

**Submission
No 108**

INQUIRY INTO COMMERCIAL FISHING IN NEW SOUTH WALES

Organisation: Australian Fishing Trade Association

Date received: 13 December 2016



Submission by the Australian Fishing Trade Association to the General Purpose Standing Committee No. 5 regarding its inquiry into commercial fishing in NSW.

The Australian Fishing Trade Association (AFTA) values the opportunity to make a submission to the NSW Parliamentary Inquiry into Commercial fishing operations. AFTA is the peak national body representing the providers of goods and services to Australia's 5 million strong recreational fishing community. Because AFTA's members engage with the recreational fishers on a daily basis they are directly connected to the issues, hopes and aspirations of recreational fishers. In this way, AFTA also directly represents Australia's recreational fishers.

Following growing concerns from recreational fishers in NSW, AFTA established a NSW Chapter to not only better represent the businesses and communities that support recreational fishing but recreational fishers themselves. A key priority of the NSW AFTA Chapter is to ensure the rights of recreational fishers are appropriately considered in the current reform of the commercial fishing sector in NSW.

It should be noted that with over 850,000 recreational fishers in the State the recreational fishers of NSW are the largest stakeholder user group affected by policies on fisheries management. They generate over \$3 billion in economic output to the State –exceeding the return to the State from commercial fishing.

Noting that the NSW Government manages the fishery to maximise the economic, social and environmental benefits for all NSW residents, it is only right that the views of NSW recreational fishers – the largest stakeholder user group - are considered in the review of commercial fishing in the State – and particularly this Parliamentary Inquiry.

AFTA considers that the NSW Government has an outstanding opportunity to correct the decade long imbalance in the use our fisheries. In restoring the balance the Government can not only achieve a right sized, economically viable and sustainable commercial fishing sector but also assist in developing a growing, sustainable,

recreational fishing sector that provides genuine and significant economic, social and environmental wellbeing to the State.

AFTA is concerned over the length of time it has taken to conduct this reform, noting that the **INDEPENDENT REVIEW OF NSW COMMERCIAL FISHERIES POLICY, MANAGEMENT AND ADMINISTRATION**, headed by Richard Stevens OAM, who is now Chair of the Ministerial Fisheries Advisory Council, stated the following in its Executive Summary:

“It is the strong view of the Review Team that without full implementation of a structural adjustment scheme as provided for in the Coalition's Fisheries Policy Statement, the NSW commercial fishing industry will continue to decline economically and potential risks to the sustainability of the State's fisheries resources (e.g. latent effort activation) will remain.”

It also stated:

“A further consequence of inaction is that resource conflict in some areas will continue and possibly increase, resulting in calls from some sectors, most notably the recreational fishing sector, for commercial fishing to be further curtailed or even removed. This is already happening in areas like the Pittwater and Shoalhaven.”

Within this context AFTA wishes to provide the following comments:

Progress of the commercial reform

- Continued uncertainty over the implementation of the proposed restructure is resulting in a perceived “lack of attention” by the Minister and the Department in relation to recreational fishing issues and concerns. The lack of progress is creating tensions between the commercial and recreational fishing sectors in NSW.
- AFTA supports the general goal of the reforms in regard to reducing the number of inefficient, unviable or latent fishing businesses resulting in a smaller number of more “professional” and economically sustainable operators.
- In AFTA's view, a speedy resolution to the reform process is vital so that Government can more adequately and fairly deal with both sectors.

Extension of Interim Total Commercial Access Level (ITCAL) – another resource grab for the commercial sector?

- The extension of proposed ITCALS to 2024 is a major concern for the recreational sector. The proposed ITCALS are seen by AFTA as being too generous and the extension put forward by the Government gives the commercial sector an unfair allocation of the resource and undue pressure on the resource.
- AFTA notes a provision allowing an ITCAL to be re-assessed sooner if the Government can demonstrate a sustainability issue or if the industry believes there is an under-utilisation of a fisheries resource, which the ITCAL is inappropriately constraining.
- In 2014 the Government released a proposal to increase netting in estuaries in NSW. This proposal was strongly rejected by the recreational fishing sector. However, we assume the Government's idea was to provide more fish for the already over crowded commercial sector to access. But this was to be at the cost of recreational fishers.

http://www.dpi.nsw.gov.au/_data/assets/pdf_file/0005/512816/EG-Netting-Public-Consultation-Paper.pdf

- Later in the year the Government announced that bag limits for a number of key estuary species would be halved. This announcement was criticised by recreational fishers for the lack of scientific basis and because it was not matched by an equivalent reduction in the take by commercial fishers.
- It is not hard to see why a number of sceptical recreational fishers linked the halving of the take for recreational fishing with the Government's desire to prop up the commercial sector by providing them access to more fish.
- <http://www.fishingworld.com.au/news/changes-to-nsw-bag-and-size-limits-announced>
- It is also not hard to see why recreational fishers are also linking the extension of the ITCALS to 2024 as another direct attempt by the Government to provide the commercial sector with more fish – at the cost of the recreational fishing sector and the sustainability of the resource.

The Reform process must recognise the recreational fishing sector

- AFTA believes that unless the reform process is conducted with full recognition of the recreational fishing sector, it may pose a significant risk to the future of the recreational sector in relation to shared allocation of the resource and the value the resource provides to the residents of NSW. AFTA

stresses that the current ideology for management of fishery resources in NSW is to predominately manage to maximise the return from the commercial fishery - this may mean that the optimal value from these resources are not being achieved for the NSW community.

- AFTA requests that the Inquiry take on board the fact that resource sharing and maximising the value of the resource for the NSW community recreational fishing requires a different fisheries management approach. The reform process proposed by the government continues the “old school” fisheries management approach geared almost completely around the precepts of “maximum commercial yield/maximum commercial profit”.
- It is AFTA’s view that this approach has and will continue to restrict the economic, social and environmental returns from recreational fishing and create further tensions between commercial fishing interests and recreational fishing. There is no doubt that current data indicates that the recreational fishing sector is worth significantly more to NSW than the commercial sector, with a output value of \$3.4 b to the NSW economy each year (*Developing a cost effective state wide expenditure survey method to measure the economic contribution of the recreational fishing sector in NSW*). In contrast, the gross value of production at first point of sale of the wild catch fishery in NSW is \$86 million (*Australian fisheries and aquaculture statistics 2014*). Yet, the fishery continues to be managed for the benefit of the far smaller and less viable commercial sector. This inequity has not been addressed and these proposed reforms do little to right the imbalance.
- Given this, AFTA encourages the government to prioritise investigation of ways to improve the balance in resource use and value return on the back of the proposed commercial reforms. This could be achieved by a variety of ways, including doing more to restrict the catch taken by the commercial sector in order to allocate more fish of varying sizes to the recreational sector, restricting methods such as estuary meshing and creating more Recreational Fishing Havens (RFH) where all commercial fishing is restricted. There is a strong socio-economic argument for increased RFHs, especially around major population centres and in areas of key tourism appeal.

The fresh seafood shortage

- Much has been made of the commercial sector’s role in producing fresh fish for NSW consumers. AFTA supports the right of consumers who do not fish

to enjoy fresh and sustainable seafood, either produced via aquaculture or caught by commercial operators.

- We often hear how Australia is a net importer of seafood. We imported \$2 billion worth of seafood in 2013-14. However, what we do not hear is that Australia also exports significant volumes of seafood. In 2013-14 we exported \$1.2 billion worth of seafood. Analysis of the export statistics show that Australia exported almost 39,000 tonnes of seafood in 2013-14. This is equivalent to almost three times the volume of seafood that goes through the Sydney Fish Markets each year (13,775 tonnes). If we look at NSW alone, it exports 1,300 tonnes of seafood each year. If this was sold to the Sydney Fish Markets, the markets would almost be 'self sufficient' in volume terms.
- However, the state's 850,000 recreational fishers also provide many millions of NSW residents with arguably the freshest and most sustainable seafood. Recreational fishers can catch fish and other seafood for their immediate needs, carefully releasing all unwanted catch. Recreational catches are often consumed within a day or two, meaning it is by far fresher than commercial caught product. This ability for recreational fishers to provide food security for family and friends with minimal environmental impact needs far greater governmental and social recognition.
- AFTA does not support a self-sufficiency approach to seafood. Rather, AFTA believes that the level of natural resource use should be determined by the value that an activity produces for the community. The objective of maximising the return from the use of natural resources to the community is determined by ensuring the resource is utilised for its highest and best use – not determining resource use based on a self sufficiency ideology.
- Further, AFTA would oppose moves to relax or strike out any existing restrictions on commercial fishing activities as part of the reform. These restrictions – which include limits on commercial fishing gear types and rules as well as locations and times of operation – are vital in regard to ensuring fair and reasonable access by the recreational sector. Moves to wind these restrictions back would unfairly reallocate more of the resource to the commercial sector at the expense of the recreational sector.

Aquaculture and managing fish stocks

- AFTA is somewhat bemused as to why the government has undertaken this expensive reform without giving more consideration to aquaculture as a

means to supply sustainable seafood to the NSW market. AFTA encourages the government to fast track aquaculture enterprises to produce the bulk of fresh seafood consumed in NSW including fresh fish and crustaceans. AFTA also wishes to see investment in the supply of fresh bait via aquaculture to lessen or completely reduce commercially caught bait.

- It would be beneficial if the adjustment process was also used to ensure sustainability of fish stocks rather than focus on the viability of commercial fishing businesses. There are a number of stocks, particularly species such as mulloway and snapper, which could benefit from reduced fishing pressure and this process would provide a good opportunity to address this.
- AFTA is disappointed to note that only a relatively limited number of species are being considered for quota management. With resource allocation and species sustainability being of critical importance for recreational fishers, it is considered that key species (or species groups) should have Total Allowable Catch (TAC) limits in place to allow for better fisheries management. It is noted that key recreational species such as yellowtail kingfish would be particularly good (and relatively simple) candidates for quota management, yet this species is not currently being considered.
- AFTA requests that key species such as kingfish are placed under TAC as part of the reform process.

Concluding comments

AFTA views the reform of commercial fishing in NSW as one of the most important issues that have faced recreational fishing in over a decade. Restoring the balance between commercial fishing and other stakeholders – including recreational fishing - is essential if the Government wishes to optimise the returns from the natural fish stocks of the state. AFTA concurs with the Review of commercial fishing in NSW that the numbers of commercial fishers needs to be reduced. The Review also warned that if this was not done it would have consequences for fish stocks and tensions would increase between commercial fishers and other stakeholders. We are already seeing anecdotal evidence of this.

The Government has the opportunity to restore the balance in the use of our fish stocks. Establishing a process that sustainably manages our fish stocks - based on the highest value use of these stocks - will ensure the economic, social and environmental benefits to the state are maximised for generations to come.

AFTA remains available to constructively assist the Government in this significant task.

Yours sincerely

Allan Hansard
Chief Executive