



**Commonwealth
Fisheries
Association**

25 April 2016

Productivity Commission

**Inquiry into regulation of the Australian Marine Fisheries
and Aquaculture sectors**

Submission of the

Commonwealth Fisheries Association (CFA)

The Commonwealth Fisheries Association (CFA) has been encouraged to make this submission following recent initiative by the Australian Government requesting the Productivity Commission to undertake a public inquiry into the regulation of the Australian Marine Fisheries and Aquaculture Sectors.

Commonwealth fisheries are among the best managed and environmentally sustainable fisheries in the world. Our members are committed to managing fisheries for Australia's food security, community well-being and healthy marine eco-systems.

Commonwealth fisheries generate over \$300 million in value alone and annually produce about 52 000 tonnes of catch. The Commonwealth seafood industry is essential to the economy of rural and regional Australia, with direct employment in fisheries production and processing, and substantial downstream employment in supporting industries including transport, storage, wholesaling, retailing, catering and tourism sectors. Commonwealth fisheries play a vital role in securing and supplying sustainable healthy seafood for domestic and overseas consumers.

The CFA is the peak body representing the collective rights, responsibilities and interests of a diverse commercial fishing industry in Commonwealth regulated fisheries. The CFA was formed in April 2002 as a non-profit organisation, and is committed to ensuring the commercial fishing industry is recognised for its contribution to Australia's economy, society and environment. This recognition is achieved through promoting and advocating the value of the industry and the healthy seafood it provides to the community.

The CFA is structured around three priority pillars. The priority pillars are;

1. Security of access;
2. Efficient regulation; and,
3. A competitive industry

The CFA will address the terms of reference according to the three key pillars of the association.

Security of Access

Security of access to fisheries resources is integral to sustainable fisheries management and crucial in attracting the necessary investment to maintain and expand the commercial seafood industry. A regime of secure fishing property rights supported by sound legislation is essential for industry to achieve environmental and commercial sustainability.

Under Commonwealth legislation, fisheries rights are issued in the form of Statutory Fishing Rights (SFRs). SFRs provide long term, secure tradable rights to fishers that have been accepted by the Government, the Courts, financial institutions and the commercial fishing industry as property rights. Statutory Fishing Rights engender more responsible behaviour by fishers necessary for the pursuit of Ecological Sustainable Development.

SFRs are the cornerstone of the Commonwealth's *Fisheries Management Act 1991* (FM Act) and threats to the security of SFRs issued under the FM Act should be removed.

The cancellation of a licence (or SFR) is a sanction that features prominently in administrative licensing regimes established under Commonwealth legislation, and is an extreme sanction if invoked by regulators will have severe consequences, including the potential to deprive individuals of their livelihoods.

The removal of cancellation provisions from the FM Act should be substituted with increased financial penalties would enhance the security of fishing concessions, and potentially increase the value of the underlying right. This would be welcomed and has the potential to also provide financial institutions with an incentive to give greater weight to the value of fishing concessions when considering loans to the fishing sector.

The strength and security of fishing rights issued under the FM Act should not be jeopardised by environmental or other legislation such as the introduction of Marine Protected Areas, native title claims, recreational allocations or conservation movements.

The industry is seeing a decrease in investment, and a weakening of property rights because of demonising fisherman, public perception of fishing methods (that is 'super trawler' issue), and interactions with marine mammals. Industry need strong property rights to give operators certainty, which gives rise to investment within industry and stewardship of the resource. Government have the ability to assist in strengthening those rights, and must provide a commitment that access rights to Commonwealth fisheries resources in the form of statutory fishing rights will be retained and enhanced.

The decline in investment is the result of lending institutions lack of understand surrounding the security of the fishing right. There has never been transparency of the solidity of the security right. Lending institutions need confirmation that the right is solid, and that there is a low level of risk when it comes to lending arrangements. To improve the lending institutions understanding, it would be pertinent to reinstate the third party entitlements onto the SFR itself. Any such cancellation of fishing concessions also impact on the interests of mortgagees, and are not adequately protected under the FM Act.

Reinstatement of this third party entitlement will reduce the complexity and costly lending process that is currently in place for lending institutions, and provide for a better security position for the industry. Without investment in the industry, productivity suffers.

SOLUTION

THE CANCELLATION PROVISIONS UNDER S39 IN THE FM ACT FOR FISHERIES OFFENCES IN DOMESTIC FISHERIES AND NON-PAYMENT OF LEVIES SHOULD BE REMOVED FROM THE LEGISLATION. TO REPLACE THE CANCELLATION PROVISIONS, CHANGES SHOULD BE MADE IN THE FM ACT FOR SIGNIFICANT INCREASES IN PENALTIES TO ENSURE THAT THERE ARE ADEQUATE DISINCENTIVES TO BREACH FISHERIES MANAGEMENT REGULATIONS.

AMENDMENTS TO THE FISHERIES MANAGEMENT ACT 1991 SHOULD BE MADE TO PROVIDE FOR INCREASED FINANCIAL PENALTIES AND LONGER PERIODS OF SUSPENSION OF SFRs FOR DOMESTIC FISHERIES OFFENCES AND NON-PAYMENT OF LEVIES SHOULD BE IMPLEMENTED IN PLACE OF THE CANCELLATION PROVISIONS UNDER S39

COMMONWEALTH FISHING RIGHTS SHOULD BE RECOGNISED, IN LEGISLATION, AND THE GOVERNMENT TO DEVELOP A CLEAR POLICY ON LENDING AGAINST COMMONWEALTH FISHING LICENCES.

Resource Rent Tax

It is current Government and Opposition policy not to collect resource rent from the commercial fishing industry. Industry strongly supports the continuation of this policy.

SOLUTION

THERE MUST BE CONTINUED BIPARTISAN OPPOSITION TO ANY INTRODUCTION OF RESOURCE RENT TAXATION, OR ATTEMPT TO OBTAIN RESOURCE RENT, FROM AUSTRALIAN FISHERIES

Fisheries management and protecting the interests of the wider community - Resource Sharing

CFA recognises that a range of users are likely to participate in the ecologically sustainable development and management of fisheries resources. 'Management arrangements for fisheries should include a transparent mechanism to enable equitable access to fisheries resources for the various sectors of the community as appropriate. Costs associated with managing fisheries should be equitably shared between all resource users and other stakeholders commensurate with the benefits they derive from that management.

Government policy should support fishers with equitable and non-discriminatory access to fisheries resources. CFA believes the only way to prevent situations occurring which negatively impact the industry's resource access in future is to elevate the importance of fisheries legislation, relative to competing demands from environmental and recreational fishing and other interests, to ensure the needs of the fishing industry in relation to resource access are met.

Factors impinging on access to seafood include displacement of fishing operations by rural and port development, water re-allocation, recreational fishing havens, offshore oil and gas exploration and production, and marine reserves.

If the current decision and policy environment continues, the industry will lose further access to fishing grounds, increased uncertainty, loss of business investment and planning which will have a detrimental impact on Australia's seafood production capacity and as a result, serious implications to food security.

The existing fishing rights of commercial fishers must be recognised and supported. Where there is a re-allocation of resource access from commercial fishers to the environment or to other users the CFA reiterates the need for compensation to be paid under S 51(xxxi) of the Constitution.

Effective and stakeholder supported resource sharing arrangements are essential to the sustainable development of the Commonwealth fisheries. Stakeholder conflict is greatly limiting the optimal management of some fisheries. Agreed resource-sharing arrangements is required as a priority.

SOLUTION

TO PROVIDE FOR TRANSPARENT AND EQUITABLE RESOURCE AND COST SHARING ARRANGEMENTS BETWEEN USERS OF THE MARINE RESOURCE INCLUDING COMMERCIAL, RECREATIONAL AND CHARTER VESSEL OPERATORS, CLEAR POLICIES MUST BE DEVELOPED AS A PRIORITY.

THE RESOURCE AND COST SHARING POLICY SHOULD REFLECT A COMMITMENT TO A SHARING REGIME OR FRAMEWORK THAT IS CONSISTENT WITH LEGISLATION AND THAT EXPLICITLY RECOGNISES AND SUPPORTS THE RIGHTS OF EXISTING COMMONWEALTH FISHING RIGHTS HOLDERS

Efficient Regulation

Reducing the regulatory burden and increase productivity - a whole of government approach

CFA is seeking support to adopt a whole of government approach to developing environmental and management policy to reduce excessive and unnecessary cost burdens and to provide the Commonwealth fisheries with more certainty with regards to future investment in the industry. The administration of the Environment Protection and Biodiversity Conservation Act 1999 (EPBC Act) should not be carried out in isolation from the Fisheries Management Act 1991 (FM Act). Consideration must be given to developing a more cost efficient and more effective whole of government approach towards Commonwealth fisheries legislative policy development.

The current Productivity Commission Inquiry into Marine Fisheries and Aquaculture provides the opportunity to remove the current uncertainty and double jeopardy that exist for Commonwealth fisheries under the EPBC Act and FM Act. This will allow for increased efficiency and more certainty within the fisheries management regulatory environment and the fishing industry generally. The flow on effect would be greater confidence in investing more capital into innovative sustainable fishing practices.

There should be the potential for Government's to streamline strategic fisheries assessment under Part 10 of the EPBC Act; assessments relating to impacts on protected marine species under Part 13; and assessments for the purpose of export approval under Part 13A by merging into a single assessment. This would assist in reducing regulatory burden.

Fisheries that are managed under the FM Act or have achieved third party accreditation that is equivalent to (or higher than) the requirements of the EPBC Act should not require WTO assessment. This will avoid duplication of essentially two strategic assessments of the fishery for export approvals, and subsequently reduce the complexity and cost to both Government and industry.

The criteria for listing under CITES was designed for terrestrial species, and is not the best for listing marine species. The listing criteria should be reviewed, to allow for de-listing of marine species that have been re-built through strategies and fishery management plans.

SOLUTION

WHOLE OF GOVERNMENT APPROACH TO THE DEVELOPMENT AND IMPLEMENTATION OF FISHERIES LEGISLATION AND POLICY

UNDER THE EPBC ACT, PARTS 10, 13 AND 13A TO BE MERGED INTO A SINGLE ASSESSMENT TO REDUCE RED TAPE

FISHERIES THAT ARE MANAGED UNDER THE FM ACT OR ACHIEVED THIRD PARTY ACCREDITATION THAT IS EQUIVALENT (OR HIGHER THAN) THE REQUIREMENTS OF THE EPBC ACT SHOULD NOT REQUIRE WTO

Improved use of cross jurisdiction and multi-jurisdictional regulatory regimes – Offshore Constitutional Settlement arrangements

The interactions between the State and Commonwealth fisheries need to be streamlined, and the regulatory framework needs to allow for ease of operation by fishers without the complexity and the costs associated. The reality is that many fish stocks straddle boundaries: it is nonsensical to have separate and often incompatible management arrangements applying to the same fish stock across jurisdictions. The upshot of current OCS arrangements is that extra costs and uncertainties are imposed on fishers and environmental outcomes are jeopardised (as issues have not been addressed on a consistent or complementary basis).

One of the failures of the OCS arrangements is the ability, or inability, of some fisheries agencies to manage the resource efficiently and effectively. Most agencies cannot keep up with technology and therefore hamper productivity of the industry. Management decisions are slow at best, and often on an ad hoc basis. State and Commonwealth fisheries agencies may have similar management objectives, however cross jurisdictional and multi-jurisdictional regulatory regimes need consistency in the administration of those objectives.

Centralising the control and management of many species would provide greater results, including consistency of management, better focus on research and sustainability. The use of the OCS agreements at the time were effective in providing a toll for co-operation of management between jurisdictions. This process has now become limited in the context of modern management.

OCS arrangements still present a hard case for resolution. There needs to be more impetus from fisheries ministers and resolution in a Council of Australian Governments (COAG) context.

Effective and efficient operation of the fishing industry and delivery of fisheries policy

The Commonwealth fisheries are highly regulated, at times to the point of over managed. There are a multitude of agencies and regulations that industry must adhere to in order to operate.

The Borthwick review of Commonwealth Fisheries; Legislation, Policy and Management found that the structural separation of fisheries policy and international fisheries issues with the (then) Department of Agriculture, Fisheries and Forestry (now Department of Agriculture and Water Resources) and operational policy and fisheries management with an 'independent', expertise-based Commission of the Australian Fisheries Management Authority (AFMA) provides a sound governance framework.

Fisheries management decisions must be underpinned by the best available science. As an example of poor management decisions, the 'super' trawler debate presented a case for ad hoc management decisions, led by anecdotal hearsay rather than sound science. The impact of the banning of 'super' trawlers was large, socially and economically for the fishing industry.

"If we banned all vessels that had on-board freezers, we would lose our Australian prawns, our blue grenadier and many other fisheries that freeze their product out at sea. Freezing product at sea produces premium seafood which Australians love to eat. We can't deny the public quality Australian seafood especially when we currently import over 70% of our seafood"

Anthony Ciconte, Chair of Commonwealth Fisheries Association.

Competitive Industry

Modernising industry and the use of technology

The use of technology such as electronic monitoring on board vessels and electronic log books, can assist the industry to become more productive. E-monitoring is a cost effective alternative to having an observer on board and takes up less space than an observer in those fisheries where its application is suitable.

Electronic-monitoring ensures that there are accurate record of all catch and effort in a fishery. This is achieved through independent verification of logbook data and means that assessments of fish populations and interactions with protected species will be more accurate and reliable.

If there are any compliance issues identified through the use of EM, individual operators will be held responsible for their actions rather than the whole fleet. However the rights of the footage is a growing concern for industry. There has been increases in the request for footage under the *The Freedom of Information Act 1982* (FOI Act) applying to data in written form or in visual form, such as video footage collected on boats using EM.

If a request is made under the FOI Act for access to e-monitoring footage, the footage may be exempt from disclosure on a number of grounds. These grounds include that the information has commercial value that could reasonably be expected to be destroyed or diminished if the

information were disclosed, or where the footage contains personal information. In that circumstance, AFMA would first consult with the person(s) who may be affected by the release. The affected person(s) would have review rights in the event that AFMA decided that the information should be released.

The concern for industry is that if footage is released under the FOI Act, those making the request will misuse the footage. There is currently no recourse for Government or industry against the misuse of information, including imagery obtained by conservation groups to seek boycotts of products linked to alleged poor environmental practices.

Section 45D of the *Consumer and Competition Act 2010* prevents action to hinder or prevent a third person supplying goods to, or buying them from, another person. The law restrains business from unfair dealings and trade unions from dragging third parties into industrial disputes via sympathy strikes or trade boycotts. However, Section 45DD permits a secondary boycott if it substantially relates to “environmental protection” or “consumer protection”, an exemption which obviously extends to environmental or consumer organisations. Conduct that would otherwise be prohibited may also be authorised upon application to the Commissioner, per section 88(7).

By removing this exemption conservation groups will be held accountable for their campaigns that mislead consumers and restrains business for the seafood industry. The seafood industry is under a high level of scrutiny, which leads to a loss of productivity due to the constant battle to prove their credibility against mislead green movement campaigns. This is a real issue and comes at a large emotional strain to industry.

EM was always promoted as a regulatory tool to lower the costs to industry, however it has morphed into a tool to be used for other issues such as demonising the industry.

SOLUTION

AMEND THE COMPETITION AND CONSUMER ACT TO REMOVE THE EXEMPTION ENVIRONMENTAL OR CONSUMER ORGANISATIONS, UNDER SECTION 45DD CAN SECONDARY BOYCOTT IF IT SUBSTANTIALLY RELATES TO “ENVIRONMENTAL PROTECTION” OR “CONSUMER PROTECTION”.

Improved economic efficiency of management of fisheries resources - Profitable Commonwealth Fisheries and cost recovery

Commonwealth fisheries play an important role in the economies of rural communities and within the broader Australian community. This role includes sustaining regional communities, health benefits of seafood, food security and cultural values and heritage.

It has been acknowledged previously that the Australian fishing industry has struggled to remain profitable in the long term due to increasing input costs, high sustainability targets under the “precautionary principle” approach and associated research and compliance requirements. The industry has taken huge steps towards being sustainable, but profitability improvements have been

marginal. These facts are compounded by increased competition from imports, often not meeting the same sustainability and labour force requirements.

It is critical for the ongoing viability of Commonwealth fisheries that public good benefits of fisheries are recognised in the application of the Cost Recovery model. The public good components of fisheries management must be more explicitly acknowledged and adequately funded through government appropriations to manage the industry efficiently and effectively.

The CFA notes that for some fisheries significant increases in levies are proposed under the Cost Recovery Implementation Statement 2016, due to the activity based costing model, and the change in the distribution of the costs between the Government and industry. The CFA is concerned about the real effects on industry in terms of economic pressures. The current cost recovery model for fisheries management is unsustainable in the long term.

One way to reduce costs is through co-management. Co-management assists in delivering services whilst leading to lower costs and usually a higher fishery and environmental standard. The circumstances of each fishery is different however, as are the capacities and interests within each fishery. If there is a clear desire by commercial fishers to develop a substantive co-management practice, clear direction from government and with advice, implementation and oversight from AFMA is needed.

Another way to reduce costs is by having services that AFMA, as the regulator and normally provides, to be contestable. This must be conducted without jeopardising the excellent reputation of Commonwealth fisheries management. Data management, logbooks, compliance data collection, licensing and quota management, software amortisation costs the Commonwealth fishing industry \$1.5m annually (15/16 AFMA budget). Under the new CRIS 2016 proposals, this is set to rise to \$2.9m.

As an example; administration and quota management in New Zealand has been autonomous from Government.

In New Zealand, FishServe has been autonomous from government for 15 years and in that time have reduced the cost of service delivery by approximately 50%.

Lesley Campbell - Chief Executive

The services FishServe provide largely revolve around the administration of the quota management system including:

- Issuing of permits
- Registration of vessels
- Management of the quota register
- Management of annual catch entitlement and catch returns
- Balancing catch against ACE

- Catch Effort forms management
- Revenue services for industry wide levy collection

If the same level of reduction in costs could be applied to the management of Commonwealth data management, logbooks, compliance data collection, licensing and quota management, industry could potentially save in the order of \$1.45m.

SOLUTION

SERVICES CURRENTLY PROVIDED BY AFMA SHOULD BE MADE CONTESTABLE, TO ALLOW FOR COST EFFICIENCIES THAT EXTERNAL PROVIDERS CAN CREATE.

Support for the fishing industry with lending institutions

The fishing industry has long struggled with the recognition from the banking sector that is enjoyed by the agricultural sector. Fishing rights are a secure long term right issued by Commonwealth and State Governments that have a history of distributable yield and are the fabric of a micro-economic framework. Access to the resource through strong and recognised fishing rights provides employment to many people and cumulates in to a \$2 bill GVP for the Australian community.

However, access to capital in the traditional sense is nowhere near as easy for the fishing sector as it is in the agricultural sector. This is due to the inconsistent information within the banking and finance sector, and a misunderstanding of how to value the rights, attach risk profiles, and ultimately offer a reasonable lending ratio that doesn't require operators to have to excessively expensive lending arrangements.

Banking offers to the agricultural sector include business financing through various types of concessional arrangements, based on growing conditions or trade. There are no such arrangements available to the fishing sector. There is no discrimination when repayments on normal types of facilities (for example boat loans on short term debt arrangements) fall behind. The general risk rating given to the fishing industry means that credit leniency in times of low catches is not tolerated.

The CFA has long advocated for initiatives that can be undertaken to improve capital market confidence in the sector, which involves the Government becoming an integral part of the education process aimed towards lending institutions. However, this needs to be predicated by secured capital, similar to a property mortgage.

Generally, State based licenses and quota attract a higher lending ratio and lower risk profile than Commonwealth licenses and quota. One of the reasons for this is that is because in most States, third party interests can be registered directly on the asset. This means that any risk in the unauthorised sale of the asset itself is eliminated as the regulator (Government) recognises the third party interest.

AFMA in recent years, removed third party interests for various reasons, effectively moving the assets risk profile into the same category of that as of lending against a motor vehicle, where the only way a lending party can secure an interest is by way of registration on the PPRS system. This is

accompanied by a finance contract with expensive third party legal agreements that ensure the lender has joint interest in the asset. This also means that the asset itself does not have the lenders name registered on the piece of paper i.e. statutory fishing right.

Before this change took place, a simple stamping system at AFMA ensured lenders and third parties were secured on the asset and recognised by the Government. The asset could not be sold without the consent of all involved. This process no longer exists and as a result Commonwealth Licences are treated the same by a lender as any other asset on the PPRS system.

The CFA therefore seek Government support to reinstate the third party registration on the Statutory fishing right to ensure recognition of the asset.

SOLUTION

COMMONWEALTH FISHING RIGHTS SHOULD BE RECOGNISED, IN LEGISLATION, AND THE GOVERNMENT TO DEVELOP A CLEAR POLICY ON LENDING AGAINST COMMONWEALTH LICENCES.

Continued Government support for the Australian Fisheries Management Authority (AFMA)

The CFA continues to strongly support the role of the Australian Fisheries Management Authority (AFMA) in managing Commonwealth fisheries to world's best standards. The AFMA model is continually under threat, particularly when contentious issues around fishery management decisions are at the forefront and as such CFA wish to reiterate its support for the current AFMA model.

An underfunded regulator working in the sensitive marine environment exposes industry and the community to considerable unnecessary risk. AFMA must maintain adequate appropriation of funding to support sound fisheries management.

SOLUTION

COMMITMENT TO PROVIDING ADEQUATE APPROPRIATION FUNDS TO SUPPORT AFMA FISHERIES MANAGEMENT.

Commonwealth Fisheries Labour Agreements (457 Visas)

In some Commonwealth fisheries, fishing vessels struggle to operate due to the inability to source experienced and willing crews from the Australian labour market.

There is a large pool of international workers that are experienced fishers that are willing to crew boats in Australia, but the fishing industry is having extreme difficulties in applying for 457 Visas to access this workforce. Difficulties include English language requirements.

The retention of the Temporary Work (Skilled) (SC 457), Working Holiday (SC 417), and Work and Holiday (SC 462) visas; and extension of the temporary worker schemes to include the Commonwealth fishing industry are vital to providing an adequate workforce for our seafood-producing industries.

The CFA supports increasing the length of time that holidaying backpackers can work in remote/regional areas around Australia, and for the seasonal workers program to be expanded to include more countries.

SOLUTION

RETENTION OF THE SC457, SC417 AND SC462 VISAS FOR THE COMMONWEALTH FISHING INDUSTRY, AND INCREASING THE LENGTH OF TIME IN WHICH BACKPACKERS CAN WORK IN AUSTRALIA.

Fisheries research for increased productivity

Fisheries research is absolutely fundamental to the ongoing viability of the industry, underpinning sustainable fisheries resource management that provides an enormous public benefit. Without fisheries research there is the risk of market failure due to the inability of fisheries to invest in research and development without government support.

Research is also important to improve management practises within industry. The fishing industry owes their sustainability to significant investment by industry and government in research over many years. Industry has long understood the importance of continuing investment in research, development and extension to improve sustainability and increase their understanding of sustainable fisheries catch levels.

Fisheries research should be collaborative across many research and scientific institutions. Ongoing fisheries research and development provides public benefit spill over that ensure that the public asset is protected for future generations. The public has an expectation that the marine resource is being sustainably managed by the government; it is therefore an obligation of the government to support investment in fisheries RD&E. The current FRDC model has proven over many years to be an efficient and timely coordinator of fisheries RD&E and it is strongly supported by industry. Where possible, the FRDC collaborates with other primary industry R&D corporations (RDCs) through the National Primary Industries RD&E Framework.

SOLUTION

COMMITMENT TO MAINTAIN THE CURRENT FRDC MODEL FOR GOVERNMENT AND INDUSTRY INVESTMENT IN FISHERIES RD&E.

Country of Origin Labelling

There exists an inequity in the regulatory compliance burden between Australian produced and imported product.

The Australian seafood consumer demands seafood from sustainable fisheries and farms. There is a strong community perception that seafood sold in Australian venues for immediate consumption is sourced locally. There is an urgent need for mandatory comprehensive labelling to ensure the consumer is not misled.

Two Australian Parliament Inquiries have recommended removal of the current exemption regarding country of origin labelling applied to cooked or pre-prepared seafood sold by food-service under standard 1.2.11 of the ANZ Food Standards Code.

The longer Australia accepts the anomaly in labelling regulation, the longer the seafood sector suffers from a lack of market transparency and Australia's trust of Australian seafood is compromised. The Northern Territory Government introduced regulations in November 2008 to make it a requirement for all venues to identify imported seafood at the point of sale to the consumer. It remains the only jurisdiction in the country to have seafood labelling laws introduced in dining outlets.

SOLUTION

INSTATE THE RECOMMENDATION FROM TWO PARLIAMENTARY INQUIRIES TO REMOVE THE CURRENT EXEMPTION REGARDING COUNTRY OF ORIGIN LABELLING APPLIED TO COOKED OR PRE-PREPARED SEAFOOD SOLD BY FOOD-SERVICE UNDER STANDARD 1.2.11 OF THE ANZ FOOD STANDARDS CODE. COMPREHENSIVE LABELLING WILL ENSURE THE CONSUMER IS NOT MISLED.

Maintenance of the fuel tax credit scheme.

Fuel costs are the largest component of many fishing businesses.

"Consider that a prawn trawler can stay at sea for 7.5 months and use about 2000 litres a day and you start to understand the importance of diesel to our operation. If the fuel tax credits scheme was abolished, our ability to survive in a high cost domestic environment would be compromised."

Mr. David Carter, Chief Executive, Austral Fisheries. Austral operates 14 prawn and fishing vessels in the Gulf of Carpentaria and the Southern Ocean.

Maintenance of the fuel tax credit scheme is vitally important to the economic viability of the Commonwealth fishing industry. This fuel tax credit scheme was never a subsidy but, rather, simple recognition of the fact that a tax intended primarily to fund provision of road infrastructure should not be levied on a non-road user like the fishing fleet.

SOLUTION

SUPPORT FOR CONTINUATION OF THE CURRENT FUEL TAX CREDIT SCHEME.