

DRAFT RECORD
SPECIAL MEETING OF THE PRAWN WORKING GROUP
MEETING

8 DECEMBER 2003, 0900

Port Kennedy Hall, THURSDAY ISLAND

Due to the heat in the PK Hall this meeting was transferred to the AFMA conference room, Pearls Building.

ATTENDANCE RECORD

Jim Gillespie (Chair)	QFS	Mark Millward	TSPEHA
John Kung	QFS	Rosemary Millward	TSPEHA
Trysh Stone	AFMA	Rob Giddins	TSPEHA
Jim Prescott	AFMA	Lota Warriia	Yorke Is. Fisheries Rep
John Marrington	AFMA	Simone Retif	DEH
Daniel Clifton	AFMA	Peter Yorkston	TSRA
Christian McDonald	DAFF	Toshio Nakata	CRC Torres Strait
Clive Turnbull	QDPI	Jack Billy	Coconut Is. Fisheries Rep
Barry Wilson	TSPEHA	Raina Martin	Yam Is. Fisheries Rep
Nick Schulz (observer)	Schulz Fisheries	Kenny Bedford	Darnley Is. Fisheries Rep

APOLOGIES

Samuel Tamu - Warraber Is Fisheries Rep
Ken Bedford - Darnley Is. Fisheries Rep – late arrival
Don Mosby - TSRA – late arrival

OPENING

1. The Chair welcomed everyone to the special meeting of the Prawn Working Group. The working group was informed that Ms Trysh Stone would be the new northern fisheries manager for AFMA and that Rosemary Millward had replaced Greg Anderson as TSPEHA support officer.

PRELIMINARY AGENDA

- Summary of public and industry and Islander comments on discussion paper
 - 2004 Management Arrangements
 - 2004 Work Plan
 - VMS update
 - o Advice regarding introduction by regulation or licence condition
 - o Advice on PNG requirements for VMS in Australian area of jurisdiction
 - Observer program: postponement until mid 2004
 - Prohibition on trawling in the territorial seas surrounding Deliverance Island, Kerr Islet and Turu Cay
 - Finfish take and possession allowance
 - Budget 04/05 and Levy 03/04
2. The working group noted the preliminary agenda. While the adoption of the minutes of the October 23 meeting were not an agenda item because of the limited time for the meeting, it was thought useful to run through the record from the last meeting to check whether there were any issues which need to be picked up.
3. The meeting noted:
- that action 2 not done (AFMA to reply to industry request regarding equal allocation of cost for payment of independent Chair);
 - action item 4, industry to reply (Industry to supply list of issues to AFMA regarding further clarification of decision making process for June PZJA meeting);
 - action item 6 to be picked up at this meeting (Industry proposal that in line with UNFSA that a stock assessment be conducted for prawn on the PNG side of the line); and
 - the status of Clive Turnbull and Don Mosby on working group to be confirmed.
4. The meeting also noted that the minutes from last meeting were yet to be formally agreed by the working group.

Agenda Item 1

Summary of public and industry and Islander comments on discussion paper:

5. Jim Prescott was asked to give overview of the submissions that had been prepared by Ryan Murphy and hear from other members present who provided submissions.
6. It was reported that 253 submissions were submitted. The key issues to come from these were:

- many were understandably very emotional;
- some people who made written submissions on top of the industry submission appeared to not understand the stock assessment process very well;
- most people expressed a disagreement with the stock assessment process;
- where people favoured a model it was always the surplus production model;
- many respondents made the comment that management did not have much idea about the fishery;
- The need for Structural adjustment was mentioned consistently in the submissions;
- About 150 respondents signed the TSPEHA submission and did not make any additional comments;
- Additional comments were contained in about 60 submissions, including TSRA, DEH, and the WWF; and
- Among industry there was a general expression that everything was ok in the industry. A few entitlement holders felt there should be fewer boats in the fishery.

7. Industry members/observers comments made during this discussion included:

- Nick Schulz stated that he supported the industry submission.
 - Barry Wilson stated that he also supported industry's submission. Barry stated that the buyer of his business would go bankrupt if he loses any of his days in the fishery.
 - Rob Giddins supported the industry position and stated that Government is being very heavy handed.
8. The TSRA representative stated that it supported the conclusions of Dr Die and noted that the time is right to ensure future effort in the fishery doesn't result in overfishing, particularly with the strategic assessment coming up. The TSRA further noted that Australia needed to meet its obligations under the Treaty.
 9. The TSRA also noted that it wanted areas of Australian Territorial Seas west of the "tophat" closed to trawling. TSRA noted that Australian and PNG traditional inhabitants had also requested that the PNG area also be closed to trawling.
 10. Department of Environment and Heritage (DEH) noted that they are auditing management arrangements in the fishery. It was also noted that the Prawn strategic assessment went out for public comment with comments due back by 19 January.
 11. TSPEHA indicated that its position hasn't changed. The association supports sustainable fishing, and would support a cut if required as long as it's based on good science. They indicated that they felt that the models were flawed. They also thought that Dr Die didn't get a fair go and therefore the Association couldn't go along with what was presented, but would go along with the surplus production model and adjust days as required in relation to that model output.
 12. They also thought that the Torres Strait Islander (TSI) licences should be subject to the same proportional cuts for sustainability. They questioned whether TSI licences be subject to same legal conditions as Australian licences.
 13. The TSPEHA expected points from their submission to be outlined in the summary paper. Trysh Stone thought there would be a separate summary of this paper (prepared at short

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notice by Ryan Murphy). The proportion of responses from support industries which have highlighted different impacts should also be summarised.

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14. The TSPEHA noted that a lot of data validation still needed to be done. The sensitivity of new delay-difference models to the data was questioned and the Association therefore questioned how Government can make such important decisions with this sort of uncertainty. The Association understood that the same data has been used in production models and accepted that some reduction has to be done.

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15. AFMA gave an undertaking to review the submissions and provide some summary statistics on comments received including how many submissions were from industry, islanders, and others, etc. The Association also wished to know what conservation groups submitted and if any comments came from the general public.

ACTION ITEM: Request Ryan Murphy to make the summary he had done a bit more self explanatory before it goes to TSFMAC. Include: List of key stakeholders who put in submissions; breakdown the other categories; and details of responses on level of impact item in TSPEHA form.

16. The question of what to do with the submission summary paper was raised. The meeting thought that it would be helpful to summarise issues into categories and turn the paper into one with comments by each section.

17. The need for a better “weighting” process for assessing proposed comments was discussed. Jim Prescott noted that it would be very difficult to establish the true weighting of comments from different stakeholders.

Deleted: Trysh Stone and Jim Prescott were to consider how best to deal with this by lunchtime

Key submissions ie. TSRA, TSPEHA, DEH are attached.

Summary of key submissions read by Jim Prescott.

Section 1:

- A lot of boats and mother ships had already left the Straits therefore a lot of skippers and crew did not get the discussion paper;
- Mark Millward thought point 4 was very important: if commercial days go to the TSRA Mark didn't think they could do with them what he could do with them and they should be able to (this meant that the conditions under which the licences are granted are not the same, eg they are not fully transferable/tradeable). Management's belief was that these licences are not allocated days, rather they are simply entitled to fish for the whole fishing season.

Section 2:

- 2nd point: AFMA conceded it was a mistake not to include the production model in the discussion paper;
- 6th point on 2nd page: Why wasn't time taken to consider alternative management arrangements (harvest strategies). Industry stated that there was an opportunity last year and wasn't done so process is now flawed;
- 8th point: table was difficult to interpret and it was unclear what the intention of the proposal was.

18. AFMA noted Dr Die's comment that it is unlikely that the general nature of the model results will change even when all the recommendations have been addressed.

19. It was noted by management that there was some inconsistency in the report about the use of terms like “significant changes” but that the general outcomes were unlikely to be substantially different.

Section 3:

- Industry maintained that a 15.8% reduction means a capital loss of \$6.8m;
- 2nd point: concerns about use of MSY as basis for management;
- Management noted that an assessment of the Endeavour stock would be difficult because there hasn't been much of an effect from fishing on the stock. It is probable that a lot of effort could be put into a stock assessment for endeavours but that not much would be gained out of it. Industry disagreed with this point of view and think there must be some way to assess this stock.
- 3rd and 4th points about quad and twin gear- Trysh Stone spoke on what happened in the NPF with a move from quad to twin gear. Trysh Stone will provide further advice on this issue after consulting with industry with experience in the conversion to twin gear.
- Trysh Stone didn't think there's any basis for claims that twin gear is more damaging than quad gear, however there is very little scientific evidence either way.
- **The 3pts from industry submission from section 3 should be included.**

Section 4:

- 8th point: industry did not support the use of an interim cap or the phasing in of reductions.
- Industry complained that the PWG and TSFMAC are not effective consultative forums as the PZJA can do whatever they wanted to do at the end of the day. Stakeholders should consider alternative system of consultation/governance.
- 9th point: Bilateral meetings don't talk about PNG days as supplementary days and industry would like some further discussion on this to explain this.
- Industry question the need for a 25% reduction below MSY.

Section 4.1:

- **Industry (TSPEHA) comments should be included in the summary for this section.**
- **Management to compare with industry to work out which points need to be included.**

Section 4.3:

- AFMA noted that a lot of people have probably just put their additional comments into the last section.

Additional discussion paper comments outside discussion paper format:

- Noted that comparisons cannot be made to Exmouth gulf fishery.

- Industry maintained that the first two paragraphs on page 5 of one submission proved the person was very radical and didn't want anyone else in there (the fishery) besides himself.

Agenda Item 2

2004 Management Arrangements

20. Presentation from Clive Turnbull looking at catch trends up to October 2003. The main points from this were:

- 2002 Data for stock assessment was about 93% complete;
- The average nights fished for the last five (5) years was 10,173; and
- The average nights fished for the last ten (10) years was 9,534.

21. Presentation by Trysh Stone on management's proposal for 2004:

- Management's proposal was based on discussions between management agencies after the public comment period. Management will need to get some legal advice on this proposal.
- Management did not support the use of the surplus production model per se but, given that it is a position that Industry is prepared to accept, Management is prepared to accept estimate of E_{msy} from the production modelling as an interim cap as it still represents a reduction in potential effort in the fishery.

New Proposal:

Cap (total days in Australian area of jurisdiction)	11,350
PNG access days (based on agreed number of trawlers from August 2003 bilateral meeting)	1,925
Islander access days	745
Initial base days for existing entitlement holders	8,680
Preferential days	1,000
Supplementary days	400
TOTAL allocation for 2004 for existing entitlement holders	10,080

22. Industry questioned whether the 10% buffer in the 1993 allocation was specified to be for steaming and breakdowns. It was not clearly specified in the 1993 decision or the June 2003 decision. Industry does not believe Management have the legal right to automatically remove 10% of days upon implementation of VMS. (get words from Rosemary)

23. Industry asked for an explanation of PNG preferential entitlement and TSI supplementary days.
24. Supplementary days were described in the June 2003 PZJA decisions where the PZJA wanted islander days to be specified but be available for use by commercials until they are activated by islanders.
25. Rosemary Millward asked if Management could explain the legal status of these preferential and Islander days. Rosemary questioned whether Management have the right to allocate "TSI days" to someone else and likewise did Australia have a legal right to allocate days that PNG did not use or was not expected to use.
26. Industry maintained that there shouldn't be an interim measure (cap) as this causes a lot of problems for industry. It would be preferable to simply refer to the proposed cap as the '2004 management arrangements'.

Recommendation: The working group AGREED that the recommended total effort in the fishery between current licence holders, TSI and PNG during 2004 should be 11,353 days.

27. This is the cap agreed to for 2004, however Management made it clear that, like any management arrangements, this subject to review and change. Management was prepared to set this cap until outstanding issues are resolved in the fishery. The cap would therefore subject to review upon completion of this outstanding work and/or further advice.

Discussion on PNG entitlement:

28. The working group discussed the number of PNG trawlers that could operate in the Australian area of jurisdiction. Management pointed out that under the catch sharing arrangements agreed at the August Port Moresby bilateral meeting that seven trawlers would be endorsed when the arrangements come into affect.
29. Management's position was – 7 x 275 days provides PNG with an entitlement to catch 25% of the catch of the Australian area minus Australia's share of the catch in the PNG area which was set at 200 tonnes total (50 tonne Australian share).
30. Industry's view is that the bilateral agreement currently delivers an equivalent of 2200 days. If the outside but near area is excluded as Government negotiated and then a 15.8% reduction should take place for sustainability bringing this figure down to 1620 days.
31. Industry believed that everyone should take a cut for sustainability and noted that Islanders and PNG have previously agreed to take a cut for sustainability. Under the current arrangements (2002 and 2003) PNG would be reduced to 1852 days if there was an equal 15.8% reduction.
32. Management believed that fishery has to be sustainably managed on both sides of the line and reaffirmed that Australia will attempt to renegotiate the catch sharing arrangement in 2004 for the 2005 season.
33. Management clarified that it does not work out PNG's 25% on Australian potential effort but on the average catch and effort of the Australian fleet in the Australian area over the last 3 years.
34. Industry's position was that if the Australian Government wants 1925 days to fulfil Australia's commitment to provide PNG with an entitlement in line with that required to

catch their share of the allowable catch, then the Australian Government can buy these days off existing Australian operators.

35. In principle, Management agreed that if effort needs to be a cut for sustainability that both sides should take a cut. However, Management also noted that the Government has an obligation under the Treaty to enter into arrangements that gives PNG the access necessary to catch its share.
36. The TSRA did not want to reduce the 825 days by much because they have had advice that it would be difficult to make these licences viable if the days were reduced too much. Islander representatives expressed the feeling that they have had this potential 825 days and haven't had anything to show for it yet but there was discussion about reducing the days. They noted that little money from this fishery has been put back into the local region.
37. Management stated that it considers that these are 3 full access licences that are non-transferable and with certain conditions made on their offer. They are licences to fish for a full season, not an allocation of days.
38. AFMA gave an undertaking during the meeting to find the relevant documents, which outlines that licences are not transferable and specify the conditions on licences. Once found these were briefly discussed by the meeting.
39. Industry's position was that the TSI licences would have a total of 694 days which was 825 days minus the 15.8% sustainability cut.
40. Management's position was agreed between AFMA, QFS and DAFF.

Discussion on Preferential and Supplementary Days:

41. Management stated they are prepared to take a risk management approach in the allocation of preferential fishing days from PNG entitlement in a pre-season distribution of days. Management strongly disagreed that this is a re-allocation of industry's nights to PNG and then giving them back.
42. Management proposed that the base allocation, a number to be determined, would be allocated proportionally to operators based on the number of days that they currently hold in the fishery. On top of this, preferential days and supplementary days would be distributed to active operators in the fishery (pending legal advice). Preferential days would not be transferable however, base days would continue to be transferable.
43. Industry supports the access of preferential days under the treaty but does not agree with the government mechanism for utilising these days.

ACTION ITEM: AFMA to seek Legal advice on the allocation and trade of preferential and supplementary days.

44. Industry posed the question of whether islanders could buy days from commercial licences to attach to their 3 licences. Management advised they were unable to provide an answer on this at the time and would need to get legal advice on this issue.

ACTION ITEM: AFMA to Provide legal advice on whether Islanders could purchase and attach days to a TSI licence.

Discussion on Islander Supplementary Days:

45. TSRA noted that their nights are still artificial and islanders want to do something to allow them to use them, such as the making of conditions on the licences that would allow the days to be leased, at least in the interim until they begin to use them. Management noted that these issues would need to be sorted out in 2004. TSRA noted that these nights represent important income and may operate as a leverage tool for getting into the fishery.
46. Industry stated that they believed that all licences should be treated equally.
47. Management agencies and Islanders agreed that 825 days should be set aside to cover TSI access. Industry believes that a 15.8% cut should be applied to bring these days down to 694. Management believed conditions on these licences would need to be resolved in 2004 with the benefit of legal advice.

ACTION ITEM: Management agencies and TSRA to identify what changes in conditions on the licences would be needed to achieve TSRA's goals for the use of the three licences.

48. Industry expressed that it was disappointed that Government had chosen to allocate days in a fishery where there are sustainability cuts to one sector and not the other.
49. Management asked TSRA for an indication of whether they consider the days nominated for supplemental entitlement ok.
50. Management noted that they were prepared to recommend to the PZJA that the PZJA could allocate 1000 days as preferential days and 400 as supplementary representing the unused effort. Management urged members to recognise that this is a risk weighted approach and there is a chance of exceeding the effort cap under this approach. Industry did not support breaching the current cap and were unclear how the use of preferential and supplementary days can be done legally. Preferential and supplementary days would be reviewed and allocated on an annual basis.
51. The Working Group questioned what was meant by the term "activated licences", and whether days associated with these licences could be distributed as supplementary days after licences were actually issued to islanders. It was noted that if the Act doesn't define the word activated it would come down to the PZJA's intent for how this effort would be made available.
52. The Working Group asked that the PZJA clarify what its intent was regarding the distribution of supplementary days until the 3 islander licences are activated.

ACTION ITEM: Management to follow up the definition and intent of the words "activated licences" with the PZJA.

53. The TSRA asked how they can get to the point where they can manage their nights in 2004 to get some benefit from those nights. Management recommended that legal advice must be sought on how these licences may be handled. In 1988 PZJA noted arrangements that have been agreed on the islander licences. And in 1997-98 the PZJA decided that the 3 TSI licences be considered eligible for the maximum fishing days in the fishing season.

Discussion on the allocation of preferential and supplementary days was raised again:

54. Should they be allocated proportional to the number of days held or to operators who are actively fishing? Industry does not think this would be legal and Industry's position is that this should be allocated proportionally according to the holding of days.
55. Industry reaffirmed its position that any reduction below the level of effort identified by the production model should be paid for by government.

Proposal continued:

56. There would not be a 10% reduction in days for PNG for the use of VMS by PNG trawlers. The days required for PNG to exercise its catch sharing rights were based on days fished – not days in the fishery.

Distributing extra (preferential and supplementary) days:

- use the days to minimise the impact on active fishers
- allocate to fishers whose allocation of days is less than the days they fished based on the average from 2001-02.

Issues:

- will need to get legal advice to determine whether it is possible to allocate to a subgroup (active fishers) and not proportionally (action item above).
- How would the days fished be determined?

Ways forward:

- continue to improve the stock assessment
- renegotiate catch sharing agreement with PNG

Final discussion:

- **The working group agreed to a cap on effort in the fishery of 11,353 days.**
- **The industry position was that all three sectors fall within the one cap and that there should be an adjustment scheme to buy the days lost by existing Australian commercial operators, from the existing cap of 13,486 days.**
- **Industry recommended that any days removed from the current allocation for other uses be paid for by government. Management agencies did not support this approach and Islanders abstained.**
- **Industry recommended that all sectors should take a cut for "ESD" of 15.8%.**
- **It was suggested that a tender process be set up so that the required days for PNG and islanders could be obtained from current entitlement holders for this process.**
- **Management did not subscribe to Industry's view and did not believe that the process was one of reallocation. It was noted that the current cap in the fishery specifically excluded PNG. Management is of the view that the process is one of**

setting the cap, honouring the PZJA's commitments to PNG and the Islanders with the balance of the days to remain with existing Australian commercial operators.

- The TSRA abstained from providing a view on industry's tender process and gave an undertaking to report back to the TSFMAC.
- The Working Group asked that the PZJA clarify what its intent was regarding the distribution of supplementary days until the 3 islander licences are activated (covered in action item above).
- Notwithstanding the effort reduction mechanisms, the PWG recommends that base days and other categories of days should be allocated on a pro-rata basis according to the number of days held by the entitlement holder immediately before the allocation is made

Recommendation: That the PWG recommends to the TSFMAC that base and other categories of days should be allocated on a pro-rata basis according to the number of days held by each entitlement holder immediately before the allocation is made.

- Industry would like compensation or adjustment scheme to bring all sectors within the one cap for any loss of days below a cut down to the level from the production model

Minimum days to operate

57. This discussion recognised that if there is an effort reduction in the fishery some licences will be unable to operate in the fishery as they may hold less than 50 days.

Recommendation: The PWG recommended that the should retain the 50 minimum days, boats that fall below 50days following reduction be allowed to continue to operate, but once they trade days or transfer the licence the 50 day minimum requirement will apply.

Trading days (base days)

Recommendation: The working group recommended that the policy on trading days in multiples of 10 be abolished and that this be reviewed at the end of the year.

Trading preferential and supplementary days

58. That the working group consider rules and arrangements for trading preferential and supplemental days with a view to making a recommendation how this should occur.

Recommendation: Management and Islanders recommended that the trading of days for supplementary and preferential days be restricted to a single season, dependent upon administrative arrangements permit this for 2004. Industry abstained from this recommendation.

Net length

59. There remains uncertainty about the impact of a net reduction. An increase back to 88m (optional) would facilitate the stock assessment and aid in compliance. The WG agree there is a need to tighten up the words for the use of trynet and compliance will work with industry on the best wording to use in the FMN.
60. Going back to 88m is to include the use and possession of try-gear.

Recommendation: That the net length be increased to a maximum of 88 metres including the use of a try gear. Wording to be developed between QBFP and Industry.

Boat replacement policy

61. The working group discussed the risks of increases in effective effort in the fishery due to vessel upgrades following suspension of this policy.

Recommendation: The working group recommend, that the boat replacement policy be waived for the 2004 season and that it be reviewed again at the end of the year.

Agenda Item 3

2004 Work Plan

62. John Kung provided an overview of work to be undertaken in 2004 and the associated budgetary issues. It was noted that if we require the work identified to be completed earlier than late 2004 additional funding will be required, which has been estimated to be budgeted to be .45 one FTE at a cost of approximately \$90k.
63. Some of this work will require industry assistance to maximise the value of this work. For data validation QDPI would need to collect information on the gear and vessel changes that have occurred since the last survey was undertaken in 1999 to update the effort creep assessment. Another issue requiring industry assistance will be to acquire unloading data from as far back as possible and for as many vessels as possible. Other information from industry on catch and effort prior to the logbooks would also be useful.
64. In order to re-run the delay-difference models it would be necessary to buy some of Mick O'Neill's time.

ACTION ITEM: Industry will do a circular to seek information on early unloading data from as many operators as possible.

65. If QDPI could specify what information is required and then ask Industry to deliver this it would minimise resourcing issues for QDPI.

ACTION ITEM: QDPI to specify exactly what information is required and provide this to Industry.

66. DAFF noted that some funds may be available through the Fisheries Resources Research Fund (FRRF) for this work.

Recommendation : The working group requested that the PZJA seek additional funding to address the recommendations from the stock assessment review in 2004.

Industry workshop:

67. The Working Group agreed to establish a steering committee to look at the issues and how things should run in 2004 and to set up a participative industry workshop. Membership should include several Industry representatives, management and research.
68. Management would explore funding options early in 2004 from the FRDC and FRRF to conduct the special workshop in early 2004 as a package deal of research and the going forward.
69. Renegotiation of catch-sharing arrangements with PNG should be discussed with industry as part of the special workshop process or at the next meeting of the prawn working group.

Comment [J1]: Trysh I can't remember what you said – is this right?

Agenda Item 4

VMS update

70. John Marrington gave a brief report on progress made with the development of the VMS since the last working group in October.

Legislation

71. The working group was also informed of legal advice that had been recently obtained in relation to how VMS should be legislated. Previous advice received had indicated that the use of licence conditions was the most appropriate mechanism for legislating VMS.
72. Following concerns raised by industry further advice on this issue was requested. The subsequent advice received indicated that VMS can be imposed through the use of Regulations.
73. The working group was informed that as a result of this advice, VMS will be imposed with the use of Regulations.

VMS requirements for PNG Boats

74. The working group was informed that imposing the requirement for VMS on PNG boats was a much larger task with many more difficulties than imposing VMS on domestic boats. The working group were given examples of some of the logistical issues that would arise should Australia want to pursue this. It was also pointed out that these were issues that would need to be discussed at the Aust/PNG Bilateral negotiations. The examples presented were:
 - Australia will be required to download an Australian DNID into each of the PNG boat's automatic location communicators (ALCs)
 - This will require permission to be obtained in writing from each boat owner.
 - Paper work will be required to be completed by the owner.
 - The requirement for VMS will only exist whilst the boat is operating within the Australian jurisdiction
 - may require Australia to either re-program individual ALCs units to stop them reporting, or remove the DNID all together.

- PNG boats reporting to Australia via VMS will result in costs being incurred by the PZJA. These costs will result from reporting, reprogramming and the addition administration required by QFS.
 - costs may also be incurred by AFMA should it be required to facilitate some of this work.
- Another significant issue that will require consideration is what action will be taken should a PNG boat stop reporting.

75. The working group were informed that a significant amount of work remains to be done to get the system up and running and some elements will need to be negotiated with PNG in 2004.

76. The working group also noted the legal advice on legislating VMS in the Torres prawn fishery and the issues associated with PNG cross endorsed boats reporting to Australia via VMS whilst operating in the Australian area of jurisdiction.

Agenda Item 6

Observer program: postponement until mid 2004

77. The working group heard from the Department of Environment and Heritage observer at the meeting. The group was told that DEH was looking for data validation as part of the monitoring and assessment of fisheries. Observer programs are just one way of doing this. DEH does look at processes and commitments from each fishery and provides some credit for having these processes underway.

78. The working group noted the delay in implementing the observer program; and noted the attached one page document describing the operational alternatives for the program.

ACTION ITEM: Industry to consider and suggest improvements to the attached one page table on design of observer program and provide feedback to management.

Agenda Item 7

Prohibition on trawling in the territorial seas surrounding Deliverance Island, Kerr Islet and Turu Cay

79. The TSRA reaffirmed their comments from the last PWG meeting, that traditional inhabitants from PNG and Australia strongly request the closure of these waters. Islanders understand that these areas have never been trawled before and therefore represent no commercial loss to industry. One industry operator claimed they did fish these waters about 15 years ago.

80. Management supported the recommendation from islanders to close these areas.

81. Edward Patching (DFAT) noted the recommendations from the EMC and JAC to close these waters to all commercial fishing.

82. Industry abstained from putting a position forward on this issue. Industry think there could be some issues for catch-sharing if the area was closed and would also like to see

some data on turtle and dugong numbers and seagrass beds in the area before making a decision.

Agenda Item 8

Finfish take and possession allowance

83. The proposal to reduce the take and possession allowance from 50 kgs of Spanish mackerel and 50kg of reef fish to a combined total of 20 kgs was discussed.

Noted the QSIA concern that the recommendation to the PZJA from the sub-committee was changed from 50kg to 20kg. Recommendation: That the Prawn Working Group support the recommendation made by the Finfish Working Group to the TSFMAC on the reduction of the take and possession limit for Spanish mackerel for holders of Section 19 licences and reef fish for holders of Torres Strait prawn licences but noted the following concerns from industry:

- **The prawn industry would like to see the FMNs modified to be 50kg combined but would consider the issue further overnight and put their position forward in the morning.**

Agenda Item 9

Budget 04/05 and Levy 03/04

84. Industry would like to see a budget report on year to dates with expected and actual expenditures. AFMA and QFS will provide this report out of session.

ACTION ITEM: AFMA and QFS to provide a YTD budget statement to the PWG.

85. Industry would also like to know how much Industry has paid for compliance costs in the past and if they have paid 100% in the past want to be given credit for this.

ACTION ITEM: Management to clarify percentage of compliance costs recovered from Industry.

86. The 2004-05 budget should attributed to all sectors in the fishery.

ACTION ITEM: Distribute budget to all sectors of the fishery

87. Pager costs should be cut with the implementation of VMS.

88. Suggest that if they do get credit from paying 100% of costs in the past this should go to VMS costs over the next few years.

89. The PWG support that entitlement holders should contribute to management of the fishery whether they are actively fishing or not and that the PZJA recommend that the Fisheries Levies Act 1991 be amended to allow this.

Recommendation: That the Fisheries Levies Act 1991 be amended to allow the collection of levies from licences that may not be active in the fishery.

90. Industry noted the potential budget shortfall after the PZJA decision to adjust effort in the fishery, decreasing activity of entitlement holders to provide for PNG and islander access. The working group agreed to put further discussions on attribution of costs on hold for 2003-04 until the PZJA decision on access rights and agree to use the current arrangements until then.
91. This issue has been raised before and management may retrieve this advice and re-issue it to the working group. Industry noted that it would be very helpful if the date for payment could be shifted by a month or two back after fishing has started.
92. Fixed costs are costs charged proportionally to every operator. Variable costs are added up and shared proportionally according to the number of days they held. Industry noted that these costs (ie. Logbooks) would need to be accounted for from other sectors in the fishery and this is something that would need to be considered by Management.
93. The issue of cost-recovery for any legal challenges consuming large proportions of staff time was raised. Management noted that under the Commonwealth cost-recovery policy legal costs are cost recoverable.

Meeting Closed

SUMMARY OF RECOMMENDATIONS

Number	Recommendations
1	The working group AGREED that the recommended total effort in the fishery between current licence holders, TSI and PNG during 2004 should be 11,353 days
2	That the PWG recommends to the TSFMAC that base and other categories of days should be allocated on a pro-rata basis according to the number of days held by each entitlement holder immediately before the allocation is made
3	The PWG recommended that the should retain the 50 minimum days, boats that fall below 50days following reduction be allowed to continue to operate, but once they trade days or transfer the licence the 50 day minimum requirement will apply
4	The working group recommended that the policy on trading days in multiples of 10 be abolished and that this be reviewed at the end of the year
5	Management and Islanders recommended that the trading of days for supplementary and preferential days be restricted to a single season, dependent upon administrative arrangements permit this for 2004. Industry abstained from this recommendation
6	That the net length be increased to a maximum of 88 metres including the use of a try gear. Wording to be developed between QBFP and Industry
7	The working group recommend, that the boat replacement policy be waived for the 2004 season and that it be reviewed again at the end of the year
8	<p>Recommendation: That the Prawn Working Group supported the recommendation being made by the Finfish Working Group to the TSFMAC on the reduction of the take and possession limit for Spanish mackerel for holders of Section 19 licences and reef fish for holders of Torres Strait prawn licences but noted the following concerns from industry:</p> <p>Noted the QSIA concern that the recommendation to the PZJA from the sub-committee was changed from 50kg to 20kg.</p> <p>The prawn industry would like to see the FMNs modified to be 50kg combined but would consider the issue further overnight and put their position forward in the morning.</p>
9	That the Fisheries Levies Act 1991 be amended to allow the collection of levies from licences that may not be active in the fishery

SUMMARY OF ACTION ITEMS

Number	Action Item	Action Agency
1	Request Ryan Murphy to make the summary he had done a bit more self explanatory before it goes to TSFMAC. Include: List of key stakeholders who put in submissions; breakdown the other categories; and details of responses on level of impact item in TSPEHA form	AFMA
2	AFMA to seek Legal advice on the allocation and trade of preferential and supplementary days.	AFMA
3	AFMA to Provide legal advice on whether Islanders could purchase and attach days to a TSI licence	AFMA
4	Management agencies and TSRA to resolve what changes in conditions on the licences will be needed to achieve TSRA's goals for the use of the three licences	DAFF, QFS, AFMA, TSRA
5	Management to follow up the definition and intent of the words "activated licences" with the PZJA	DAFF
6	Industry will do a circular to seek information on early unloading data from as many operators as possible	INDUSTRY
7	QDPI to specify exactly what information is required and provide this to Industry	QDPI
8	Industry to consider and suggest improvements to the attached one page table on design of observer program and provide feedback to management	INDUSTRY
9	AFMA and QFS to provide a YTD budget statement to the PWG	AFMA QFS
10	Management to clarify percentage of compliance costs recovered from Industry	AFMA
11	Distribute budget to all sectors of the fishery	AFMA