



Australian Government

Australian Fisheries Management Authority

MNMT2016-00136

28 October 2016

Australian Marine Fisheries and Aquaculture
Productivity Commission
Level 2 Moore Street
Canberra ACT 2600

Dear Commissioners

Submission to the Inquiry Into the Regulation of Australian Marine Fisheries and Aquaculture Sectors

The Australian Fisheries Management Authority (AFMA) welcomes the Productivity Commission's draft report on the regulation of Australian marine fisheries and aquaculture sectors. The draft report provides a comprehensive study of Australian fisheries management and identifies key areas for further work.

Productivity of commercial fisheries

AFMA and others have identified the productivity of Commonwealth commercial fisheries as a key issue. AFMA's analysis of trends in the past five years' of catches show that on average 50% of the valuable sustainable total allowable catch from Commonwealth fisheries is caught, with significant variations between fisheries and years. There is considerable potential therefore to achieve, on a sustainable basis, greater catches, increased income for operators and greater overall benefit to the Australian community. Various submissions have outlined some of the important factors affecting commercial fishery productivity, some within the capacity of fisheries management agencies and the fishing industry to address, and others reflecting regional or international effects. In AFMA's view, the final report would benefit from identifying priority actions that could increase commercial fisheries productivity, for further consideration by governments, fishery management agencies and the fishing industry.

Governance

The draft report recognises the complex nature of fisheries governance in Australia, reflecting, in part, the existence of multiple jurisdictions with different regulatory regimes. The report makes a number of recommendations, in particular an agreed and funded program for resolving management arrangements under the Offshore Constitutional Settlement with specific priorities identified, such as the management of southern bluefin

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tuna and outstanding arrangements with New South Wales. AFMA is of the view that there are also opportunities to resolve outstanding issues with South Australia, particularly those regarding the management of gummy shark and school shark but also others which are already identified in the draft report.

While a program of resolving specific cross-jurisdictional arrangements may assist in improving and streamlining management in those particular fisheries, it will not address more fundamental structural issues. In AFMA's view, more comprehensive reform of governance structures remains important. The draft report identifies a range of costs created by Australia's current governance structures with consequent adverse impacts on productivity and efficiency. It also identifies that these structures may not be capable of adapting to the risks posed by climate change and other environmental impacts, an issue which could be raised in the current Senate Inquiry examining climate change impacts on fisheries and biodiversity. AFMA, prior to the establishment of this Inquiry, had already commenced examining the implications of climate change for Commonwealth fisheries management, and is currently seeking research funding to assist in this process.

A regional governance model

One possible model is a regional one, but not necessarily the version in the draft report.

A regional model might align management of fish stocks with their distribution, with the aim of achieving a single management system for each stock. For example, an east coast region could extend from approximately northern Queensland to southern Tasmania as it encompasses a group of pelagic and demersal fish stocks which are bounded in the north by the tropics and in the south by cool temperate waters. Within a region a single management system could be devised by the relevant states and the Commonwealth, and include all fishing sectors. This would have similarities to the regional approach adopted by the USA for its fisheries which have been working effectively for many years. More recently the USA's regional fisheries bodies have incorporated both commercial and recreational fishing. In Australia's case the relevant jurisdictions would need to agree on the governance of each region, which could either be achieved by statutory or non-statutory approaches.

Environmental and fisheries management regulation

AFMA notes that the draft report considers that streamlining environmental and fisheries legislation, either by removing duplicative assessments, accrediting fishery management systems or recognising third party certification schemes, should not be pursued. AFMA does not agree with this assessment and considers that streamlining and/or integration of these two regulatory systems, over time, will achieve both better sustainability and productivity of Australia's fisheries.

One of the outcomes of the Commission's draft report is that there remains multiple and sometimes complex environmental regulatory requirements across Australia's commercial fisheries. What requirements the commercial fishing industry must comply with will depend

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on whether or not fish are being harvested from Commonwealth or State/Northern Territory fisheries; whether or not fish or fish products are being exported or sold for the domestic market; and whether or not there are particular requirements arising from species interactions, for example, the need to meet recovery plans or rebuilding strategies or achieve non detriment findings to be able to export certain species (in addition to other approvals). Moreover some fisheries must meet overseas standards that often cover the same issue to be able to export fish or fish products to those markets. For example, some exporting fisheries must meet United States requirements for particular mitigation devices or more generally achieve that nation's quantitative standards for interactions with marine mammals.

While the granting of 10 year approvals under the EPBC Act for the purposes of Part 13A is welcome, in the Commonwealth's case, it does not remove the need for strategic assessments under Part 10 when there are changed fishery management arrangements. Nor do these 10 year approvals always remove the need to meet other requirements under the EPBC Act relating to protected species or address multiple reporting requirements under various parts of the EPBC Act.

In AFMA's view further consideration should be given to simplifying and streamlining this complex system so that both environmental and fishery management objectives can be pursued, and there is removal of duplication of processes both domestically and internationally.

AFMA also notes that the draft report does not favour adopting third party accreditation schemes for a variety of reasons and prefers to rely on guidelines under the EPBC Act as providing an agreed standard for measuring fishery sustainability. Such a view, however, does not recognise the reality that both domestic and international markets now rely on third party accreditation schemes, and traceability programmes associated with them, to enable access to these markets. Moreover these schemes are now expanding into areas, such as governance and social objectives, which to date have been the remit of government.

Nationally and globally, private sector fishery standards are now working alongside government regulation. It is therefore inevitable, in AFMA's view, that some mutual recognition will be the result. Such an outcome appears consistent with the Government's policy to recognise international standards instead of duplicating them in domestic legislation. AFMA would appreciate the Commission's view on how private accreditation schemes may impact on government regulation.

Finally, I note that the draft report contains a comment that AFMA, when exercising its regulatory functions, in particular the development of management plans, acts as an agent of the fishing industry. However, AFMA does not act as an agent of industry in the exercising its functions and powers under the *Fisheries Management Act 1991* and the *Fisheries Administration Act 1991*, although it does regularly consult industry and other

stakeholders in developing management arrangements. Please amend the draft report accordingly.

Again, thank you for the opportunity to provide additional information to assist the Productivity Commission in its deliberations. AFMA looks forward to receiving the final report and recommendations.

Please do not hesitate to contact me if you have further questions.

Yours sincerely

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