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Torres Strait Prawn Management Advisory Committee (TSPMAC)

CHAIR'S SUMMARY
TSPMAC OOS
10 AUGUST 2009

TELECONFERENCE

CHAIR: Mr. Jim Gillespie

CHAIR'S SUMMARY

TSPMAC OOS meeting 10 August 2009

The Torres Strait Prawn Management Advisory Committee (TSPMAC) was held out of session via teleconference on 10 August 2009. The following is a summary of the major discussion points from the meeting. A complete decision record can be found at Attachment A. For further information, please contact Ms Lisa Cocking, the TSPMAC Executive Officer on (02) 6225 5451.

Setting the TAE for the 2010 fishing season

The TSPMAC discussed the setting of the total allowable effort level for the 2010 season for the fishery. The TSPMAC acknowledged that the PZJA sets the TAE for the fishery and in past years, this has been done close to the commencement of the fishing season, making it hard for industry members to make business decisions appropriate to the level of effort they will hold for the season. It was noted that PZJA agencies are trying to have the TAE agreed to earlier for the 2010 fishing season.

The TSPMAC discussed how many fishing days will be levied in 2010. It was explained that fishing units are levied not days, so the number levied does not change as the actual effort value of the fishing units in the fishery increases and decreases. The TSPMAC also acknowledged that the PNG and DAFF units are not levied as they are not utilised. The difference between Australian operators in 'no boat' status and the PNG days is that PNG cannot enter into private lease agreements (for financial gain) their allocation in the Australian jurisdiction. In the past the Australian Government has issued the PNG allocation and only recovered administrative cost associated with the process. The PZJA then issued the PNG allocation pro-rata at no cost for the 2009 fishing season.

Allocation of PNG fishing days in the Australian jurisdiction of the TSPZ

The TSPMAC went on to discuss the possible utilisation and allocation of unused PNG units to TSPF license holders if they are made available by PNG for the 2010 fishing season. The TSPMAC acknowledged that PNG units were provided to TSPF license holders on a pro rata basis last year indirectly by increasing the TAE for the fishery. Mr Fava of QPIF commented that VMS fishing effort data for this season, to date¹, indicates that operators are yet to use any of the PNG effort and are unlikely to use any if effort remains at current levels for the remainder of the 2009 fishing season. He added that from this data we can't guarantee that an operator or two won't use all of their effort, however it is looking unlikely.

Mr Gillespie commented that in future, if PNG effort is not made available, operators will have a more structured arrangement that will encourage the leasing of additional units from available Australian allocation which is allowed under the TSPF management plan.

A TSPF industry member commented that there is a need to increase the value of the fishery and it is difficult to do this if PNG effort is offered each year, as this is

¹ All 'to date' in this document refers the information that was relevant up to 06 August 2009

basically giving away 25% of units to people for free which will inhibit increasing the value of the fishery. This is because having units or fishing days offered for free can decrease the value of units of fishing capacity in the lease market.

Mr Fava commented that he has been in touch with a number of brokers who commented that operators are generally not choosing to lease in units in the fishery under the current operating environment.

The TSPMAC acknowledged that not offering PNG units to Australian operators will have a mixed on impact operators. Some will support the decision and some will not. It was further noted that PZJA agencies are trying to offset the expenses that will be required for operators to lease in units from other operators by trying to minimise costs wherever possible in the 2010-11 budget for 2011 levies.

The TSPMAC discussed whether Australian operators have a right to the PNG units if PNG decide not to use their effort allocation in any given year. Mr Lui explained that there are a number of steps in the process of allocating PNG units to TSPF licence holders. Firstly PNG need to decide whether they will be using their entitlement. If not, there is a preferential entitlement for Australia to have access to their entitlement. Ultimately the PZJA will make the decision if the PNG entitlements are to be offered to Australian operators. The MAC acknowledged that due to these issues, reliance on the PNG component of the fishery being made available is less secure than if a stable leasing market is established.

The Chair thanked members for being in attendance at the meeting, especially considering the short notice.

Next Meeting

The TSPMAC acknowledged that the next scheduled MAC meeting was a face to face meeting in Cairns in early December. 2009.

Mr Jim Gillespie
TSPMAC CHAIRPERSON

ATTACHMENT A

DECISION RECORD - TSPMAC OOS 10 August 2009

1. Setting of the TAE for the 2010 fishing season.

That the TSPMAC:

- 1.1 **NOTED** that subsection 2.5(1) of the Torres Strait Prawn Fishery Management Plan requires the PZJA to determine the Total Allowable Effort (TAE) for the fishery prior to the commencement of the fishing season on 01 March.
- 1.2 **NOTED** that sustainability reference point previously agreed by PZJA for the Torres Strait Prawn Fishery is 9,200 days.
- 1.3 **NOTED** that current operational fishery data for the 2009 season to date¹ shows that:
 - 1.3.1 61 Australian licences exist in the fishery that equate to usable allocation of 9,200 units, this also includes the PNG unit allocation.
 - 1.3.2 A total of 29 licence holders with a combined 2009 Australian allocation of 5,212 days (6,982 including the PNG allocation) have fished at some time in the Torres Strait Protected Zone (TSPZ) this year. The 29 licences have, to date, used a total of 1,646² fishing days in the TSPZ.
- 1.4 **AGREED** that the maximum combined TAE in the fishery should be capped at 9,200 days for the 2010 season, consistent with the sustainability reference point.

2. Allocation of PNG fishing days in the Australian jurisdiction of the TSPZ.

That the TSPMAC

- 2.1 **NOTED** that the PZJA made PNG's allocation in the fishery available to the Australian sector in 2009 pro-rata at no extra cost.
- 2.2 **NOTED** that to date the additional PNG effort has not been used by Australian operators and on current usage levels will facilitate no further uptake of effort in the fishery.
- 2.3 **AGREED** to recommend to the PZJA that, if PNG make available their effort to Australia in 2010, those days will not be made available to Australian operators in 2010.

¹ All 'to date' in this document refers the information that was relevant up to 06 August 2009.

² All data is based on VMS not logbooks. There is variation between the two reporting systems but this has been shown to be marginal and result in a conservative affect.