

Secretary
Productivity Commission
Australian Marine Fisheries and Aquaculture
GPO Box 1428
Canberra ACT 2601

SAVAGES WHARF
Unit 10, 158-170 Nelson Place
Williamstown VIC 3016
T (03) 9397 6318
E info@vrfish.com.au
W www.vrfish.com.au
ABN 47 068 111 624

Email: Fisheries.Inquiry@pc.gov.au

Dear Secretary

Productivity Commission – Marine Fisheries and Aquaculture

I am writing on behalf of VRFish, the peak body representing 838,000 recreational fishers in Victoria. We appreciate the opportunity to respond to the Discussion Paper relating to the review of marine fisheries and aquaculture.

We believe there are important changes needed to the national policy and legislative framework that governs Commonwealth fisheries. Firstly, under Commonwealth legislation the AFMA is required to manage its fisheries in a way that achieves maximum economic returns to the Australian community. This objective is too broad and open to interpretation. The lack of explicit recognition of recreational fishing values prevents AFMA from managing its fisheries to the satisfaction of recreational fisheries. This is not a criticism of AFMA, rather it highlights the policy void and the need for amendments to Commonwealth fisheries legislation.

Commonwealth commercial fisheries:

The current management of the Small Pelagic Fishery (SPF) provides a clear example of how recreational fishing values and interests are not adequately addressed by the Australian Government. There are insufficient legislative measures in place to protect recreational fishing grounds and the surrounding regional communities that they support, especially for our premier game fish species such as Southern Bluefin Tuna (SBT) from the SPF.

VRFish is concerned that commercial fishing in the SPF is not being managed in a way that adequately takes into account recreational fishing values. In this regard we feel the social and economic impacts on recreational fishing have not been adequately addressed.

We do not believe the SPF, under its current management approach, is best value use of the forage fish resource. This is particularly the case when you consider that recreational fishing in Victoria is estimated to contribute \$7.1 billion to the State economy, as well as generating significant tourism and employment within regional communities.

The recreational SBT fishery is worth more than \$9 million to the State economy alone. Many of the species taken in the SPF are vital food sources for SBT and other game fish

species. Recreational fishers rely on these aggregations of bait fish, well formed and with minimal disruption, near the surface of the water column to effectively fish for SBT. The inability for the Australian Fisheries Management Authority (AFMA) to intervene and take action to restrict these vessels from fishing on iconic recreational fishing grounds highlights the extent of the problem.

Specific questions relating recreational fishing:

- ***Are controls such as licences, bag limits and size limits effective?***

Yes, catch (eg- bag, boat) and size limits are effective in controlling the catch and effort of recreational fishers. Bag and size limits are a form of output control that regulates the amount and size fish that can be legally taken. It is worth noting that these controls may be set using a mix of social and biological information. Catch quotas with a defined upper ceiling on the amount of fish that can be taken annually are generally not used to manage recreational fishing because the social and economic costs of this approach greatly outweigh the benefits.¹ Economic benefits aside, recreational fishing provides considerable health and wellbeing benefits and maintaining access and or increasing participation is in the public interest. The Andrews Government acknowledges this and has a formal policy to grow recreational fishing in Victoria to 1 million fishers by 2020.²

Licences are not a control on effort as they are freely available to the public upon payment of a relatively small fee. However, licences generate significant revenue in Victoria, with current amounts in the order of \$6-7 million annually³ in Victoria alone. The fees are held in a Trust, protected by law under the *Fisheries Act 1995* and the funds disbursed by the Minister into services and projects that help manage recreational fishing. This could be viewed as a form of cost recovery or cost sharing between Government and the recreational sector.

- ***Is there scope to reduce the burden (time or monetary costs) of fishing rules on recreational fishers while achieving the same regulatory objectives?***

There is a tendency to regulate more when the perceived risk to the resource is high or there are high levels of uncertainty. Recreational fishing is already a highly regulated activity given the limited amount and type of fishing gear that can be used, especially when compared to other forms of fishing. Most regulations for recreational fishing are based on social and biological objectives. Controls often aim to share the catch equitably between recreational fishers, in addition to sustaining stocks for future generations.

¹ <http://frdc.com.au/research/final-reports/Pages/2003-066-DLD.aspx>

² <http://www.danielandrews.com.au/wp-content/uploads/2014/11/Labors-Plan-for-One-Million-Recreational-Fishers1.pdf>

³ http://agriculture.vic.gov.au/_data/assets/pdf_file/0019/311905/2014-15-RFL-Trust-Account-Report-to-Parliament-FINAL.pdf

A greater investment in education and extension would be expected to achieve higher voluntary compliance rates, leading to some regulations to be reviewed and possibly being revoked.

Also the use of new technology (eg-smart phone apps, boat ramp cams, drones) can be used to collect more real time data on catch and effort and this could lead to less regulation in future by reducing knowledge gaps.

- ***How well is recreational fishing recognised in current fisheries management and regulatory arrangements (including in relation to access rights)?***

Commonwealth fisheries legislation does not adequately recognise recreational fishing values or access and the potential for adverse flow on impacts to recreational fishing as a result of management decisions by AFMA. The Victorian Fisheries Act 1995 and or other State based natural resource management legislation could also be strengthened to better protect recreational fishing access rights.

- ***How does the regulation of commercial fisheries affect recreational fishers?***

The current management of the Small Pelagic Fishery (SPF) provides a clear example of how recreational fishing values and interests are not adequately addressed by the Australian Government. There are insufficient legislative measures in place to protect recreational fishing grounds and the surrounding regional communities that they support, especially for our premier game fish species such as SBT from the SPF.

VRFish is concerned that commercial fishing in the SPF is not being managed in a way that adequately takes into account recreational fishing values or achieves the maximum economic return to the community. We also feel the social and economic impacts on recreational fishing have not been adequately addressed. We do not believe the SPF, under its current management approach, is best value use of the forage fish resource. This is particularly the case when you consider that recreational fishing in Victoria is estimated to contribute \$7.1 billion⁴ to the State economy, as well as generating significant tourism and employment within regional communities.

The recreational SBT fishery is worth more than \$9⁵ million to the State economy alone. Many of the species taken in the SPF are vital food sources for SBT and other game fish species. Recreational fishers rely on these aggregations of bait fish, well formed and with minimal disruption, near the surface of the water column to effectively fish for SBT.

The inability for the Australian Fisheries Management Authority (AFMA) to intervene and take action to restrict these vessels from fishing on our iconic recreational fishing grounds highlights the extent of the deficiency in Commonwealth legislation.

⁴ http://media.wix.com/ugd/f98545_41d80e621fca4989aa1a784588bc7d75.pdf

⁵ <http://agriculture.vic.gov.au/fisheries/policy-and-planning/publications-and-resources/assessing-the-economic-value-of-the-2012-victorian-recreational-southern-bluefin-tuna-fishery-in-portland>

- ***What are the main sources of tension between recreational fishers and other fishery users?***

The main source of tension stems from competition between recreational and commercial fishers over the same target species. Recreational fishers are generally limited to a conservative amount of fishing gear with strict controls on the number of lines and hooks that can be used. This gear is highly inefficient when compared to the gear allowed to be used by commercial fishers such as hundreds of metres of gill nets, long lines and seine or trawl nets. That is why the management of commercial fisheries must be done in a way that minimises overlap with key recreational fishing grounds - either spatially or temporarily.

- ***What, if any, tensions exist between the controls on recreational fishing across jurisdictions and fisheries?***

In general terms, tensions can exist where regulations on the border (eg- Murray River) differ significantly creating confusion for recreational fishers and making it more difficult for recreational fishers to comply with the regulations. Tension can also exist within a jurisdiction on the water between spear fishers and line fishers targeting the same species in the same area but by different methods. Education is often the best tool to address any such tension. These tensions are also relatively minor, compared to commercial fishing interactions as explained above.

- ***Given the services provided by state and territory governments to support recreational fishing, do recreational fishers get good value from licence fees?***

Yes, the introduction of the recreational fishing licence (RFL) in 1999 and dedicated Trust established in the *Fisheries Act 1995* was a landmark achievement and remains the envy of other jurisdictions across the country. The RFL has since raised more than \$70 million and continues to fund a range of services and projects (eg-fish stocking, fisheries officers, habitat improvement, fishing infrastructure, research and monitoring) that protect and enhance our valuable recreational fisheries. The Minister responsible for fisheries in Victoria makes decisions on how the money is allocated based on advice from recreational fishers. The cost of administering the licence regime is important and can be kept efficient by encouraging purchasers to acquire their licence online.

Meeting environmental objectives

- ***EPBC Act improvements***

The recent listing of five species of shark (three thresher and two hammerhead species) under the Convention of Migratory Species (CMS) that was due to come into effect on 8 February 2014, triggering their listing under the Environmental Protection and Biodiversity Conservation Act 1999 (EPBC Act) is an example of the problem. Fortunately, in line with VRFish submissions prior to the meeting of CMS parties about the value of the common thresher to recreational fishers and low risk posed to this species by recreational fishing, the Australian Government sought a reservation from

listing the species under the EPBC Act. The CMS and subsequent EPBC Act listing had the potential to disproportionately and inequitably impact on recreational fishing in Victoria and other jurisdictions. If listed, it would be an offence for recreational fishers to harm or injure the listed species, even where the species are unintentionally caught when targeting other species.

The CMS has 3 levels of protection, while species listed on Appendix I require full protection, species listed on Appendix II (as the 5 species of sharks were), only require good fisheries management, which we already have here in Victoria. Unfortunately, the EPBC Act has no such equivalent, which means do nothing or list the species as a “migratory species”, which then requires that the species must be fully protected. This deficiency in the EPBC Act has meant that fishers and their peak bodies have been unable to advocate or support species being listed on the CMS Appendix II or to compel other countries to adopt similar management practices as we have in Australia.

VRFish and other state/national fishing bodies remain concerned with the inappropriate way in which the EPBC Act responds to CMS listings. As has been highlighted by past listings (Mako and Porbeagle sharks) and the Hawke review, the EPBC Act needs to be adjusted to remove its current inflexible approach to CMS listings.

Commonwealth marine parks

VRFish fully endorse the position of the Australian Recreational Fishing Foundation on Marine Parks. We believe we should not be locked out of any part of the Commonwealth marine reserve system unless there is a comprehensive risk based scientific assessment that definitively shows that recreational fishing is more harmful to the marine environment than other recreational activities such as diving, large scale tourist activities or other activities such as cargo shipping and defence activities that are allowed in these areas.

Recreational fishing is a low risk to biodiversity and it is therefore not inconsistent with marine conservation values. For example, recreational fishers do not have significant bycatch or interactions with protected species. Recreational fishing by line and rod is a benign method with negligible impact of the seabed.

Parks are not fisheries management tools and that we have well managed recreational fisheries. Recreational fishing is managed by a suite of controls; including catch, gear, area, seasonal and minimum size limits. These controls are constantly reviewed and adjusted in real time, consistent with adaptive management principles.

Research and development investment

Research and development should underpin fisheries management and policy. VRFish strongly supports greater investment in fisheries science and a large percentage of funds generated by the Recreational Fishing Licence in Victoria have been used for this

purpose. For example, \$3 million of funding generated from recreational licence fees were invested in research projects to support the sustainable use of our valuable wild fisheries for mako sharks, snapper, King George whiting, kingfish and calamari from 2012 to 2015. This includes monitoring tools such as the internationally awarded scientific angler diary program, which compliments other tools such as pre-recruitment monitoring and creel surveys in Victorian bays and inlets and world class research into our Murray cod and salmonid fisheries.

- ***Are arrangements for funding ongoing research in the fisheries area satisfactory?***

No. Unfortunately, the current framework for investment in research and development at the national level does not adequately incorporate recreational fishing values. The current model is heavily skewed towards commercial fishing and seafood production.

Efficient and ongoing investment in recreational fisheries will benefit all Australians. Australia's recreational fishing sector needs a level of investment in research and development commensurate to its social and economic value. For this, there is a need to implement an appropriate model for leveraging research investment. The commercial fishing sector is able to leverage levies paid to the FRDC up to 0.25% of GVP for the sector. A similar approach should also be applied to Australia's recreational fishing sector.

A project undertaken by Ridge Partners determined the most appropriate method for valuing the recreational fishing sector for this purpose, developed in partnership with forty-five sector leaders and agency representatives as part of a national workshop process.

An expenditure based valuation approach was identified as most appropriate to value the economic contribution of the recreational fishing sector. Using this approach the sector's annual economic value was estimated to be \$2.56 billion in 2013. This valuation approach is based on fishers' estimated direct attributable annual expenditure as a proxy, and recognises the sector's recreational service values beyond catch. The expenditure based valuation approach was endorsed by the Federal Government in the 2005 Campbell Report, and was later confirmed by fisheries economics experts and ABARES at a Forum held on 13th February 2015.

If desirable, a cap could be imposed to constrain leveraging capacity to within acceptable levels. A suitable model would be to implement a cap on matched investment in year 1 of 50% of the amount contributed by the sector, and then increase the matchable component by 10% each year over five years until reaching the full 0.25% in year five.

Implementation of this model will increase investment in R&D associated with recreational fishing, in doing so, increasing the social and economic contribution of this activity to the Australian public and economy.

The Fisheries Research Development Corporation (FRDC) is a well led and professional organisation. Cost recovery is an important tool to drive efficient service delivery by management, compliance and research agencies. However, there is also an enormous public good associated with the management of fisheries resources. Cuts to the core budgets of fisheries agencies have been a common trend over the last 5 years in particular and we hope this review will recommend improved security of funding for fisheries management and research agencies in the years ahead.

Thank you for the opportunity to provide comment into the review process. We look forward to further consultation as the process unfolds.

Please contact Mr Dallas D'Silva, VRFish General Manager if you require any further information regarding this matter.

Yours sincerely,

Rob Loats
Chairman
Victorian Recreational Fishing Peak Body
29 March 2016