

Shark Bay Prawn Trawler Operators' Association Inc

Ms Melinda Cilento
Marine Fisheries and Aquaculture
Productivity Commission
GPO Box 1428
CANBERRA CITY ACT 2601

Dear Melinda

PRODUCTIVITY COMMISSION INQUIRY

By way of introduction, the Shark Bay Prawn Trawler Operators' Association (SBPTOA) represents the licence holders in the Shark Bay Prawn Fishery, Western Australia's (WA's) most valuable prawn fishery. The fishery contributes approximately \$25 million annually to the State's economy and is a significant employer in WA's regional Gascoyne region.

While prawns caught by the SBPF are managed under input controls, scallops and blue swimmer crabs are managed under a quota management regime. There is generally a good partnership between Western Australia's Department of Fisheries and licence holders, with a high level of discussion occurring throughout the season on opening and closing times to maximize return.

I briefly met with you on behalf of the SBPTOA with the WA Fishing Industry Council (WAFIC) on 17 February 2016, regarding the Productivity Commission's inquiry into the regulatory burden on Australia's fisheries. We would like to provide the following comments below relating to the questions set out in your online questionnaire.

Compliance with regulation/supplying info to more than one regulator

In 2015, the Shark Bay Prawn Fishery became certified under the Marine Stewardship Council (MSC) eco-label. As this is its first year under the MSC regime, the fishery will need to meet a number of conditions to comply. For example, ensuring that it provides sufficient information to determine whether the fishery may be a threat to protection and recovery of certain protected species.

Under the Commonwealth Government's *Environment Protection and Biodiversity Conservation Act* (EPBC Act), the fishery also has a number of conditions to meet relating to protected species interactions in order to maintain

its ongoing export approval. With over 60% of the fishery's prawns supplied overseas, maintaining export approval is crucial.

In addition to this, the Western Australian Government's Biodiversity Conservation Bill, if passed into legislation, includes provisions, which could seriously expose individual operators in the fishing industry to prosecution and significant fines where disturbance or death of individual fauna occurs. We understand that overlapping powers between the Department of Fisheries and the Department of Parks and Wildlife have been satisfactorily resolved, for example ensuring that provisions mirror provisions in the EPBC Act on matters such as recovery plans. However, we are gravely concerned about this legislation coming into effect and the potential for SBPF operators to face prosecution, regardless of whether they're meeting the EPBC Act and MSC conditions. We are aware that WAFIC has made a number of representations to the State Government in relation to these issues on behalf of a number of WA commercial fisheries.

With the SBPF now MSC certified, we would also like to see some harmonization between the requirements under the MSC and those determined under the EPBC Act. This would go some way to reduce the duplication of reporting by the Department of Fisheries to various agencies and would reduce the regulatory burden and associated costs.

Innovation and Investment

In 2009, an industry funded Voluntary Fisheries Adjustment Scheme (VFAS) was established to restructure the SBPF fleet from 27 to 18 vessels. A loan repayment arrangement was put in place with the State Government to allow for the restructure to occur over a number of years. In 2005, the Commonwealth Government provided a \$220 million package to buyback about 600 commercial fishing licences. SBPF licence holders have highlighted the inconsistency between the Commonwealth and State Government approaches, where industry have had to pay for the removal of licences in the SBPF yet the Commonwealth's buyback was fully funded.

The net result is that both buybacks have reduced effort but in the case of the State buyback, the high repayments have resulted in operators not being financially capable of investing in new technologies to efficiently take advantage of the reduced effort created by the removal of licences. A good example of this is operators in the Commonwealth's Northern Prawn Fishery upgrading and even building vessels whereas the SBPF cannot justify the expenditure when burdened by an annual \$215k per licence buyback payment.

Other issues

When meeting with you in February, there was some discussion surrounding the shortfalls the research and regulatory environment that applies to the WA recreational sector. It is disappointing that in WA, we continue to see opportunities for innovation and expansion proposed by the commercial sector quashed by the State Government to appease certain recreational fishing groups. As an example, the Gascoyne Demersal Scalefish Fishery recently applied to trial fish traps, as a means to reduce the predation of sharks on the fish they catch by line. This trial had the potential to improve efficiency, increase the fishery's return and improve sustainability for pink snapper. Despite the fishery being under a quota management regime, the State Government chose not to support the proposal after there was considerable recreational sector opposition.

The SBPF may face a similar predicament in future when seeking to re-open a part of the fishery that was closed to protect finfish being overfished by the recreational sector. Such political decisions can be a major impediment on the commercial sector and limit opportunities for growth and investment and ultimately erode confidence in the industry.

Final comments

It is unfortunate that the comment period in response to the Productivity Commission's Inquiry has coincided with the busiest two months of the year for the SBPF, noting the start of the eight month season next week. If at all possible, we would appreciate an opportunity for a formal hearing once the draft report has been released later in the year. We believe this would provide more time to submit advice on gear and equipment requirements, future opportunities for the fishery and more generally on the extent the regulatory environment is working.

We appreciate the opportunity to provide advice towards your inquiry.

Yours sincerely

Felicity Horn
Executive Officer

31/3/16.