

TORRES STRAIT PRAWN MANAGEMENT ADVISORY COMMITTEE	Meeting No. 17 20 April 2016
MANAGEMENT Minimum day holding in the TSPF	Agenda Item No. 4.2

RECOMMENDATION

That the Torres Strait Prawn Management Advisory Committee (TSPMAC):

4.2.1 NOTES the history of the minimum day limit in the Torres Strait Prawn Fishery (TSPF).

4.2.2 The TSPMAC **DISCUSSES** the need for a minimum day limit, its current value to the fishery and whether there are more effective mechanisms to achieve the same result.

4.2.3 RECOMMENDS that the minimum day limit be removed or implemented as a licence condition from this point on.

BACKGROUND

In 1993 a minimum day holding policy of 50 days was implemented as part of a suite of arrangements to cap fishing effort in the TSPF. The minimum day holding policy sought to consolidate the fishing fleet, it encouraged trading of days in a way that would result in a smaller fleet that operates most of the year. It was hoped that this would help reduce "pulse fishing" at the opening of the season. In 2006, consistent with the pro rata effort reduction (from 13,400 days to 9,200 days), the minimum day holding was reduced pro rata to 34 days.

DISCUSSION

There have been discussions over the past five years as to whether a minimum day holding is a useful tool in the TSPF, or is it an impediment to investment, trading opportunities, optimum utilisation of the fisheries resources and economic efficiency (Table 1). There has also been uncertainty of the exact rules around minimum day holdings under the current management arrangements, i.e. whether people are allowed to do a temporary transfer of all units or if 34 days must always be attached to a licence. It is also unclear as to whether the PZJA made a formal decision regarding the minimum day holding, or if it was implemented as a policy.

The TSPMAC should discuss the original reasons for implementing the minimum day limit, its validity today and whether there are more effective mechanisms to achieve the same result.

Table 1. The pros and cons of having a minimum day holding

pros	cons
Requiring licence holders to hold a minimum number of days may encourage them to fish, because there is a greater investment they must hold onto whether fishing or not.	Restricts ability for licence holders to trade their units, as they must always hold 34 days.
	Can be encouraging latent effort in the fishery

	as people are unable to trade their fishing days if they aren't fishing.
	Economic efficiency is limited as latent effort means unearned profits for the fishery as a whole and places the fishery in negative net economic returns.