts for almost over a quarter of Chinese coal production, yet output is at risk after the local environmental protection bureau found 29 out of 100 water sources were unfit for human contact because of excessive pollution.

Additionally, authorities have clamped down on overloaded trucks, further increasing coking coal costs.

Iron ore prices have surged thanks in large part to a Chinese policy error. Photo: Dave Tacon

News Corp's green light for APN regionals

News Corp's buyout of APN's regional Queensland newspapers won't hurt market diversity as readers are turning to online news regardless, according to the competition watchdog.

The Australian Competition and Consumer Commission on Thursday gave the all-clear for Rupert Murdoch's media giant to buy APN's Australian Regional Media, which includes 11 regional newspapers, 60 smaller publications and more than 30 news websites.

The ACCC had raised concerns the \$36.6 million acquisition could lessen competition in the supply of news, particularly in areas where News Corp's state-wide masthead *The Courier Mail* and ARM's paid regional newspapers overlap.

But after consulting readers and some 600 advertisers, it found there would be little impact.

"Feedback from readers raised very few concerns and suggested that there is not close competition between the paid daily Queensland papers published by News and ARM," ACCC chairman Rod Sims said in a statement. "ARM's paid daily regional newspapers focus mostly on regional and local news and there is limited overlap with *The Courier Mail*..." AAP

ASX hits three-month high as banks and IT join the party

Equities Jessica Sier

The local market leapt to its highest in more than three months, prompting talk of an early Santa rally as a number of blue chips hit 2016 highs.

The mood was upbeat from the start of trade after Wall Street posted its best day since the US elections, with the S&P 500, the Dow Jones Industrial Average and the small-cap heavy Russell 2000 all hitting record highs.

Broad-based buying drove the S&P/ASX 200 Index and the broader All Ordinaries Index both up 1.1 per cent to 5548.6 points and 6599 points respectively, their highest since late August.

Technology stocks were the winners of the session but financials and miners also posted strong gains, with only healthcare and utilities finishing in the red.

"We've had the perfect concoction of continued euphoria within the iron ore market, another all-time high US equity markets and bond yields easing overnight which has supported out of favour mid-cap stocks," said Gary Huxtable, client adviser at Atlantic Pacific Securities.

"It appears some of the profit takers have been washed out during the consolidation over the last few weeks, and dry powder has interpreted this morning's break of the post-US election high as an entry signal."

Westpac and ANZ were the biggest contributors to the rise in the benchmark index, with the former up 2.1 per cent and ANZ smashing its highest point this year, closing up 2.5 per cent to \$29.53. CBA, this year's laggard among the big four,

HOW THE MARKET MOVED

THURSDAY (%)

IT	+1.82
Financials	+1.69
Materials	+1.48
Industrials	+1.07
Commodities	+1.00
Commodities	+0.94
Real estate	+0.79
Telecoms	+0.64
Utilities	+0.03
Health care	+0.02
Energy	-0.36

Percentage moves in the 11 sectors that make up the ASX 200 index. SOURCE: BLOOMBERG

Westpac and ANZ were the biggest contributors to the rise in the benchmark index, with the former up 2.1 per cent and ANZ smashing its highest point this year, closing up 2.5 per cent to \$29.53. CBA, this year's laggard among the big four,

S&P/ASX 200 THURSDAY

also underperformed on the day, rising just 0.5 per cent.

A roaring iron ore price has lit a fire underneath the miners, with Fortescue surging to a five-year high, closing up 1.7 per cent to \$6.69. The iron ore producer has rocketed nearly 260 per cent this year, one of the top performers in the benchmark index.

While investors poured into healthcare stocks earlier in the week on the back of the govern-


ment's announcement about funding, many gave up their gains on Thursday as investors digested just how uncertain the sector is.

Etia Health was off 8.3 per cent for the day and Regis Healthcare was down 0.7 per cent.


Woolworths shares closed up 1 per cent after the Federal Court dismissed claims that the company broke the law by demanding retrospective payments from suppliers. Investors also bought up main rival Wesfarmers, which closed up 1 per cent.

Shares in IAG jumped higher, closing up 4.5 per cent to \$5.85. The company, which owns CGU, NRMMA and SGIO, provided a market update detailing its plans over the next three to five years.

7




New South Wales
Department of State and
Regional Development



Aboriginal Business NetworkDecember 1999

51 years in Business – Fishing Family Wins Award



Minister for Small Business Sandra Nori MP presents the inaugural NSW Aboriginal Business of the Year Award to Horace Saunders Snr of Horace Saunders Snr Family Fishing Business from Cundletown on the Mid North Coast

INSIDE:

- Commonwealth GST supplement
- Award winners
- DSRD programs for growth
- Abtrade website up and running
- A future in procurement
 - ⇒ A man and his cleaning vision
 - ⇒ State Gov't Procurement Policy
 - ⇒ DSRD's procurement initiatives