



Australian Government

Australian Fisheries Management Authority

Explanatory Statement

Fisheries Management Act 1991

Southern and Eastern Scalefish and Shark Fishery Plan of Management Amendment 2005 (No. 1)

Subsection 17(1) of the *Fisheries Management Act 1991* (the Act) provides that the Australian Fisheries Management Authority (AFMA) is to determine plans of management for all fisheries. Under this provision AFMA determined the *Southern and Eastern Scalefish and Shark Fishery Management Plan 2003* (the Plan).

Subsection 20(1) provides that AFMA may amend a plan of management. AFMA now provides the following background and explanation for amendments to the Plan made under subsection 20(1) of the Act.

The Southern and Eastern Scalefish and Shark Fishery

The Southern and Eastern Scalefish and Shark Fishery (the Fishery) is a multi-method multi-species Fishery that lands fresh scalefish and shark for the Australian market and for export. The area of the Fishery stretches south from Fraser Island in southern Queensland, around Tasmania to Cape Leeuwin in southern Western Australia. It comprises a number of historically separate fisheries which had substantial overlap in their areas of operation and species targeted. These fisheries were:

- The South East Trawl Fishery;
- The Gillnet, Hook and Trap Fishery (formerly the South East Non-trawl Fishery and the Southern Shark Fishery) and
- The Great Australian Bight Trawl Fishery.

The Fishery also encompasses the Commonwealth Victorian Inshore Trawl Fishery and the East Coast Deepwater Zone which adjoined the area of the South East Trawl Fishery. Together, all of these fisheries produce annual commercial catches with an estimated value of \$90 million.

Most of the commercially important species in the Fishery are managed by Total Allowable Catches through Quota Statutory Fishing Rights (SFRs). Quota SFRs are fully tradable and can either be permanently transferred or leased. The exceptions to this are the main target species in the East Coast Deepwater Zone (alfonsino) and the three main target species in the Great Australian Bight Trawl Fishery (bight redfish, deepwater flathead and orange roughy).

Background to the Fishery

The *Southern and Eastern Scalefish and Shark Fishery Management Plan 2003* was determined by AFMA's Managing Director on 5 September 2003. The associated *Fisheries Management*

(*Southern and Eastern Scalefish and Shark Fishery*) Regulations 2004 (the Regulations) were made by His Excellency, the Governor General, on 1 December 2004.

The Fishery is managed by a combination of output controls (that limit the amount of fish that can be taken from the Fishery) in the form of quota SFRs and input controls (that limit the number of vessels and type of gear that can be used in the Fishery). Operators are required to have a boat SFR to fish in the Fishery and quota SFRs to cover their catch of all quota species.

Why amendments are required

The purpose of the *Southern and Eastern Scalefish and Shark Fishery Management Plan 2003* is to pursue AFMA's legislative objectives whilst providing a comprehensive framework for the regulation of scalefish and shark fishing in the Fishery. The proposed amendments will better pursue AFMA's legislative objectives by managing an additional 4 species with individually transferable quota SFRs. Managing these additional species under quota SFRs will promote sustainability of the fish stocks, securing a future for the industry. Improving the sustainability of the Fishery benefits not just operators in the Fishery but also the general community.

The amendments

In general terms, the amendments:

- Make alfonsino, bight redfish, deepwater flathead and orange roughy (Albany and Esperance management zone) quota species in the main areas of the Fishery where they are caught;
- Provide for the allocation of quota SFRs to existing operators in the Fishery.

Details of the Plan of Management Amendments, which commence on gazettal, are set out below:

Section 1 provides that the Management Plan amendment be cited as the *Southern and Eastern Scalefish and Shark Fishery Plan of Management Amendment 2005 (No. 1)*.

Section 2 provides that the Plan of Management Amendment commences on the day after it is registered.

Section 3 provides that Schedule 1 amends the *Southern and Eastern Scalefish and Shark Fishery Plan of Management 2003* as detailed below.

Item 1

Provides an additional definition of three Management zones in the Fishery. The definition of the exact areas are described in the schedule to the Management Plan, the changes to which are described in Item 13. These areas will be used to manage orange roughy bringing the total number of zones for orange roughy to nine.

Item 2

Provides that people who hold permits issued under this Management Plan are included in the definition of 'holder'. When the Management Plan was originally drafted there were no permits issued under the Management Plan.

Item 3

Provides the definition of the Albany and Esperance orange roughy management zone for which a TAC will be set.

Item 4

This amendment is necessary to give effect to the change described in Item 7. This section sets out who is eligible for the grant of quota SFRs.

Item 5

This amendment is necessary to give effect to the change described in Item 6. This section is the section that allows the landing of quota species by certain sectors.

Item 6

This amendment allows all sectors other than the GAB Trawl sector of the Fishery to take bight redfish, deepwater flathead and orange roughy (Albany and Esperance) without needing quota. No other sectors of the Fishery are permitted to fish in the Albany and Esperance zones. Catches of bight redfish and deepwater flathead are taken as a bycatch of other species by gillnets and hooks in small numbers. A future Management Plan amendment is planned to make these species quota species for these methods once a decision on how to allocate quota has been made.

Item 7

This amendment sets out who is eligible for registration for the grant of quota Statutory Fishing Rights. A person must either hold a GAB Trawl Boat SFRs or an East Coast Deepwater Trawl Sector permit issued under section 44 of this Management Plan to be eligible for the grant of these Statutory Fishing Rights. There are currently 10 GAB Trawl Boat SFRs and 18 East Coast Deepwater Trawl Sector permits issued in the Fishery.

Item 8

This amendment is necessary to give effect to the change described in Item 7. This section is the section sets out who is eligible for registration for the grant of quota SFRs.

Item 9

This is a grammatical amendment made necessary by the addition of extra paragraphs described in Item 10.

Item 10

This sets out the eligibility criteria for the grant of quota SFRs. Under the Management Plan there are Type T and Type N quota, the only difference between the two types is the amount of annual levy paid. As this amendment applies to fish caught by trawlers all quota SFRs issued are Type T.

The allocation of quota to the GAB trawl sector is based on an equal allocation. Therefore the holder of each GAB trawl boat SFR receives the same number of quota SFRs for each species. The number of units chosen for each species is designed to make each quota SFR approximately equal to 1 kg based on recent catches in the Fishery. There is no requirement that each quota SFR be worth approximately 1 kg, but from a practical point of view it makes administration simpler for both AFMA and industry.

The allocation for alfonsino in the East Coast Deepwater Trawl Sector is based on catch history. Catch history is catch that is taken by an operator over a defined period of time. This amendment gives effect to the allocation policy that 50% of alfonsino quota allocation would be based on catch taken in 2000 and 2001 and 50% would be based on catch taken between 1 January 2002 and 30 June 2004. The first part of the amendment gives one quota SFR for each kilogram of alfonsino caught between 1 January 2000 and 31 December 2001. As less alfonsino was caught in the catch

history period 1 January 2002 – 30 June 2004 a quota SFR is granted for every 0.8153kg of alfonsino caught during this period, this makes the number of quota SFRs granted for each period exactly equal.

Item 11

This amendment defines catch history for the purpose of the allocation of alfonsino described in Item 10. All holders of East Coast Deepwater Trawl Sector permits were required to complete a SEF2 Catch Disposal Record as a permit condition. This requires them to accurately weigh and record the fish and for it to be verified by an independent licensed fish receiver. It is these records that AFMA will use to determine the grant of alfonsino quota SFRs.

Item 12

This amendment makes section 28 (3) of the Management Plan apply to the newly inserted sections described in Item 10. Section 28 (3) of the Management Plan outlines the requirements of a notice period to be published and previously applied to the grant of all SFRs under this Management Plan.

Item 13

This amendment is the coordinates of the new orange roughy management zones described in Item 1. The GAB Albany and GAB Esperance zones will be managed under a single TAC. The GAB eastern zone is defined to allow AFMA to set TAC for this region under the provisions of the Management Plan that allow AFMA to set a TAC for non-quota species (Division 3.2).

Item 14

This amendment adds alfonsino, bight redfish, deepwater flathead and orange roughy (Albany and Esperance zones) to the schedule of quota species. Section 20 of the Management Plan requires operators to hold quota SFRs to fish for quota species. A quota species is defined a species listed in schedule 2, so by adding these species to schedule 2 this amendment makes them quota species.

Regulation Impact Statement

The Office of Regulation Review (ORR) advised AFMA that a Regulation Impact Statement (RIS) was required. The completed RIS (ORR ID 7545) provides an assessment of costs and benefits of each option, and considers ESD implications of the changes as well as financial implications for the Fishery.

Consultation

In the Gazette S123 of Wednesday 6 July 2005 AFMA notified its intention to make amendments to the *Southern and Eastern Scalefish and Shark Management Plan 2003*. On Thursday 7 July 2005 a similar notice appeared in *The Australian* newspaper. These notices indicated that:

- copies of the draft amendments could be obtained either from the AFMA website or by contacting AFMA at the address provided; and
- representations and comments should be forwarded to AFMA at the address provided.

The consultation period on the draft Plan of Management Amendment ended after four weeks on 6 August 2005.

AFMA has established a “Management Plan Register of Interest” under section 17A of the FMA. On 6 July 2005 AFMA wrote to all parties on this Register, as well as all Great Australian Bight Trawl Fishery SRF holders and East Coast Deepwater Trawl Sector fishing permit holders, and The Department of the Environment and Heritage, seeking representations on the draft amendments to the SESSF Management Plan. The Register comprises a range of interested persons from conservation organisations to government departments and private individuals.

Two representations were made to AFMA by the notified due date, 6 August 2005. The representations were considered in detail by AFMA Management and the Plan of Management Amendment was changed accordingly. The AFMA Board agreed with the proposed changes and the Plan of Management Amendment was determined under the AFMA Common Seal on 28 September 2005.