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TORRES STRAIT
PZJA
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Torres Strait Prawn Management Advisory Committee (TSPMAC)

MINUTES
TSPMAC OOS
10 AUGUST 2009

TELECONFERENCE

CHAIR: Mr. Jim Gillespie

AGENDA



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TORRES STRAIT PRAWN MANAGEMENT ADVISORY COMMITTEE MEETING No. 8

August 10 2009

1000-1100 EDST

Venue: Teleconference

Preliminaries – Chairs opening remarks/Adoption of Agenda/Disclosure of Interests/Apologies

1 Management

- 1.1 setting the TAE for the 2010 fishing season

Important information regarding phoning in to the teleconference

AFMA uses a teleconference system which requires all attendees to phone into the conference, rather than the moderator phoning out. As a consequence, please follow the below instructions to phone into the meeting:

1. Phone **1300 301 346**
2. you will be prompted to enter the following passcode: **915851**
1. you will then be prompted to say your name and then be connected to the teleconference

If you have any questions regarding this process, please don't hesitate to contact the A/g TSPMAC executive officer, Lisa Cocking on 02 6225 5451.

Individuals wishing to attend the meeting as an observer are required to contact the Chair (Mr. Jim Gillespie: care of Lisa Cocking, TSPMAC Executive Officer; Lisa.Cocking@afma.gov.au) notifying him of your desire to attend.

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 There are 61 Australian licences in the fishery.
 - 1.3.2 There are 9,200 effort units available in the fishery (including the PNG unit allocation).
 - 1.3.3 A total of 29 Australian licence holders with a combined 2009 Australian allocation of 5212 days (6982 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 1646² 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.

The following members and observers were in attendance at TSPMAC OOS 10 August 2010.

Members	Permanent observers
Chair – Mr Jim Gillespie	DAFF – Mark Rowsell
QPIF – Mr Eddie Jebreen	DAFF – Anthony Cuthbert
QPIF – Mr Shane Fava	
AFMA – Mr Stan Lui	
AFMA – Mr Malcolm Southwell	
EO – Ms Lisa Cocking	
Scientific member – Mr Clive Turnbull QPIF	Observers
Industry – Mr Marshall Betzel	BRS – James Woodhams
Industry – Mr Chris Bourke	
Industry – Mr Ron Earle	
CFG – Francis Pearson	

PRELIMINARIES

Welcome

Mr Jim Gillespie, the TSPMAC Chair opened the teleconference at 10:00am and thanked members for taking the time to phone in.

MANAGEMENT

Setting the TAE for the 2010 fishing season

Mr Stan Lui of AFMA presented the paper on the setting of the total allowable effort level for the 2010 season for the fishery. Mr Lui apologised for the minimal notice for organising the MAC meeting and reviewing the MAC paper and expressed gratitude for people making time to meet to discuss this important issue.

Mr Lui explained that each year, 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. PZJA agencies are trying to have the TAE agreed to earlier for this year.

Mr Lui went through the recommendations under part 1 of the paper regarding setting the TAE for the fishery. Mr Earle questioned how many fishing days will be levied in 2010? Ms Cocking explained that only the Australian portion of the units of fishing capacity allocated (6,867) under the Management Plan are levied.

Mr Earle questioned if the other units (PNG and DAFF) are also levied. Mr Lui explained 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 lease (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. We then issued the PNG allocation pro-rata at no cost.

THE TSPMAC **NOTED** 1.1 to 1.3.3 and **AGREED** to recommendation 1.4.

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

Mr Lui went on to discuss recommendation 2 of the paper relating to the allocation of unused PNG units to TSPF license holders. He explained 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 fishing effort data for this season to date 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 season. Mr Betzel questioned whether it is only the PNG portion that is yet to be utilised or whether operators are unlikely to use all of their permanent allocation as well. Mr Lui explained there is only so much information we can provide in the paper due to confidentiality however it appears to be that way. Mr Fava explained that this point in the season usually sees a drop in effort so it isn't likely that people will use any PNG days. He explained that a number of packages have several boats and if they activated every boat for the rest of the season they would use their effort. However when looking at their usage pattern this year to date and in past seasons, it doesn't seem it will happen. Mr Fava added that 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 now have more structured arrangements for leasing in additional units under the management plan.

Mr Earle commented that we need to increase the value of the fishery and we can't do this if every year we give away 25% of units to people for free. Giving them away will inhibit increasing the value of the fishery.

Mr Fava commented that he has been in touch with a number of brokers who have been speaking with operators about leasing unused units of fishing capacity. He commented that at the moment people can't even give units away and we aren't providing an economic environment which will facilitate the value of effort units to increase when we are giving away PNG units.

Mr Southwell supported Mr Earle's comments and agreed that PNG units wouldn't be helpful to the fishery at this point.

Mr Betzel asked that the TSPMAC note that choosing not to offer PNG units may impact on certain individual license holders. Mr Fava commented that PZJA agencies are trying to offset the economic impact associated with leasing in units by trying to decrease the observer and compliance costs in the 2010-11 budget for 2011 levies.

Mr Betzel asked if 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. Secondly

the PZJA choose whether they will offer the PNG entitlement to license holders if PNG have offered their entitlement to Australia.

Mr Gillespie discussed that other factors, such as political issues external to the fishery, may mean PNG may not want to provide access to their portion in a given year. He added it would be more stable and certain to establish a solid leasing market that will be around for the long term rather than relying on something uncertain. Mr Fava commented that this will be the first time the PNG entitlements won't be made available since the effort reduction. Mr Turnbull commented that in 2006 the effort wasn't made available. Mr Gillespie commented that it would be useful to have a management response prepared in case people call the PZJA to discuss. Mr Southwell added that there is internal leasing available and promoting leasing may enhance the value of the fishery which is what we want to do. Further, PNG units haven't really been utilised in the past.

Mr Cuthbert commented that this decision will go to the PZJA OOS for decision and that the TSPMAC are making a recommendation to the PZJA rather than making a decision on the issue.

The MAC went on to discuss the letter that was being written to all TSPF licence holders regarding external leasing in the TSPF. Mr Fava commented that QPIF have drafted the paper and survey and it asks industry members to provide comment as to whether they would like to see external leasing in the fishery. He added that the letter states that a lack of response will indicate a vote for external leasing. Mr Fava added that these draft papers are being presented to the PZJA Standing Committee on 19 August along with a paper on the sponge farms. He added that the letter would be distributed to the TSPMAC industry members today for comments to be received by the end of week.

ACTION: Distribute draft industry letter regarding external leasing to TSPMAC industry members for comment.

The TSPMAC agreed to recommendations 2.1 - .2.3.

The Chair thanked members for being in attendance at the meeting, especially considering the short notice. Ms Cocking commented that another teleconference would need to be held in the next week or so to note the 2010 fishing season levies.

The Chair closed the meeting at 11.10am.

ctions arising from TSPMAC OOS 100809

Action reference number	Action	Date item was added	Responsibility
TSPMAC OOS 100809 1	Distribute draft industry letter regarding external leasing to TSPMAC industry members for comment.	TSPMAC OOS 100809	QPIF and EO