

**Submission
No 73**

**INQUIRY INTO COMMERCIAL FISHING IN NEW SOUTH
WALES**

Name: Mr Donald Mowbray

Date received: 8 December 2016

I am Donald Mowbray a retired bank Manager who bought into the industry in 1996.

I purchased my first fishing business in 1996 and it is registered as FB00001 made up of estuary components.

Soon after purchasing business from retired aged fishermen I was informed under restructure that majority of licences were Nil Challenged in court with correct catch history figures and was able to retain 3 components of the business.

Purchased a second business to add to the components of this business only to again be decimated and part shares issued.

Not being in the inner circle found out later if I had challenged would have retained full shares in all parts .It was obviously who you knew as numerous appeals were upheld.

At last round handed in one business card and amalgamated all share holdings to cut down on Fees.

Under this latest restructure, in which I have decided to cannibalise my business and focus on the meshing component of my business.

Sold trawler and transferred estuary prawn trawl shares to Cecil Kratz. Cecil in turn handed me his Meshing shares for no consideration. We were both satisfied at our age we have retained sufficient shares to carry on a small part of our business to augment household incomes.

We were forced into this as it was obvious there was not going to be enough shares due to the panic pre trading going on. Both of us do not want to leave industry have good catch history and are strong supporters of Coop structure. Majority of Fishermen recognise Coop structure is required to assist in our future viability. However large pre trading by some individuals in the know should not have been allowed to happen for obvious reasons.

Please refer to my letter 8.5.13 (below) sent to Sydney Fish Market after a meeting with DPI Manager on Restructure announcements at that time. Letter was forwarded to DPI and no reply ever received as to the concerns raised.

In the letter I raised 17 points that should have been addressed at that time and now comment on these points and the resulting outcome of issues highlighted.

Note: I have highlighted in blue comments as at 7.12.2016.

Attached:

Minutes of meeting at Sydney Fish market 3 pages

Letter to SFM 8.5.13 addressing SFM meeting

Letter 11.3.13 Peak Body Submission

8th May 2013

The Board
 Sydney Fish Markets
 Locked Bag 247
 Bank Street
 PYRMONT NSW 2009

Dear Sir/Madam,

I write in response to the meeting held on the 24th April 2013 whereby the Sydney Fish Market Board requested Mr Geoff Allen, Director of Fisheries NSW to respond to the questions and concerns of the Catchers Trust Board Members as well as alternate Industry representatives.

David Saul took minutes from the meeting to provide an overview to the Catchers Trust and the SFM Board attendee's. These draft minutes have been viewed and my comments and concerns from the outcome of the meeting are documented below:

1. Conflicts of Interest of Individuals:

Grave concerns are held by many that there are individuals who are part of the Industry "decision makers" who hold considerable conflicts of interest. This needs to be addressed immediately by the Minister.

Management hid correspondence from the then minister and drip fed her information positive to restructure. Structure set up to have pro Restructure people in all advisory positions Ocean watch, Sydney Fish Market, PFA, Graham Byrnes and a DPI team selected for their known stand.

Anybody that stood up to DPI were discredited or attacked through these organisations. So common; in this day and age.

Submissions and letters sent to the department were leaked to others to both attack and counter constructive dialog. Letters were withheld from Minister.

2. Threats that the restructure package would be withdrawn by Minister should the Industry not agree to the Reform:

This is imposing pressure on an Industry that openly does not agree with the direction of the proposed changes.

This was used as a tool to further undermine individuals and to create a mind game within the industry that it had to happen in the format presented, even though it had many flaws. The Department refused to acknowledge these flaws and subsequent problems being created.

3. Lack of consultation by “Industry” representatives with grass root fishermen has put us in this position:

I had informed Industry that excluded the “grass roots” group would eventually put us in this position.

Repeated requests to involve industry as a whole were met by DPI management refusing to have public meetings. Stating that fishermen were a rabble uneducated and ignorant of what the department saw as been best for industry. They backed industry into a corner and worked on the anger of fishermen to self-destruct any opposing bodies. Comments from DPI managers “we will let them tear each other apart and hand down our version”.

Used reverse psychology methods on the industry to attack Minister. Katrina was fed mistruths; she tried to defend industry by meeting with fishermen. Her department let her down badly.

Minister Blair has attempted to consult more but is continuing to listen to advisers with a self-interest ulterior motive. We have had consultation but department has ignored other expert advice and it has allowed them to tick the box. Surveys have been conducted and passed to the minister. Reading into these surveys and reports they were done to get the desired result.

Latest round of negotiations by Wild Court Fishermen is being undermined by PFA directors that statistics presented by that organization were fabricated by the Wild Court group and Clarence River Coop. They have stated Minister has been convinced that these figures are rubbery and to ignore them. Figures were obtained from fishermen stating how they saw their business and shares they would require to continue viably in the industry.

4. Peak body:

It needs to be created right the first time or else it will be ineffective and the whole exercise will be wasted. Not involving the “grass roots” decision makers in having input into who represents their financial and future interests is appalling and extremely disappointing that we have a group supposedly representing “the Industry” who do not take into account the true Industry input.

Pretty obvious go through the motions recognise a body that is set up to only represent part of industry who will cooperate with Restructure. Industry concerns as a whole are overlooked and we see individuals benefiting by being on the advisory councils/bodies.

Attempts to unite PFA and Wild Court were scuttled by individuals as this would allow industry to have a united voice.

Acting peak body would lose control of fisheries funding if they were to go down this track and they were not going to allow this to happen.

Funding for research appears to be going to influential individuals on these committees and Boards.

5. DPI and peak body.

Slow it down. There is only one chance to get it right otherwise NSW will lose an effective and historical Industry, it will rob local communities who rely on Industry for work, create high unemployment already in rural areas which will feel the strain of an unproven and unreasonable expectation of change by the Government. Does the Minister want hanging over her head that “the Industry” devastated the NSW Commercial Fishing Industry on her watch?

Went through the motions at great expense but refused to implement a state body representing Industry as a whole electing to continue with the dysfunctional, self-interest, brain washed representatives who were appointed. Concerns of Wild Caught were brushed off and existing advisors attempted to brush this organisation off as well.

6. Industry body:

Any time anyone has a conversation with DPI or Minister representatives they constantly refer to “Industry” wants change!

Who is this advice being provided by? Who is the “Industry”?

- a. It’s noted that most meetings that take place are without minutes.

Recently Clarence fishermen met to form groups for each fishery to enable future discussions with DPI. At this meeting it was recognised that the sharing of regional quota across the state would activate latent effort and create pressure on certain parts of the fishery that had been developed over the last 50 years. A motion was moved to set a trap number of 20 per individual stake holder to prevent overfishing of the mud crab species.

Within three days of announcing this to DPI “the industry “had met behind closed doors and convinced the Minister to activate the extra trap numbers and licenced crew to work these traps.

A total slap in the face to other river uses both commercial and amateurs.

7. There is a distinct lack of reply to questions from the Minister:

As I now understand it, this is not the Minister this is the key Fisheries Managers not following through. Is the Minister aware of the immense amount of questions and concerns?

Unresponsiveness to questions leads to more questions on what is really happening?

Minister has tried to address this issue. However DPI continues to show they are totally out of their depth. Local department manager Daren Hale in a meeting with acting Director Dave McPherson, Myself and Clarence Cooperative Manager when questioned on the Trap numbers he has activate in the Clarence by only 3 endorsement holders who hold 1750 shares. The problems of overfishing conflict with other users trawlers and amateurs trying to negotiate through these extra traps was that he doesn't see this as a problem. On past dealings with Daren it is as if he is endeavouring to create conflict within industry and amateurs. His handling of statistics is questionable on past performance Report on Sustainably by an independent body is quite damning on the NSW department.

8. Individuals being privy to information prior to announcement:

Huge conflict of interest in past and present negotiations.

Minister and Department refuse to recognise this is a problem. See it as only "speculation" and not "insider trading". On record by inspecting share register those on committees, peak body and direct link with department have accumulated huge numbers of shares. Announcements by Industry groups announcing information well before information released to other fishermen. Some of the information withheld from those not in the small body, reporting to be spokespersons for industry. Claiming that information only available to those fee paying members.

9. Meetings are being misrepresented to Minister:

Without having minutes of the consultation meetings how can the Minister be sure she is receiving accurate input from the "grass roots" of the Industry?

This has continued with meeting notes not reflecting mood or decision of the meetings. Again no minutes of meeting circulated to participants before being passed to Minister and Department.

10. Results of consultation not being provided to members asking questions:

Again, lack of answers creates far more questions.

Nothing has changed in the past 3 years although the Minister will report differently.

11. Director quoting "want to get rid of fishermen" SFM Meeting:

There must be a dignified and respectful way of buying back the over allocated shares problem the DPI has created. Having the Director of Fisheries use the terms "get rid of the fishermen" is very disappointing and clearly shows the lack of respect the DPI had for the Commercial Fishing Industry.

Department still cannot give an answer on the number of endorsements they wish to remain in the industry. Have no perception of the support industry that relies on active fishermen.

Conflicting messages from minister saying he wants an effective Industry on one hand then taking catch history and distributing it through the state to his mates who

have already pre-purchased the bulk of the cheap shares. Remainder have already or need to buy their jobs back.

12. There is clearly a lack of constructive meetings with set agendas for members to focus on instead of who can yell loudest gets noticed:

Industry is angry, scared and not sure of their viable futures. If meetings are to be held to discuss the future direction, it's clearly apparent these must be structured, full of easy to understand information, be an open forum to listen and take on board constructive feedback; to inform the attendees of the outcome.

SARC meetings and other meetings were a tick the box exercise. Of all the points raised I am yet to see any points and concerns being addressed in the final outcome. We are sick of the catch phrase listing to industry.

13. The SFM meeting highlighted contempt to answer the pertinent questions of fishermen by the Director of Fisheries:

The answer given on the question raised by Bryan Skepper with regards to the Co-Op's queries whereby it was said "For answers I can direct them to the website" clearly shows a lack of concern to alleviate the concerns of the total Industry. Reply in writing with constructive feedback.

Minister has tried to address but while ever he listens to his current department managers and "Industry" he will fail in his endeavours to restructure industry. Department will cripple industry with more Debt, the highest compliance costing structure, a larger Department and Fees that will cripple the industry. Whole exercise doesn't put any more income into fishermen's pocket but restricts their potential to earn future incomes.

14. Policy of Direction:

What is the policy and direction the DPI are trying to achieve. It's been said there is no target number or idea on the final outcome of catch or fishers left however, when Andrew Goulstone was questioned in a meeting recently as to why the buyout could not happen first and then focus on what latent effort is left to restructure effort/share remodelling, his comment was "if we do that we think it won't be enough" – enough of what?

The Department still cannot answer this question. It appears the share trading practice did not give them the result otherwise results as promised would have been provided to participants. They would not have used the excuse that enquiry prevents them providing this information.

It did not stop them announcing we could continue trading in shares up until 31.1.17. Simple count of active business that have traded shares doesn't give him the figure of 60 % quoted by minister that have already restructured their business. Obviously no one in the department can simply count from the share register those with sufficient shares to continue to actively fish. He would find figure closer to 20%.

15. Using increased fees immoral to remove fishermen:

Fishermen will not make an informed and effective decision and will be forced into taking a buy out because they could see no other option. We will be losing good fishermen from the Industry, young fishermen who cannot see a solid future and any opportunity for anyone seeing a viable future to enter the Industry. Enforcement by increases is wrong!

Fishermen have virtually paid out the \$20000 in increased business fees over the past 4 years. As it has turned out fishermen who were of retirement age have elected to stay in to offset their meagre pension. The above comment is still pertinent. The hardship created on purposed allowed the share barons to pick up these business very cheaply. Often quoting possible Restructure scenarios which they had insider knowledge to talk values down and pick up cheap business. Those business left are now at a premium due to simple supply and demand forces.

16. DPI pushing own agenda:

The perception is the DPI are not effective and pushing their own agenda – this includes the reliance on “Industry advisors” to make accurate and informed decisions. The DPI direction to fix errors made by the same individuals of the past BUT it didn’t work then, what is the guarantee that this change will make a difference and improve the future viability of the entire Industry. The Stevens Report clearly outlined in multiple areas that the Dpi needs to provide Industry transparency to their operations. If Industry are expected to “foot the bill” or run this department, there must be complete transparency. Why increase the fees dramatically and still be ambiguous with the true costs and expenditure of this department.

Nothing has changed. They are still making decisions on the run.

Recommendations from SARC and other organizations have been ignored.

Trying to turn a cottage industry into a corporate model will fail. Similar fisheries of this nature have become unviable in other areas.

17. It was said they have forgotten to include collateral damage Co-Ops and the supply chain in the Stevens Review:

I personally find this hard to believe going on the new rule restructure promoted by Catchers Trust Board members who were behind the request for this quick change to the rules. These changes, together with the push to reform the Registered Fish Receivers regulations, clearly shows there is “inside knowledge” to push the agenda.

As you can see there is a distinct lack of confidence in the future direction the DPI are proposing for the Industry. If the DPI continues to focus on a select few to represent the “Industry” the Commercial Fishing Industry in NSW will not survive. The casualty of this exercise by the DPI (and to be honest it’s just that - “another DPI exercise”) will be regional towns, a multitude of supply chain business and the NSW and Australian public. What will it take for the Minister to see she is being forced down a no-win, information lacking, structural challenging and immoral path?

Nothing has changed except hanging a carrot for \$30000 in front of Co-ops and waving Lands Department fees. This is only a short time fix. Damage done to

*individual Cooperatives by dividing catch history across the state will never be fixed.
This income has gone forever from that area and community.
Share barons who are representatives on Committees are now opening up businesses
in opposition utilising catch history previously belonging to the cooperative members.
Fishermen as a whole are disgusted with this blatant behaviour*

I welcome any thoughts, feedback or comments with regards to my observations and opinions.

Yours sincerely,

D Mowbray

Donald Mowbray
Commercial Fisherman
Board Member – Catchers Trust
Chairman – Clarence River Fishermen's Co-operative Ltd

Mr Don Mowbray

11th March 2013

Mr Peter Neville
sent via email –

Dear Mr Neville,

I write to submit for your consideration alternate recommendations to the tabled and noted preferred option to propose the PFA become the Peak Body representing the NSW Fishing Industry. I have tabled my concerns in point format to ensure each point is reviewed, considered and deliberated on its own merits:

- The CPFA was originally created to deal with local issues in the Clarence Valley. These issues in the past supported a full time Officer in Maclean dealing with Clarence issues only. With the current trends of public awareness and industry challenges (not just in NSW) I cannot see this work load being any less if given the pressing attention required to address the environmental issues and needs of the fisherman in this local area. We are only playing lip service with no tangible resolutions to pressing issues.
- This same scenario is repeated the full length of the coast with all areas needing the input and dedication of paid staff. The three PFA officers will be performing as much as the PFA's current CEO and would expect a similar remuneration. The assumption that the PFA will receive NSW government funding should be reassessed in the costing model. This funding may be directed to other private groups, Universities etc. with the consideration of a possible small amount only being retained by PFA for administering funds.
- The process required administering funding and addressing accountability to bodies providing funding would require a dedicated person. The same will be said if we were to take on other areas at present conducted by DPI departments. It is no use saying the PFA will handle these additional consulting services when we have not factored into our model the likely cost for this area alone. Unless PFA is privy to other information when do you propose to submit for the 60% of the total peak industry operating costs? This alone will be the hinge to viability of the PFA model. Other State bodies have upwards of 10 dedicated officers in their organization.
- It is of no use having some members in the organization and others not. Peak Body models will need 100% participation.
- The peak industry body (PFA) consulting with set issues as approved by the Executive Director of Fisheries is not a real change to the last 15 years of Fisheries rule and could see PFA facing similar issues where agenda is set and decisions made i.e. current advice that Fee change for next two years is with no recourse or negotiation.
- PFA Committee of Management needs to be reassessed with more emphasis on only being a body to run PFA budgeting and Policy issues. Load it up with Fisherman and the CEO will spend the majority of time dealing with issues which should come via regional officers.

- Election of the COM by the Fishers has been touted, maybe an Independent chair. Representatives from other Fishing bodies with expertise to run an organisation would be an alternative. Assistance by the Co-Operative structure is an alternative to reduce costs – this provides consistency with information sharing from each region and gives the Co-Operatives an opportunity to protect and maintain their future viability.
- Main input would come from the 2 PFA officers coupled with suitable working group delegates from each region deciding on the policy to go to CEO for final submissions to DPI and Other Gov Depts.
- CEO and officers should be initially trialled/contracted for 2 years to enable their potential to be shown, then subject to review.
- My main concern as will be the Ministers is the cost to run PFA. I can see no real evidence to create confidence in how fisherman's cost will not be compounded nor managed within effective cost recovery boundaries. The fisher pays again.
- Other areas which have been neglected in submissions are where other parts of the Industry are able to work with this body. Markets, Retailers, Co-Operatives, Sydney Fish Markets, Farmed product and the struggling regional communities do not get a mention at all.
- I'm disappointed that this Peak Body paper was first touted as being on the agenda in September however after repeated requests to find out what had been discussed to allow consultation and a united approach, nothing until now has been table with a very tight time-frame for feedback requested. Two thirds of the fishermen have had no input into this whatsoever.

As you can see by the comments or concerns I have tabled, there are still so many variables within the structure of the reform and changes required and there is no-one to provide confidence to the grass roots of the Industry – the fishers. We need reassurance that our future is in capable and well managed hands NOT more changes that is going to increase our costs, decrease our fishing rights and most importantly we become a group that does not have any say in our own futures. Our local Co-Operatives need an opportunity to work within this new peak body structure. Nowhere in any document does it state the Co-Operatives are part of the "big picture". Without Co-Operatives, the fishing industry does not survive as the Co-Operative business provides product direction, fuel, facilities and most importantly a support avenue for the local fishing regions. Where to they stand in this reform?

I thank you for the opportunity to table my concerns through the submission process. I support the proposed submission by WD (George) Baker (attached) and would like to see the consideration by you, the Minister, the DPI team and the Structural Adjustment Review Committee that the entire industry be involved in the ownership, negotiation and management of their futures, not just a select few already on multiple working committees.

Please do not hesitate to contact me should you require any further information or to discuss this paper.

Yours sincerely,

Donald Mowbray
Chairman of the Board – Clarence River Fishermen's Co-Operative
Board Member – Catchers Trust