



## **Revised Commonwealth Fisheries Harvest Strategy Policy**

**Submission No.:** 05

**Submission by:** Commonwealth Fisheries Association

**Submission:**

### ***Who is submitting?***

The Commonwealth Fisheries Association (CFA) is the peak body representing the collective rights, responsibilities and interests of a diverse commercial fishing industry in Commonwealth regulated fisheries.

The initial value of the catch at the wharf of Commonwealth fisheries is about \$350 million, and the final value at wholesale and export is considerably more. The Commonwealth fishing industry operates out of 26 main ports and many smaller landing and refuelling ports, many in remote areas. The industry generates large numbers of jobs in regional areas and creates employment in fisheries production and processing and in downstream industries, including transportation, storage, wholesaling and retailing.

The CFA 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 domestic and international community.

### ***Summary***

The CFA provides the following key points on the draft Harvest Strategy Policy (draft HSP) based on our members feedback.

- MEY is not constant, but depends on the expectations of future prices and costs and as such MEY is the aspirational target that fisheries should work toward;
- Maintaining byproduct species are adequately covered biologically by the current risk-based framework undertaken by AFMA. This is a reasonable approach to continue. The CFA would not support a move to maintain all byproduct under a full stock assessment. The cost and resources required to maintain all byproduct species would be unwarranted;
- There will be some species which will move from byproduct to target species as catches increases as social/economic drivers change over time. It would be helpful to have criteria around the transition from a previously byproduct to key commercial fish stocks and the consideration of a full stock assessment;
- The cost implications of the Draft HSP need to be explored to assess the potential cost and benefits of the policy. This needs to occur so that any increased management and or assessment costs in a cost-recovery environment are well understood and adequately resourced, from various sources, prior to any policy being agreed and finalised;
- There is a need to recognise the limited resources available to fund data-gathering and analysis beyond the current number of core species;
- There is a need to recognise recreational and indigenous sectors. The draft policy states that the need to share the resources appropriately will be considered when necessary. The CFA supports the inclusion of the Productivity Commission's conclusion (not contested in the Government's response) that "most fishing rights with perpetual rights to fish, even in instances where perpetual rights are

not granted, current holders are protected from having their rights assigned to other fishers. In many instances, commercial fishers are legally entitled to be compensated if their rights to fish are revoked"; and,

- The CFA supports the relationship between the HSP and the *Environment Protection and Biodiversity Conservation Act 1999* (EPBC Act) ie 'where the stock biomass of a conservation dependent species has rebuilt above its limit reference, and is rebuilding strongly towards its biomass target reference, the Threatened Species Scientific Committee may consider removing the species from the category'.

## ***Industry acknowledge there is a need to implement Harvest Strategies***

The draft HSP is one of several mechanisms in place to achieve ecologically sustainable and profitable fisheries. The current HSP has provided a sound platform for major improvements in the sustainability of Commonwealth fisheries.

The draft HSP should acknowledge the continuous improvements made by industry, with the support of Government and the Australian Fisheries Management Authority. Over the past ten years there have been vast improvements in most fisheries, such as reduction or reversal of overfishing and reduction and consolidation of fleets. The draft HSP continues to emphasis reducing risk, however it would be valuable to include industry driven initiatives and progress in mitigating overfishing to date.

## ***Objectives and key principles***

CFA supports the objectives and principles of the draft HSP. However, the detail of the framework, and its implementation method will be evolving and should be addressed in the Guidelines.

- Maximum Economic Yield for key commercial species

The CFA notes that the MEY target reference point. CFA notes that MEY is not constant, but depends on the expectations of future prices and costs as such MEY is the aspirational target that fisheries should work toward. For operational purposes, the objective of MEY can be considered equivalent to the objective of maximising the net present value of the flow of profits over a defined period appropriate to the nature of the fishery.

There is general confusion within the draft HSP on whether BMEY is the target for the entire fishery, to include secondary species managed at BMSY.

- Recreational and indigenous sectors

There is a need to recognise recreational and indigenous sectors. It states in the draft policy that the need to share the resources appropriately will be considered when necessary (pg 6, draft HSP). The CFA supports the finding of the recent Productivity Commission report into Marine Fisheries and Aquaculture Regulations whereby;

“most fishing rights with perpetual rights to fish, even in instances where perpetual rights are not granted, current holders are protected from having their rights assigned to other fishers. In many instances, commercial fishers are legally entitled to be compensated if their rights to fish are revoked”

and seeks to have this included within the draft HSP.

## ***Applying the Harvest Strategy Policy***

### **Species categorisation**

The CFA is supportive of the clearly defined species categorisation in the draft HSP. There will be some species which will move from byproduct to key commercial or secondary commercial species (and vice versa) as their catch increases as social/economic drivers change over time. The HSP Guidelines need to be clear, and must have the ability (through the MAC or the RAG) to monitor for any movement from byproduct to commercial (key or secondary) species. The same goes for product moving from commercial (key or secondary) species to byproduct.

What is unclear, is how byproduct species are categorised when multiple species are included under the one common name, e.g. squid. The policy needs to clarify when it is too difficult to discern between the genus, and have clear guidelines how this is addressed within the draft HSP, when the species sits within the commercial and secondary categories. The biomass of secondary species is greatly unknown with significant amount of error. Furthermore, the extra work to include secondary and byproduct species in fisheries harvest strategies will come at a significant cost to industry. The requirement to have the harvest strategies completed within three years is also concerning.

The reference to the definition of byproduct (Table 1) ranging from rarely encountered and usually retained, to frequently encountered and rarely retained implies that byproduct is predominantly discarded. The CFA suggest that an improved definition for byproduct is;

“May include species that are rarely encountered and usually retained, through to species that are frequently encountered and sometimes retained”.

This change in definition would be consistent with the policy statement that “byproduct species make a minor contribution to the value of the catch” (pg 8). The draft HSP would also benefit by consistency in definitions of species categorisation between this policy and the draft Bycatch policy.

### *Secondary Species*

The Draft HSP seeks to maintain secondary commercial fish stocks, on average, at a target biomass equal to, or greater than, the stock size required to produce maximum sustainable yield from the stock – or an alternative target aimed at achieving maximum economic yield from the fishery. The implication of this objective is that due to a paucity of information to set reliable target BMSY levels for the majority of species likely to be categorised as secondary commercial (especially in the GABTF), the likelihood of significantly increasing management and assessment costs in pursuit of this objective clearly makes this an unachievable. The cost to fisheries to maintain secondary commercial species is far too great.

To obtain a reliable estimate of BMSY, or managing the fishery against a proxy for BMSY for low value secondary commercial species, will make operations unprofitable. The CFA suggests that the application of the objective relating to secondary commercial species be assessed on a fishery by fishery basis. A practical decision-making process must be outlined as part of the policy that guides where and when the pursuit of this objective is applicable and most importantly, affordable.

### **Accounting for all sources of fishing mortality**

Fishing mortality ( $f$ ) is not mentioned anywhere in the draft HSP. The policy could define and include fishing mortality as  $f$ MSY which can be readily used instead of  $b$ MSY. This is consistent with ABARES reporting on fishing mortality.

### **Balancing risk, cost and catch**

The intent seems to imply that if it's a low value fishery and the perceived risk is low, then it is appropriate to have minimal monitoring and assessment. This is a significant improvement compared to the current HSP. The broader issue is that whether or not the research and other cost of operating at a higher catch level is economically justified.

### **Reference points and proxies**

CFA does not believe it is practical to set all individual species within a multi-species fishery at B48 or even B40 or BLIM. For example, in the SESSF AFMA appears to be interpreting the HSP to mean that all target and byproduct species must be simultaneously at B48.

The proxy states “0.48 of unfished biomass or 1.2 of biomass at maximum sustainable yield (MSY)”. This is problematic as there is no biomass estimate for some stocks. A suggestion is to include a ‘secondary proxy’ for stocks where there is no biomass estimate. The proxies are referred to throughout the draft HSP and if the ‘secondary proxies’ are not considered it creates significant difficulties when trying to write the HSP guidelines. An improvement would be to include a set of proxies that don’t refer to biomass. The CFA has the view that the draft HSP needs increased flexibility, and must explicitly explain that its often not possible in all fishing years to maintain all species in the fishery at or above BMSY.

On data-poor and very low value species often the investment required to do full stock assessments and set target points can’t be justified. In these cases, the fisheries should be managed by empirical performance and the resulting control rules.

### **Discarding**

The draft HSP is not the place to assess and manage discarding, however the CFA agrees that fishers must minimise discarding of commercial species to the greatest possible extent. This can be achieved through industry driven initiatives and education programs.

### **Spatial and Temporal management**

The CFA agrees that consistent with ecosystem based fisheries management, the need to consider a fish stock across its full distribution, the impact of Commonwealth or state marine reserves, and/or the likely abundance and distribution of the stock is paramount when developing harvest strategies for fisheries.

There is no mention of effort as part of temporal management. The lack of reference to effort is concerning for effort-managed fisheries.

### **Technical evaluation of harvest strategies**

The CFA supports evaluation of harvest strategies, through consultation with relevant advisory groups, such as the RAG’s. Whilst acknowledging some management strategy evaluations may not be suitable for all Commonwealth species.

### **Jointly- managed domestic stocks**

The problem faced is the agreements reached or otherwise between the Commonwealth and the States. More cooperation is required between the States and the Commonwealth.

### **Jointly-managed international stocks**

The CFA is of the understanding that jointly-international stocks are exempt from implementing harvest strategy management arrangements.

### **Rebuilding overfished stocks**

There is an inconsistency between the definition of ‘overfished’ and the application of the draft HSP. It is possible for the stock to be below the limit reference point (LRP), according to the definition of overfished but still be within the bounds of the harvest strategy. This is because a stock is only considered overfished if it’s below the LRP more than 90 per cent of the time.

The draft HSP states that a stock is overfished as soon as it drops below the LRP, and this should not be the case. Stocks can be below the biomass limit reference point under a harvest strategy and not be overfished.

The definition of overfished in the draft HSP glossary is not consistent with a harvest strategy that allows stocks to drop below the LRP.

### **Rebuilding timeframes**

The draft HSP is a valuable tool to ensure fish stocks previously overharvested or subject to variable recruitment are given the opportunity to recover noting the time needed for recovery is variable.

### **Relationship between the HSP and the EPBC Act**

The CFA supports the relationship between the draft HSP and the *Environment Protection and Biodiversity Conservation Act 1999* (EPBC Act) ie 'where the stock biomass of a conservation dependent species has rebuilt above its limit reference, and is rebuilding strongly towards its biomass target reference, the Threatened Species Scientific Committee may consider removing the species from the category.'

A practical way to link the draft HSP and listing species is the current approach which lists a species as conservation dependent if it meets the EPBC listing criteria and has a rebuilding plan. Under no circumstances should the EPBC listing process have any part in species which are above BLIM.

Trigger points are referenced, however it is the first mention in the draft HSP and they are not defined anywhere in the policy.

## ***Implementation and review***

### **Guidelines**

The guidelines should be clear on the practical application of the HSP.

### **Harvest Strategies**

It is essential that the quality of consultation with relevant advisory groups, such as the RAG's, is maintained at a high level, and well-documented. It is also essential that there is regular contact between the RAG's on concepts and implementation of HSP's.

It states that "harvest strategies consistent with this policy must be in place in all significant Commonwealth fisheries within three years". The term significant needs to be defined in relation to the species categories as this has implications for which stocks or management unit levels need an individual harvest strategy.

### **Roles and Responsibilities**

The CFA support the reporting and review process as identified in the draft HSP, however the cost implications of the Draft HSP need to be explored to assess the potential cost and benefits of the policy. This needs to occur so that any increased management and or assessment costs in a cost-recovery environment are well understood and adequately resourced, from various sources, prior to any policy being agreed and finalised

### **Reporting and Review**

The HSP is such an important part of fisheries management that it is essential that reviews are carried out on time, within the three years of the release of this policy. It has been disappointing that considerable time has been taken to finalise the review of the 2013 policy.

There should be effective integration and consistency of language and terminology with the ABARES status reports for Commonwealth fisheries, as well as the national status reports for fisheries.