

Submission to the *Draft* Productivity Commission Report into Marine Fisheries and Aquaculture



Submitted by Mezo Research Pty Ltd
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1. Executive Summary

Mezo Research (Mezo) welcomes the opportunity to provide comment on the *Draft Productivity Commission Report into Marine Fisheries and Aquaculture* (the Report), and the future of Australia's fisheries resource management.

We at Mezo are working on efficient and novel digital solutions to complex problems in fisheries management including data use, visualization and management strategy evaluation. We are an early-stage business with in-kind support provided by the Australian Government's 'DataStart' program, a partnership between the Department of Prime Minister & Cabinet, CSIRO, Data61, and Pollenizer.

We make the following comments on the draft recommendations and findings of the report, focusing on how these recommendations could be addressed using world's best practice solutions in fisheries management.

2. Key Recommendations

These recommendations are a summary of the main issues Mezo advocates to the Commission to consider in the development of the Final Report. Further detail pertaining to these key recommendations (as well as some additional recommendations) are contained within this submission. The key recommendations are:

- Management strategy evaluation (MSE) should be a fundamental component of all stock assessments and harvest strategy frameworks at both the Commonwealth and State agency level.
- We believe incentives are needed in order to for recreational fishers to collect data, especially for those fisheries subject to both commercial and recreational fishing pressures, principally found in state-based jurisdictions.
- Overall, we welcome the implementation of a licensing system across all jurisdictions as a better way to regulate recreational fishing, but this is just a starting point to better understand recreational catch.
- We question transferring responsibility to a single management agency for cross-jurisdictional fisheries management. There is evidence that one agency is not necessarily suited to providing services to another, and that cross-jurisdictional fisheries management may not be the answer. Rather innovative methods to improve data collection and sharing of information across jurisdictions could be a better way forward.
- Cloud-based digital platforms can provide an efficient, easy-to-use integration of the core components of fisheries management: data management, data visualization, stock modelling and assessment and management strategy evaluation. Federal and State based fisheries management agencies should look to adopting these integrated platforms to adopt world's best practice and ensure the shared sustainable use of fisheries resources.
- We strongly disagree with the recommendations about country of origin labelling and standard fish names, and question the reasoning and logic in this section of the report.

3. Access to Fisheries Resources

Draft Recommendation 2.1

We welcome the recommendation for a roll-out of harvest strategies for all fisheries under the guidance of the national Guidelines to Develop Fishery Harvest Strategies. As identified, challenges exist for states that do not currently have a policy or framework for harvest strategies. We see great potential for new and innovative data-integrated fisheries assessment platforms to meet many of the key requirements in defining and testing harvest strategies in these fisheries.

Effective and robust harvest strategies require a complex pathway from initial targeted data collection to implementation of harvest control rules. A key step in the chain is the full evaluation of the effects of potential harvest strategies - a technique known as 'Management Strategy Evaluation', or MSE. MSE is regarded as world's best practice, and should be occurring for all harvest strategies. It is currently conducted on all Commonwealth stocks. In order to set up the capacity of states to efficiently conduct MSE, new technology that combines data management, assessment and harvest strategy evaluation is required.

Cloud-based software platforms are being developed that improve the capture and analysis of fisheries data and enable fast and efficient monitoring, assessment, and status reporting. These platforms make it easier to collect, aggregate, and standardise data for analysis in support of decision making. Importantly, the platform improves the communication of fisheries assessment to all stakeholders through interactive data visualisations and dynamic reports.

4. Commercial Fishing

Draft recommendation 3.3

We strongly support the recognition that external processes such as land and coastal development have significant impacts on fish stocks across the country. However, we believe that the wording of this recommendation does not attempt to address the problem for the fishing industry, only recognizes an impact on stocks when making assessments. The wording should instead put the onus back on the assessment of those land and coastal developments and read,

“Impact on fishing should be considered in any proposed planning and land/marine use developments”. Only then can we maximise productivity in a fishery.

5. Recreational Fishing

Draft recommendation 4.1

We see the benefits of implementing a recreational licensing system in all states. Licensing could provide more information on the number of active recreational fishers, and allow for more targeted phone surveys. However, we believe a more constant, real-time collection of data is needed in order to properly understand the trends in recreational catch and effort. Consistent data recording by a substantial subset of recreational fishers who record data every time they fish would provide the government the most up-to-date information for improved stock assessments. At present, however, there is no incentive for getting recreational fishers to collect such data.

Creating incentives to collect data would be a key step in getting more accurate recreational fishing data. There are several different ways that incentives could be offered, but we recommend offering free licensing to fishers who are willing to record their fish catch data and enter it into some type of online platform. Further incentivisation should be considered to broaden participation beyond this.

Draft recommendation 4.5

To understand the status of fish stocks subject to both commercial and recreational fishing pressures is difficult due to a lack of data on recreational catch. Many state-based fisheries assessments don't provide a true reflection of the status of a fishery because recreational fishing catch data simply isn't being captured or considered. For example, many state-based fisheries have a majority of the catch taken by the recreational fishing sector. However, data collection by the sector is very limited, and consequently the management models used to ensure the sustainability of the fishery aren't robust. Whilst management agencies like the Australian Fisheries Management Authority (AFMA) can claim 'that for the third year in a row, no fishery solely managed by the Commonwealth is subject to overfishing,'¹ this type of claim isn't likely to come from agencies where they are responsible for a fishery subject to both

¹ AFMA Media Release, Commonwealth Fisheries Going Swimmingly, 30 September 2016.

commercial and recreational fishing pressures. This is simply because the availability of data from the recreational sectors isn't there to ensure the robustness of stock assessments and management models.

Overall, we welcome the implementation of a licensing system across all jurisdictions as a better way to regulate recreational fishing. We agree that a national survey in 2017-18 as well as a survey every five years starting in 2022-23 is a good way to start collecting more data on recreational fishing. However we believe that it is important to be collecting data on a yearly or even monthly basis in order to get the most up to date and accurate information on the effects of recreational fishing. In order to do this we recommend exploring some new and different innovative technological solutions.

6. Fisheries Spanning Jurisdictions

Draft recommendation 6.1

We acknowledge the difficulties in managing cross-jurisdictional fisheries and welcome the recommendation for reform in this area. We question, however, the need and benefit in transferring responsibility to a single management agency. Elements of cross-jurisdictional management have been attempted in recent years for a number of southern Australian stocks and the outcomes have generally not been positive. For example, the management of a number of Victoria's fisheries were moved to the South Australian Research and Development Institute (Primary Industries and Regions SA, PIRSA). Though PIRSA has been engaged to provide assessment services for several Victorian fisheries, the assessment of some of those (such as the Victorian rock lobster fishery) have recently been subject to an open tender process. The result of that process was that another state-based agency has now been engaged to fulfill the role (PIRSA did not win the open tender bid). This is evidence one state-based agency is not necessarily suited to providing services to another, and that cross-jurisdictional fisheries management may not be the answer.

Instead, consistency in data collection, stock assessment and harvest strategy across jurisdictions will be a key building block of better management nationally. For example, if these could be provided in a single management platform shared across states, there would be no

need for a transfer of responsibility and corresponding reduction in the local governance of fisheries.

We propose a vision for cross-jurisdictional management that holds the Commonwealth government as auditor for external assessment and management of a fishery. The data collection, stock assessment and management strategy evaluation would be provided by independent businesses working in partnership with the fishing industry. For example the Northern Prawn Fishery Industry Group is successfully and sustainably managing the Commonwealth Northern Prawn Fishery, and is audited by AFMA to ensure those high standards are being maintained.

7. Downstream Processes

Draft recommendation 9.1 and 9.2

We strongly disagree with the recommendations about country of origin labelling and standard fish names, and seriously question the reasoning and logic behind them. The current system of voluntary labelling allows and rewards the deliberate mislabeling of product.

The purpose of labelling is to give information to the consumer that allows them to make an informed choice on what they are purchasing. Misleading the consumer about the product that they are purchasing is unethical and provides perverse incentives for the producers.

Labelling regulations must allow the consumer to make an informed choice as to what they are purchasing. We all recognise that “meat” is not an adequate descriptor for a product that might come from a cow, sheep, kangaroo, horse, or any other mammal. Likewise, “fish” is not a useful descriptor for seafood, there are vast differences in flavour, character, sustainability, and ethical provenance of wild skipjack tuna, imported farmed basa, and local orange roughy.

For the producer, labelling must allow different producers to differentiate their product from competitors by highlighting their unique characteristics. It should also allow producers to build up and then protect brand recognition for a particular class of product (as has been done with “Angus beef” and province-of-origin labelling for wines). Labelling thus rewards good practices by the producers. If (for instance) the Queensland prawn fishery develops a reputation for sustainable fishing practice and high-quality product, consumers will pay higher prices for it,

rewarding the industry. But if that product is indistinguishable in the marketplace from South-East Asian *vannamei* prawns (because both are just labelled “prawns”), the investment and effort by the Queensland prawn fishery is unrewarded.

In short, the only reason that a producer would not favour labelling regulations is if they want to hide a low-quality product in the market. In providing subsidies to these low-quality imported products in the form of lax or absent labelling laws, we undermine the standards of labour and sustainability in Australia. We prevent local producers from being differentiated in the marketplace and stop them from receiving the price warranted for the high standards we hold to the production of our seafood.

Certainly, labelling regulations should also not place an undue burden on producers and sellers. But we believe that the bare minimum of species and country of origin must be enforced for the sake of healthy competition, appropriate rewards for high-quality producers, and consumer protection.

8. Conclusion

We are passionate about the sustainable management of marine resources, and thank you for this opportunity to comment. This submission has focussed on a wide range fisheries management issues in Australia focused on the recommendations of the Productivity Commission’s report.

Mezo acknowledges the draft Report is an important part of the ongoing management of Australia’s Marine Fisheries and Aquaculture sectors, and encourages best practice management in both sectors through the support of the Australian Government.