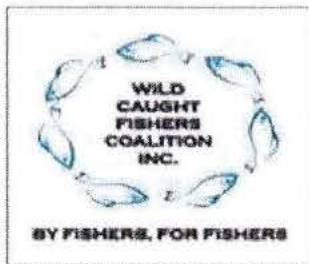


**INQUIRY INTO COMMERCIAL FISHING IN NEW SOUTH
WALES**

Name: Fresh Caught Pty Ltd

Date received: 9 December 2016



Registered office:

577 Singleton Road

Laughtondale 2775

Via Wiseman's Ferry

ABN: 97200112909

Email: admin@wildcaughtcoalition.com

November 2016

NSW Parliamentary Inquiry
MEMBER PERSONAL
SUBMISSION

Send to:

The Director

Inquiry into commercial Fishing NSW

Upper House Committee

Parliament of NSW 2000

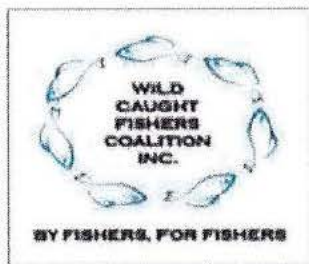
SYDNEY

NSW

From: Fresh Caught Pty Ltd

Name: Marcus Stepanek - Director

Date: 30/11/2016



Registered office:
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Commercial Fisher Personnel Comments to the Inquiry

Introduction:

I am a commercial fisher working in Region: 7

I have been in the Fishing Industry for: 4 Years

I have many concerns for the way the commercial fishery is being managed in NSW and draw your attention to my personal views on the following:

The Impact to my Business Shareholding is as follows:

Fishery	<u>Line West</u>	Shares held: <u>40</u>	Shares now required <u>60</u>
Fishery	<u>Demersal Trap</u>	Shares held: <u>40</u>	Shares now required <u>50</u>
Fishery		Shares held: _____	Shares now required _____
Fishery		Shares held: _____	Shares now required _____
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Fishery		Shares held: _____	Shares now required _____

I have had to pre-purchase shares because:

I will need to because I need 60 60 Line West shares and 50 Demersal Trap shares to meet Fisheries requirements.

Please note the following personal views of the impacts to my business and my personal situation: Firstly, it creates a huge financial impost just to keep doing what I've been doing. Secondly, I have considered swapping my trap shares for Line West shares in order to reach the required 60 shares but this is a commercially unviable option.



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Commercial Fisher Personnel Comments to the Inquiry

Subsidised Trading:

(circle the answer you support)

- In Your opinion is it fair? **No**
- Has the process been adequately explained? **Yes**
- Can you access a computer? **Yes**
- Did the training answer your questions? **No**
- Can you have ease of trading your shares knowing that you will get
enough to continue what you did pre the reform? **No**
- Do you agree that you are trying to buy back your job? **No**
- Have you borrowed money? **Yes**
- How will the debt you have incurred affect your viability?
- It will be better? **No**
- Do you see that you will have more value in your business? **No**
- Do you agree to the need to linking shares with effort or quota? **No**
- Do you perceive that the process has made it impossible for you to
regain shares to reach the level of effort for your business viability? **Yes**
- Did you support the message to the Minister that inactive share
holders should be offered a buy-out first with a **fair** offer? **Yes**
- Did you support the message to the Minister that NO fisher should be
Forced to buy back their jobs to do what they do today? **Yes**
- Is paying even 5% or 10% for the shares taking you into too much debt? **Yes**
- Are you able to participate in the share trading? **Yes**
- Do you support how this reform has been structured? **No**
- In the period 2007 to 2016 have you ever agreed to a Reform in this manner? ... **No**
- Did your Management Advisory Committee agree to a reform in this manner? ... **No**



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(Circle the answer you support)

Did you know about the 'Pymont Pact' and the decision by NSW Seafood Industry Advisory Committee? To remove 100% inactive effort and 50% active effort? ... **I do not have an opinion on this as it predates my entry to the industry by approximately 12 years**

Do you support this to be a fair strategy for 2016? **N/A**

Do you agree to the method selected by DPI to use the collective Catch History of the individual fisher, divide this with all fishers across the state in a pro rata distribution for some fisheries to develop quota and or effort? **No**

If you disagreed with the Linkage options and the reform; were you welcome to sit at the working group meetings **Yes, but not enough notice given. I run another very busy small business and cannot drop everything on the basis of an 11th hour notice to attend a meeting.**

Can you clearly make a business decision from the information that has been provided to you for this Business structural adjustment program at this stage? **No**

Are you aware of any harvest strategy or cost benefit analysis? **No**

Mock/Preview Share trading:

Did you participate in this? **Yes**

Did this resolve your questions? **No**

Please explain: **We were told that we would receive feedback as a result of this process. To date we have heard nothing from the Minister**



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Commercial Fishers Personal Views

(Circle the answer you support)

Has DPI given you any information and analysis of the outcome of the trading?

..... **No**

Is it a satisfactory result? **No**

Please explain: **I feel that I am being kept in the dark and that irrelevant.**

.....
.....
.....

Is your current debt prohibiting you from borrowing for your business? **Yes**

Please verify did you utilize the grant for financial advisor? **No**

Did the advisor confidently recommend investment? **N/A**

Do you support the changes for unendorsed crew brought out in July? **Yes**

Why? **Because, if I were to work in beach-haul, I could now employ a person who has a fishing licence rather than a person who owned a fishing business.**

.....

Were you adequately advised of these changes? **Yes**

your views: **Nil**

.....
.....
.....

Do you have the changes in writing that give you clear directions on what is permissible in your region? **Yes**



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Personal Commercial Fishers views:

(Circle the answer you support)

Do you have issues in your region with the Prawn Draw? **N/A**

Please explain

Do you support the further culling of Active commercial fishers from the inshore waters estuaries and lakes in NSW? **No**

Please explain: From a personal perspective, if one of the local estuary fishermen was to get out of the industry then I would lose my cool-room facilities.

Do you support the movement of Quota into other regions **N/A**

Why?



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Personal Commercial Fishers views

(circle the answer your support)

Is there now a visible Increase of trap setting in your region that concerns you? **Yes**

People are now trapping at Montague Island whereas, in the past, there was a gentleman's agreement that precluded trapping in that location.

If you're an Indigenous Fisher:

Have you been informed of your future participation in the reform adequately?

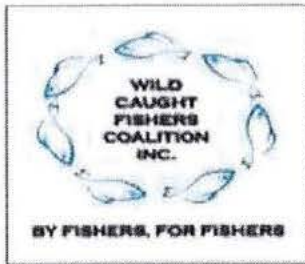
Please explain: **N/A**

Are you being ostracised by other fishers since the trapping and hauling net and prawn draw changes have occurred **N/A**

Please explain: _____

If you are a Line West or Line East Fisher please state which fishery and if you know what is proposed for your fishery.....

Please clarify: I am a Line West fisher. Although there are minimal shares available, we are still expected to buy another 20 at an average price of \$1,500 per share, just to do what we are currently doing. In other words, I am expected to pour in another \$30,000.00 to maintain the status quo. I find this to be an unbearable impost and a sad reflection on how regulatory "authorities", who have no hands-on experience in a centuries-old industry, are able to impose onerous conditions on hard-working people.



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Personal Commercial Fishers views

(Circle the answer you support)

Given there is approximately 1% of the Australian Population allowed to commercially fish to provide seafood for approximately 78% of the population who do not fish recreationally do you agree that there is a major management issue in providing local seafood to local communities in NSW? **Yes**

Your views: The fishing industry is an integral part of the local beach-side communities and the benefits are reflected in increased tourism and local employment. This, in turn, has huge economic flow-on effects throughout the local area. When people come to the coast they expect to eat local seafood and it would have a huge and detrimental impact to lose the ability to provide it for them.

Further Comments. Kingfish size limits – Nationally, the lower limit is 60 cm whilst NSW is 65 cm. Kingfish travel both north and south and it is a source of constant frustration for me that a 60 cm fish is legal both sides of my state yet, if I catch one below 65 cm then I am forced to throw it back. This results in several things:

- The fish get smashed mouths
- There is a huge mortality rate
- Over the last year I have had to throw back tens of thousands of dollars worth of "under-sized" fish

One of my fishing colleagues estimates that he has lost over \$30,000 over the last 12 months.

This is a ridiculous situation and it has to be changed!

Remember to attach correspondence you have sent to DPI, or the Minister,
On the following pages I have attached a copy of my previous submission and my views have not changed since then.

Fishing Business: 529 Fresh Caught.

Shares held: 40 shares of line west & 40 shares of demersal fish trap

To whom it may concern,

Following my meeting with fisheries I have been informed that I am going to receive 87 days to fish in line west per annum. I have also been informed that I am going to receive 925kg of kingfish quota for the year (*Kingfish is my main target species*).

I purchased my fishing business in August of 2012 and have worked this business full time since October of that year, during this time we have fished 30 out of 61 days (*October through to December*) 157 out of 365 days in 2013 and 84 out of 147 days this year (*27 May 2014*).

I find the proposal completely unacceptable. I am being penalised as the previous owner of my licence chose to only work 79 days and did not target kingfish in the period you are basing your reforms.

I implore you to use my effort history of 2012 to 2014 in my days fished to get a true indication of my effort in the fishery. With a need to look at increasing the variation from 10% to 20% to allow for such issues as bad weather, breakdowns, no fish, current etc. 10% is not enough especially considering you are only allowing 87 days.

For my vessel to continue to fish you are asking me to:

- Purchase more shares – 40 to 80 shares at approximately \$500 a share \$20,000 (*this amount will probably increase if it has a good catch history*)
- Purchase approximately 9 tonnes of kingfish quota to make this viable for my business needs. (*Value of this quota to be determined*).

I have invested approx \$150,000 over two years into my fishing business and am now being informed that to continue to fish it will cost approximately \$25,000 to \$50,000. This is unacceptable.

Since I purchased my fishing business the fishing industry has experienced the worst 2 years on record. My business has made a loss of \$30,000 to \$40,000 per annum. I am committed to this industry and am looking long term. I am very passionate about the fishing industry, but, if these changes occur the fishing industry will be destroyed.

Further, the other issues effecting the proposal are trying to find the money to finance these changes? Banks are not going to lend money for shares and or quota. Fishing businesses are seen as high risk and no bank will loan money to them. How will any fisherman following the last two seasons finance this?

I recently purchased a trap endorsement that was not being used and have invested \$30,000 making it viable for my vessel. I have now being informed that I can only fish trap for 37 days? I am being penalised for this as well. At no stage was it mentioned that participation recorded before my purchase would be used to equate its value - had I been informed of this I would not have purchased the endorsement.

For me to continue fishing this trap endorsement you are asking me to:

- Purchase a further 80 to 120 shares at approximately \$300 per share (\$24,000 - \$36,000) so I could work enough days to justify having the endorsement.

Whilst I realise there are too many inactive or part time fishing businesses in NSW why do I now have to pay the penalty to continue fishing or in effect buy them out?

Many good ideas for the future of our fishing industry have been discussed and I have added them below for your notes;

1. Freeze existing businesses in ALL share classes to present numbers (*or to buy out businesses not being used, idle*).
2. Do not permit existing businesses with excess shares to sell these to create a new business.
3. Government to buy back ALL excess shares held in excess of minimum share allowance in each class using exit grant money.
4. Allow all fisherman unlimited working days 365 days (*or if you limit days make it a realistic number like the average workers 240 days*) I believe it is unrealistic to work 365 days a year in our industry given the need to allow for bad weather, fishing conditions etc.
5. Government to use exit grant money (\$16 million) for any business accepting a grant but MUST include all shares held.
6. Allow existing business owners to sell to new entrants on retirement (*act as superannuation*) this would ensure the industry will continue to gain new fishermen and allow for sustainable growth.

Result would be:

1. No extra or less businesses
2. No need for existing fisherman to have to outlay large sums of money to remain viable.
3. No latent effort left.
4. No increased effort but more importantly there will be fewer businesses because of the fishermen who wish to take the exit grant (*or the ones that are not being used, been idle being gone as well*) and therefore there will be reduced effort.

QUOTAS:

1. Start the process all over again
2. Take into account ALL previous catch history and not just set years when a fisherman for whatever reason could not work or placed his effort into another fishery for that year. You could also take into account where the fishing business is based for example
 - a. A fisherman in the north will more than likely not target kingfish like a fisherman in the south so in turn give more quota to the fisherman that are actually targeting kingfish in a known kingfish area.
3. If idle shares and or businesses (*latent effort in excess of 40 shares*) are not removed by government buyback then DO NOT give quota allocation to these shares.
4. Allow quota to be traded only between existing businesses which allow low quota holders and new entrants (like myself) with little or no history to increase their quota to make their business viable.
5. Further options would include trip limits per day for kingfish for example:
 - a. You could have a limit of 250kg per day this would prevent the market from getting flooded and keep prices high allowing us to make decent money for our fish and free the pressure on fish stocks (*we wouldn't have to catch as many fish as the market would be flooded when the fish are on*).

6. The other option is to catch a set amount of fish per day for shares held for example:

- a. You have 40 shares and you allow us to catch 2 fish per share a day (*1 is not financially viable*) so if they were legal (65cm) we would be allowed to catch 80 fish per day. The weight I would estimate would be around 160 - 200kg per day with legal size fish which with the idle unused fishing businesses gone and the remaining viable business left would be able to make reasonable money and markets would not be flooded - again maintaining fish stocks.

The changes proposed so far will destroy our industry.

I hope you consider what I have said. I am very passionate about our fishing industry and the longevity of my business. Whilst I am not opposed to reform, like all things it has to be done correctly.

I am available to discuss any of the above.

Regards

Marcus Stepanek

Director Fresh Caught Pty Ltd