### INQUIRY INTO COMMERCIAL FISHING IN NEW SOUTH WALES

10 December 2016

Organisation:

Wild Caught Fishers Coalition Inc. - Region 4 South

Date received:



Registered office: 577 Singleton Road Laughtondale ABN: 97200112909 Email: admin@wildcaughtcoalition.com

## Submission to: Commercial Fishing in New South Wales.

#### **INTRODUCTION:**

This submission is written based on a collaboration of information from members (of the Region 4 *South*, Wild Caught Fishers Coalition WCFC) expressed and noted in meeting minutes, attendance at Parliament meetings, meeting with local MPs and the Shadow Minster. This includes research documents, personal history surveys that have been attended, opinions expressed to the group since formation late 2015.

# 1. The GPSC No. 5 inquire into and report on commercial fishing in New South Wales, and in particular:

## (A) THE HISTORY OF THE COMMERCIAL FISHING IN NSW, INCLUDING REFORMS TO THE INDUSTRY SINCE 1994,

**Commercial fishing has been around for hundreds of years,** in many cases fishing, a cornerstone of the formation of many coastal communities in NSW. Overtime constant regulation, restriction, reduction, removal and currently reform is and has diminished the industry that was once made up of over 4000 licenses (1977). Currently today in 2016 we have less than 1000 active licenses to provide a heathy much needed nutritional food source to a much-enlarged number of consumers compared to 1977. For more than 20 yrs. Commercial fishers have been constantly removed, restricted, regulated, reduced (Howard: 2012) and now reformed.

**The KEY PLAYERS**: this term is used by management all the time. Manger's perceive those who have invested in industry or who have the biggest figures to be a *key player*. Equal fairness SHOULD be shown here to those fishers who HAVE INVESTED THEIR LIFETIME to this industry. It is the knowledge that a fisher possesses that is beneficial to the industry, the environment and the community. In turn a local fisher to an area is more acceptable to community and plays a role in safety and involvement in protecting the area V's a travelling fisher whom can just move on to the next "river" having no accountability to the local community. After all the fish are a public resource that 78% of the non-fishing/consumers require commercial fishers to obtain for them (King: 2016).



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**CLOSURES:** along with increased regulation of gear (nets & traps etc.) came the reduction of grounds. The introduction of recreation only fishing havens (RFH), Marine parks of the likes commercial fishers have lost much ground to work, with some of these closures not based on any scientific evidence – political gain remains the perception. *Less fishers exist today with less ground to work than 20 yrs. ago* (Wilkinson: 2013). It is little wonder our country is peaking at 86% imported seafood. Community expect to be eating fresh local seafood (Voyer et al: 2016).

**SHARE ALLOCATION PROCESSES:** An over allocation of shares is considered an administration failure as reported in the independent review 2012 (Wilkinson:2013) This should not be impacting on the fishing fleet to right Government wrongs.

Fishers were issued with their **"determination certificate"** in 5<sup>th</sup> February 2007, now as yet another regulatory process of the government at the time. They were advised at that time that this was their "share allocation". This was their "right to access the resource". Remembering that some of these fishers had to fight for that right either because figures were wrong, lost, incorrect on their catch history. This involved court hearings of up to a week for some. Reportedly a rather long and tedious paper trail to prove their rights for some, some fishers never regained their status after the second appeals process.

In 2012 MFAC was established to provide information at a cross section level. The appointed advisors to the Minister where not elected by the fishers, they were appointed by the minister. Fishers state there has been little if any consultation from there appointed representative. And it must also be noted that in many there was no acceptance in the issues or topics raised to the minister during this time. Many committees have come and gone over the years, noting some representatives have left committees on a *No Confidence* term.

**HUNTER RIVER PRAWN TRAWL EXAMPLE:** A document, individually signed and delivered to the Minister in August 2015. All fishers/endorsement holders who signed- voted no confidence in the representative for the relevant endorsement. Noting that that the fisher DID not hold shares in that specific fishery and therefor felt total misrepresentation, including no consultation in any process. Majority of endorsement holders were in agreeance, results were 15:4, of 20 fishers, noting one fishers did not want any part of it as he "was fed up". From a very small section of industry show statistics like this, one can only imagine the other sectors. **No Formal response to any party. [b]** 

Further to this, the Willliamtown contamination issues have played havoc with the security of the prawners and fishers over the past 12 months. A meeting was held where discussions took place about any further investment in HURHPT (at that time as the fishers awaited the response from the Human Health Risk Assessment (HHRA)) From here the shareholding were held in place at a current level – 100 shares. This has not been put in regulation, so once again offers no real certainty of consultation from the majority fishers who stood up for their industry. To some it was a band aid response to a situation beyond their control. Although it is recorded on the Hansard by the minister he was working with these fishers, in fact no evidence exists other than a letter offering this information to fishers.

**FORMATION OF WILD CAUGHT FISHERS COALITION (WCFC):** Finally, fishers feel there is an opportunity to stand together and fight this reform, well the intention was to stop it as growing numbers continued to join WCFC and sub regional groups formed up and down the coast, fishers united and could communicate and express exactly how they were feeling about the impending reforms that seemed to be in discussion for years on end. The stress and uncertainty was paramount in all sectors of industry, they just needed a steering committee to get to the minister based on proper consultation processes. Membership is a personal choice. Not partly of fully paid by the Co-Ops. Personally, paid by members that wanted to be a part of the organization.



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Since the formation of the WCFC Region 4 South (WCFC R4 South) unity has become evident among the regional NSW commercial fishing community. This included the many wife's that have been of great support and assistance to these fishers over the years. After all, after a hard days work the fishers don't want to sit down and read copious reports and documents that have been flowing from all angles, stemming back to the Obeid days.

Previous to this fisher have felt overruled by decisions being made about their industry, their livelihoods'. This is evident that fishers have wanted consultation and involvement on their terms, not to be dictated to and over ruled by minorities with personal interest that did not benefit the majority of fishers. Importantly that industry had not been consulted with. Many statements exist in media and in the many reports that have been written that ARE NOT genuinely supported by the fishers themselves. Another added frustration.

**CONSULTATION EXAMPLE:** The Minister advised our organization (February meeting along the coast, that he frequently refers to as "he meet with fishers up and down the coast") of these meeting at short notice. Many fishers were not even aware of these meetings, they were set numbers, not all invited. There was LIMITED time available to communicate with all members let along the entire NSW commercial fishing fleet. On the flip side to this, the shadow Minister made a point of meeting with fishers openly and at a location convenient to them. Accepted and responded to communication from fisher. Took the time to listen to their concerns.

#### (B) THE VALUE OF THE COMMERCIAL FISHING INDUSTRY TO THE NSW ECONOMY,

Social and Economic study that was attended over the past few years and presented earlier this year had some damning results.

- 1. Consumers want to purchase locally caught seafood.
- 2. Commercial Fishers don't have confidence in the Dept.

The reduction of fishers may impact fishing Co-Operatives. This is evident from the involvement from many Co-Op mangers in NSW.

Other concerns relate to the loss of fishers could very well mean a hike of costs from DPI in order to maintain the level of resources needed to adequately do their job. Any other forms of cost recovery shared among the remaining fishers would come at a further increased cost.

Local net suppliers are already impacted by closures from other states and now the NSW reforms are seeing them ensure they are not left either excess of supplies like nets, which means fishers await an order of nets and this attributes to added cost to the supplier and or the purchaser.

#### (C) THE SCIENTIFIC EVIDENCE UNDERPINNING FISHERIES MANAGEMENT,

Fishers would argue there is very limited consultation, and that some scientific evidence is developed pending the acquired goal. As in if you ask the right questions of the right people you get the answers needed (Voyer: 2016).

Commercial fishing has undergone an EIS again noted in many reports that NSW is a sustainable industry. If this is the case, why is our country importing from non-sustainable fishing grounds?

compared to the recreational sector that is growing and has constant promotion, it would not be possible to monitor the catch. They only voluntary catch surveys are attended.



i)

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#### (D) CURRENT ARRANGEMENTS FOR THE ASSESSMENT OF THE FISHERIES BY THE NSW DPI FISHERIES ASSESSMENT UNIT,

It is believed the goal is to reduce boats and endorsements. This belief is rightly true as stated in many documents (Wilkinson:2013)

## (E) THE NSW GOVERNMENT'S COMMERCIAL FISHERIES BUSINESS ADJUSTMENT PROGRAM AND ITS AIMS, INCLUDING:

#### the relevance of the Draft Productivity Commission Report into Marine Fisheries and Aquaculture,

Quote - The 'value' obtained from fisheries resources can have different facets and forms. For example, value could be economic (revenue from fishing and flow on activities), social (recreational enjoyment, community cohesion) or cultural. Many of these sources of value are hard to measure"

#### ii) the implementation of the restructure to date,

- Announcements May 2016, fishers found out via media.
- Some fishers did not receive packages for weeks.
- Conflicting information from the hotline.
- Generic information of no real assistance given from the hotline.
- Amendments along the way- the day of......
- Introduced "pre-share trading" This was to assist fishers in making informed business decisions and to get a feel for the market. TO DATE NO INFORMATION HAS BEEN RECEIVED.
- Introduction of the "Preview Trading"

Lack of timely information was provided as DPI had to call fishers the day before the scheduled event as mail information would not have been received. Some fishers' wives were advised that they would have to attend an alternate session as limited seating was available. Again at the last minute extra sessions were set up and DPI rang around to advise if you had obtained your original booking or had been reallocated another timeslot. On Tuesday the 15<sup>th</sup> November I contacted the DPI hotline. I was advised that all participants would be receiving an email stating the status of the preview share trading. Within 48 hrs. of this information, several fishers contacted me claiming that the hotline is now stating that NO INFORMATION WILL BE GIVEN. Addict- 1630PM 8/12/2016: generic email received with general information.

**TRAINING-** The training was a "last minute addition to the reforms. By way of late notification resulting in Dept. having to make phone contact to advise fishers and then not enough positions were available so the times had to be reshuffled and you were contacted with your new time slot allocation. Importantly fishers attended these sessions in a hope of clearing up questions. This was not the case as these sessions where not run by DPI but more so to reflect the use of the computer system and functions of the bidding.



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#### EXTENSIONS and Repeated Date Changes- To many changes to keep track of.

- 1. 2/ 9/2016 for buyouts, and handing in of fishing businesses. Extended without substantial notice.
- 2. Extension of deadline again moved to 2/11/2016
- 3. On the deadline (2/11/2016) of buyout/ loan applications/ share trading outside of the scheme. Fishers were notified via email and text around mid-day that this had been extended.
- Later, fishers find out on the **8/12/2016** (the evening before submissions due) more than a month later, that they receive a generic letter and NO REAL INFROMATION on if their bids were successful. Some fishers now feel this was an exercise to obtain further information about shareholding.

**NOTE:** as per the DPI website: "The preview share trading market will include up to three rounds of trading, with each round taking two to three weeks to complete. The first week will include the ability to sell shares, and the second week will be when offers and bids are matched and the outcome and next steps shared with participants"

The Actual response received late yesterday was indicative of this information as the steps noted above were not available. One round only. Fishers had issues logging on. The set was not User friendly to ALL devices. Closed done deal. Provided with statistical graph information and provided a counseling service. **Very after the fact offer of support.** 

#### iii) the impact on industry and regional communities to date, including economic social and cultural impacts,

- Mental health impacts on industry are already evident, anguish and anxiety about the unknown are compounded by further uncertainties (King et al: 2015). The Neil MacDonald response confirms the second most common comment to be in relation to unresolved issues requiring clarification(MacDonald:2016). Questions being unanswered or worse yet being answered with varying information does not give any assurance to industry nor is it any way to build trust within the dept. (Voyer et al: 2016)
- \$90 Million at the first point of sales, generating over half a billion dollars annually. This does not include the likes of Net makers, local community shops, service stations, accountants, suppliers/ transport. There is a direct flow on to local communities as businesses are squeezed out.
- Employing over 4000 in varying capacities from fishers, wholesale, processors working together with suppliers and caterers to get the product to the community. The buyer, the consumer the customer (DPI:2016) rely on all aspects of this supply chain to get the seafood to the plate.
- The public own the resource that the fishers catch in order to supply a quality nutritious food source essentially containing healthy nutrients sourced from a high-quality environment. The non-fishing community far outweighs the commercial and recreational sector(King:20016). The non-fishing community have a right to purchase fresh local seafood.

#### Consumers are a broad group:

1) food consumers a) don't fish, b) Can't or don't fish, this could be choice or limitations (location, time, ability, age) c) bait users, recreational and commercial.



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#### iv) the economic modelling underpinning the restructure and any independent analysis of that modelling,

Are there any independent analysis, all reports seem to have someone from a committee over time?

It is well known in the industry that the information provided to the DPI is only as good as the informant. Fishing is a competitive industry – true hunters and gathers. It is apparent that information provided to the minister has been provided to benefit some and not all. Otherwise why would so many fishers be so disappointed with this restructure. "SARC had hoped that some of the broader policy level uncertainty would have been resolved prior to the share linkage announcements to assist industry make informed decisions when participating in the exit grant. However, a number of uncertainties remain." (Cartwright et al:2015)

The minister continues to claim that most (His figures ¾) have already purchased shares. This is an unjustified claim as so many fishers still need shares and are in fear of not being able to obtain the shares needed to continue to work as they have for many years. Even if fishers have shares they need information and certainty of what the future holds. This is important to note: how can buying extra shares confirm your access or security. After watching the contamination issue unfold in the Williamtown area. Remembering that these fishers already heard this line when issued with DETERMINATION CERTICATES.

All the reports and committees are all intertwined, this lacks bringing in new information. Same people on the same committees and general lack of confidence from commercial sector. It is noted in the latest report from FRDC (FRDC: 2016).

#### Pg. 66 of AUSTRALIAN FISHERIES MANAGEMENT FORUM FISHERIES MANAGEMENT WORKSHOP ADELAIDE 26TH AND 27TH MARCH 2014

Quote:

Issue 2: Objectives for small-scale fisheries

"Developing clear and measurable objectives for small-scale fisheries is a complex task. Any one rule or a 'one size fits all' approach is unlikely to be successful and there may well be competing or conflicting objectives between fisheries or between sectors (i.e. commercial and recreational fishing sectors and conservationists)." (AMA: 2014)

#### Response-

- This is a current concern now for NSW with the increase of allowable trap numbers. (Noted in minutes 23/9/2016)
- Also, noted in this document is the need for more communication at a managerial level.



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#### <u>Quote</u>: NSW Commercial Fishing Industry: background to the 2012 review:

Seafood Industry Advisory Council: In 2005 the Seafood Industry Advisory Council (SIAC) was established to advise the Minister on future directions for the industry.<sup>40</sup> Between 2006 and 2007 SIAC established a number of subcommittees to examine structural adjustment in the industry, which resulted in SIAC subsequently recommending "specific adjustment targets of removing 100% of latent fishing businesses and 50% of active fishing businesses using shares as the preferred mechanism.<sup>41</sup> (Wilkinson:2013)

Quote:

Fish marketing deregulation revisited: The Fish Marketing Amendment (Deregulation) Act 1997, which took effect in 1999, provided that "a general fish marketing authority must not include a condition, term or stipulation that prevents or restricts the sale or supply of fish in the County of Cumberland."42 Its effect, which was to abolish the obligation on the Fish Marketing Authority to act as an open receival market, was also designed to accelerate consolidation in the industry. As the NSW Co-operative Federation pointed out (three years later), the Act "was expected to trigger rationalisation within the industry, with fewer coastal co-operatives handling most of the NSW catch".<sup>43</sup> The new arrangements also made it easier for fish merchants to bring in imported produce<sup>44</sup>(Wilkinson: 2013)



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#### v) the approach of other jurisdictions,

Many articles claim that a quota system has collapsed the fishery. This has been the case in the Canadian fishery. Quota pushes fishers to limits to reach their target increasing health and safety issues.

#### **CLOSING STATEMENTS**

Decimating industry will in turn effect the local communities, supply, cost and availability of freshly caught local seafood.

Fishers continue to have unanswered questions. It is apparent that this reform is only beneficial to a very small minority. Although the Minister claims how many people have participated in the "buy outs", "training", "Preview" the actual reason that majority of this group have participated is not because they wanted to nor do they agree with the process. Some even hesitant to do same in fear of agreeing with reform. For them it has been a means to an end, a forced decision. They felt no other option as many are fully aware that the shares required are NOT available. This is evident as fishers have been attempting to locate same since the announcement this year.

Many fishers are "Just Over It". It's appalling to think these families have dedicated a lifetime and in some cases a generation of fishing families and knowledge and they have not in any way been supported or respected by Dept. or the Government.

There is an enormous history with in this industry, many reports and inquiry exist. Lack of communication is degrading to the knowledge these fishers obtain from one generation to the next, on the job experience is far and above information obtained from text book cases.

Affiliations run thick and strong among the industry. There benefits do not seem to be clear to most industry. Fishers do not feel they have been supported over time. Evidence of this exist as members have pulled out of the existing 'peak organisation'. Fishers all claim their personal reason for this.

Not all fishers use the internet or mobile phones, so obtaining information has been difficult. This has seen these men having to ask for assistance TO PARTICIPATE in the mock trial.



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### **R**EFERENCE LIST

- [1] Vyoer, Dr. M., Barclay, Associate Professor K., Mcllgorm, Professor A., Mazur, Dr. N., (September 2016). Social and Economic Evaluation of NSW Coastal Professional Wild-Catch Fisheries Valuing Coastal Fisheries. FRDC Project 2014/301
- [2] AMA AUSTRALIAN FISHERIES MANAGEMENT FORUM FISHERIES MANAGEMENT WORKSHOP ADELAIDE (26TH AND 27th March 2014)
- [3] King, T. *Fair fish* (23<sup>rd</sup> November 2016). Retrieved 5<sup>th</sup> December 5, 2016. From <u>https://youtu.be/heiwEacM7xc</u>
- [4] DPI (2026) website, Commercial Fishing. Viewed 1<sup>st</sup> December 2016. Available at <u>http://www.dpi.nsw.gov.au/fishing/commercial</u>
- [5] A signed document provided to the Minister (August 2015) and also given to the DG & DGG for fisheries (mid 2016) Stating they have no confidence in their representative. Communication. (withheld for privacy) No REPONSE.
- [6] MacDonald, N. (2016). *Response to business program implementation issues from industry that were collated by Neil MacDonald.* Available at - <u>http://www.dpi.nsw.gov.au</u>
- [7] Cartwright, I. Lack, M. and Sen, S. (30th September 2015). Final Share linkage Recommendations NSW Commercial Fisheries Reform- Structural Adjustment Review Committee (p. 7, ) Available athttp://www.dpi.nsw.gov.au/ data/assets/pdf file/0004/656806/SARC-Final-Recommendations-on-Share-Linkage final.pdf
- [8] McKoy, John., Stokes, Kevin. (May 2016) Review of the current NSW resource assessment framework and the performance of the arrangements employed to assess NSW fisheries.
- [9] King, T. Kilpatrick, S., Willis, K. and Speldewinde, C. (2015). "A Different Kettle of Fish": Mental health strategies for Australian fishers and farmers. Marine Policy, vol. 60, issue С, pages 134-140 Available at http://econpapers.repec.org/article/eeemarpol/v 3a60 3ay 3a2015 3ai 3ac 3ap 3a134-140.htm
- [10] Howard, M. (2012) The Challenges with 'Wild' Harvesting Fish for food.
- [11] Wilkinson, J. (2013). NSW Commercial Fishing Industry: background to the 2012 review. Briefing Paper No. 2/2013
- [12] Stevens, R. (12<sup>th</sup> September 2007) *Report on structural Adjustment in Commercial Fisheries in New South Wales.* Available atShttp://www.dpi.nsw.gov.au/ data/assets/pdf file/0004/286402/stevens-report.pdf
- [13] Stevens, R., Cartwright, I. and Neville, P. (March 2013) *Independent Review of the NSW Commercial Fisheries Policy, Management and Administration.* Available at <u>http://www.dpi.nsw.gov.au/ data/assets/pdf file/0015/433041/Independent-Comm-Fish-Review-Report-Mar2012.pdf</u>



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### **ATTACHMENTS**

#### [a] Drafted and minted. Individual copies signed and submitted to LMPs and the minister. NO response to date.

24<sup>th</sup> October 2015

The NSW Minister for Fisheries The Hon. Niall Mark-Blair MLC 52 Martin Place SYDNEY NSW2000

Dear Naill,

#### **RE: Reform - NSW Commercial Fishing**

My name is ------ and I am against the Reform - NSW Commercial Fishing. I am a commercial fisherman of the Hunter River - Region 4 and strongly believe that if the reform is approved then majority of fisherman within NSW will be forced out of the industry and, in turn this will affect the sustainability of the industry.

- I DO NOT support the recommendations that where proposed by SARC (structural Adjustment Review Committee)
- I DO NOT support the representation of the share linkage working group
- I strongly believe the working groups where formed within the PFA (Professional Fisherman Association) and DPI (Department of Primary Industries) and these working groups were not made available to fisherman to whom are not PFA members. I also feel these groups are not being run to support each commercial fisher within the industry. Most importantly, there are NO meeting minutes to support what was consulted among fishers before it was forwarded to the minister
- I feel that there is a level of independent personal benefit within the above-mentioned groups
- I strongly believe that I was misrepresented to the minister on the issues within the reform
- I also feel strongly that NO FISHER SHOULD BUY BACK THEIR JOBS

As you are aware, the Williamtown RAAF contamination is effecting every fisherman in Region 4 – Hunter River. As a commercial fisherman, I am proposing the immediate halt be put in place to stop any significant changes within the fishing industry. Time needs to be granted to allow commercial fishers to become fully aware and informed of the long-term impacts that the contamination possess on their business.

I appreciate the time you have taken to read my letter and I am contactable on xxxx xxx for future discussions.

Sincerely,



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#### [b] individual letter signed and delivered to the minister

Not attached from privacy.

#### [c] an example of a response to a letter to the minster .....

I refer to your email of 7 June 2016, to the Hon Niall Blair MLC, Minister for Primary Industries and Minister for Lands and Water, regarding the Commercial Fisheries Business Adjustment Program. The Minister has asked that I respond to you on his behalf.

Thank you for taking the time to make your views known and for outlining your concerns about the Business Adjustment Program. I wish to address and clarify some issues about the Program that may alleviate your concerns.

Business Adjustment Program The Business Adjustment Program aims to deliver greater certainty for NSW commercial fishing businesses and ensure the long-term viability and sustainability of the industry.

The industry has suffered from the failure of the previous Government to introduce the share managed fisheries envisaged by the Fisheries Management Act 1994. This has limited the ability of fishers to grow their business with certainty.

Linking shares to access, that is, endorsement numbers and catch or effort, will provide fishers with a stronger property right and the opportunity to grow their business. Share linkages to catch or effort are being introduced in most share classes and linkages have been tailored to each share class. In many classes, the most active fishers need to hold the most shares and in some share classes, lose or no linkages, will apply because the costs of moving to stronger forms of linkage outweigh the benefits. The introduction of these changes includes some of these benefits:

red tape removal, such as mandatory boat licensing in some fisheries and requirements to register nets, saving fishers an unnecessary annual cost and administrative burden capacity for fishers to invest to use more gear and operate more efficiently, such as using more traps and the ability to use unendorsed crew in estuary fishing time will be available for fishers to adjust, with new linkages to be progressively implemented from July 2017 to December 2018.

It may assist you to know that a substantial assistance package is available to support commercial fishers and fishing cooperatives through the transition. This includes:

an adjustment subsidy program to deliver \$16 million in adjustment funds low interest rate loans of up to \$80,000 are available to eligible shareholders with the government accepting commercial fishing shares as loan security reimbursement of costs up to \$1,000 for financial advice for fishers reimbursement of costs up to \$30,000 for financial advice for fishing cooperatives re-training assistance grants of up to \$10,000 for fishers who chose to exit the industry.

Adjustment Subsidy Program (ASP) The objective of the \$16 million structural adjustment funding is to deliver an Adjustment Subsidy Program (ASP), to maximize the number of share trades that move shares to active fishers who need them. The one-off payment of \$20,000 for an empty fishing business, as part of the Program, recognises that fishers do attribute value to this component of their business. The ASP has two components - a fishing business buyout and a subsidised share trading market.

Fishers, who wish to sell, have the option to list their shares and fishing business on the commercial fisheries online noticeboard. This can also be used to search, if looking to buy shares.



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If fishers wish to sell components, they should contact 1300 720 662 to have their items listed. This will assist fishers to purchase or sell shares prior to the fishing business buy back or subsidised share trading market. The trading board is updated twice a week and can be accessed at http://www.dpi.nsw.gov.au/fishing/commercial/fishonline/fishonline-noticeboard.

Fishing business buyouts Fishing business buyouts can be accessed by all shareholders. Upon surrender or transfer of all shares from fishing business, the fishing business will be cancelled and the fishing business owner will be paid \$20,000. Fishers who chose to exit the industry have the option of selling the shares contained within these fishing businesses, providing funds in addition to the \$20,000 for the empty business. Through this process, fishers who hold multiple fishing businesses may consolidate their shares into one, from July 2016.

Fishers also have the option of retaining their shares and leasing businesses, or components such as, quota to other fishers, should they wish to do so to maintain an income, if they no longer wish to fish themselves.

Additional information, including forms, will soon be available on the Department of Primary Industries website.

Subsidised share trading market From September 2016, registered fishers can participate in the subsidised share trading market. All registered shareholders will be able to submit bids to buy or sell shares in share classes they own, or alternatively, sell all shares and exit the industry. Bids between buyers and sellers will be electronically matched. A uniform price model will be implemented, where all successful sellers in a share class will be paid the same price and all successful buyers in a share class will pay the same price.

It is important to note that only active fishers in each share class will have the cost of share purchase subsidised by the NSW Government. If share classes within fishing businesses are 'inactive', fishers holding these share classes may still participate in the subsidised share trading market, but any purchase of shares in 'inactive' share classes, will not be subsidised.

Information about the subsidised share trading market will be sent to fishers in July this year.

Financial advice Fishers will need to make individual business decisions regarding their circumstances and any impact the introduction of share linkages may have on them. Some fishers may choose to exit, while others may wish to remain and adjust their shareholdings, to suit their business needs.

Fishers are encouraged to seek independent financial advice regarding their circumstances through the Rural Financial Counsellors who provide a free financial counselling service. Details can be found at http://www.agriculture.gov.au/ag-farm-food/drought/assistance/assistanceruralfinancial-counselling-service.

Grants for reimbursement of costs up to \$1,000 in obtaining financial advice through accountants and financial advisors is also available. Information about the application for these grants is at http://www.raa.nsw.gov.au/assistance/business-adjustment-program/grants.

Education Transition Packages Fishers who elect to exit the industry can apply for a re-training assistance grant of up to \$10,000. Costs associated with retraining for those that are eligible for re-imbursement include course fees, travel expenses to attend the course venue, meals on the day of the course, associated accommodation costs to attend the course and training related equipment such as, tools, computers, and text books.

More information is available through the Rural Assistance Authority's website at http://www.raa.nsw.gov.au/assistance/business-adjustment-program/grants.

Public consultation The independent reviewers engaged to undertake the Independent Review of Commercial Fisheries Policy, Management and Administration consulted widely among industry, including regional port meetings and an open invitation for written submissions from fishers.

The Review confirmed the earlier industry-wide sentiment that significant change was needed to revitalise the industry. A full copy of the report, together with the NSW Government's response, and a range of actions and projects implemented, can be viewed at the Department of Primary Industries website at www.dpi.nsw.gov.au/fisheries/commercial/reform.



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Fees It may assist you to know that a cap on management fees will be extended for a further year, until 1 July 2018, and any subsequent increase in total revenue from the industry will be capped at the maximum of six per cent each year, above the Consumer Price Index (CPI), for five years.

Share transfer fees will continue to be waived until after the Adjustment Subsidy Program is completed and stamp duty will no longer apply on commercial fishing shares transferred on, or after, 1 July 2016.

The NSW Government has also committed \$400,000 as part of a campaign to promote the states commercial fishing industry to consumers and communities.

I trust this information is of assistance. Should you wish to discuss any of these matters further, please contact the NSW Commercial Fisheries Adjustment Program hotline on 1300 726 488.

Yours sincerely

**DPI** Fisheries

Date: 30 June 2016

[D] attachment – AGM bio including brief timeline

WCFC – 'HUNTER' Region 4 *South* Per Lucinda Hornby - *Secretary* 

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