



AGRICULTURE AND ENVIRONMENT COMMITTEE

Members present:

Ms JR Howard MP (Chair)
Mr SA Bennett MP
Mr J Madden MP
Mr LP Power MP
Mr R Katter MP
Mr EJ Sorensen MP

Staff present:

Mr R Hansen (Research Director)

PUBLIC BRIEFING—EXAMINATION OF THE FISHERIES AND ANOTHER REGULATION AMENDMENT REGULATION (NO. 1)

TRANSCRIPT OF PROCEEDINGS

MONDAY, 28 SEPTEMBER 2015

Brisbane

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Committee met at 2.03 pm

CHAIR: Thank you all for coming. It is great to see that so many people have made the effort to come here and help us with this inquiry. Welcome, everybody. I declare open this meeting of the Agriculture and Environment Committee. I acknowledge the traditional owners of the land on which this meeting is taking place today. My name is Jennifer Howard. I am the member for Ipswich and chair of the committee. The other members of the committee with me are: Stephen Bennett, the member for Burnett and deputy chair; Jim Madden, the member for Ipswich West; Linus Power, the member for Logan; and Ted Sorensen, the member for Hervey Bay. Jim Madden is replacing Julieanne Gilbert, the member for Mackay. She could not be here this week so he is stepping in. Welcome, Jim. Robbie Katter, the member for Mount Isa, is also a member of the committee and will phone in to parts of the meeting today. The proceedings are being transcribed by our parliamentary reporters and broadcast live on the Parliament of Queensland website.

Today we are here to examine a piece of subordinate legislation made by the Department of Agriculture and Fisheries called the Fisheries and Another Regulation Amendment Regulation (No. 1) 2015. This regulation was tabled in the parliament on 15 September by the Minister for Agriculture and Fisheries and Minister for Sport and Racing, the Hon. Bill Byrne MP. The committee's responsibilities include consideration of all portfolio legislation, including subordinate legislation such as this regulation. In the next sitting week, the House is likely to debate a motion to disallow this regulation. The committee, therefore, decided to examine the regulation as a matter of urgency so we can provide a report to parliament prior to the debate of that disallowance motion. This meeting is a key part of our examination of the regulation.

I can also advise you that the committee has sought advice from the department to assist our work. The department provided that advice to the committee on Thursday. The committee has just agreed to make that advice public. We have copies here for anyone who is interested and the advice will be available on our website shortly.

Today we will hear briefly from the department and QRAA about the net-free zones and the compensation being offered to affected fishers. We will then hear from peak bodies representing the stakeholders for the regulation. Those stakeholders were recommended to the committee by the department. We have also invited mayors of the local governments nearest to the net-free zones. Finally, we will ask the department and QRAA to come back to respond to the issues raised by stakeholders. Before we start, can we just make sure everyone's phones are turned off or switched to silent mode.

MacMILLAN, Mr Cameron, Chief Executive Officer, QRAA

ROSSBERG, Mr John, Manager, Program Delivery, QRAA

SPENCER, Mr Scott, Deputy Director-General, Fisheries and Forestry, Department of Agriculture and Fisheries

THWAITES, Mr Andrew, Director, Implementation and Consultation, Department of Agriculture and Fisheries

CHAIR: Would you like to make a brief opening statement?

Mr Spencer: Thank you, Madam Chair. As you indicated, we have provided a written submission and we would like to make some opening statements. If we talk too long, stop us. We are pleased to assist the committee in its examination of Fisheries and Another Regulation Amendment Regulation. The subordinate legislation actually amends two regulations—the Fisheries Regulation 2008 and the Rural and Regional Adjustment Regulation 2011—to give effect to the government's sustainable fisheries policy and, in particular, in relation to the implementation of three net-free areas. A sum of \$10 million was set aside in the government's election commitment to implement those zones in Cairns, Mackay and Rockhampton.

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The regulation itself does three things: it implements the closed waters for the zones at Mackay, Yeppoon and Rockhampton—the Cairns closure is actually already in place; it ends an authority to fish that attaches to a number of commercial fisher licences in the Cairns zone; and it establishes the procedures to allow QRAA to deliver the voluntary buyback and settlement schemes established by the government. The zones are specifically designed to reallocate fisheries resources within the zones from commercial net fishers to recreational fishers. The Fisheries Act 1994 allows the government to do that by regulation. The introduction of the zones is designed to remove commercial nets for the take of certain inshore species that are important to recreational fishers. In doing so, it is expected that the populations in those zones will gradually increase, in terms of number of fish, size and age. There are similar arrangements in New South Wales and being implemented in Victoria.

In terms of the department's role for consultation, which was one of the issues that the committee specifically asked us to comment on, after the election our role was to deal with the boundaries in particular, and, of course, once the government determined the assistance scheme it was about that. Our role was not to negotiate the policy. That was set by the government. We are very well aware of the views. Obviously, through the process both commercial and recreational fishers and other sectors with an interest in fishery made their views abundantly clear to us, which obviously we passed on to the government.

We also needed to have a look at the boundaries, so we were provided with maps by the government that we issued publicly and then we sought public submissions by electronic means. The electronic means was chosen because of the very large number of stakeholders we had to deal with. There are over 600,000 recreational fishers in Queensland, over 2,000 commercial fishers and then there are interest groups such as conservation groups, councils and community groups. We received over 6,300 submissions. Many of those were aimed specifically at a view on the policy and were not necessarily about the boundary.

Once the boundaries were established by the government and the settlement scheme, we were able to then calculate who was exactly affected. As soon as that happened, we wrote to all affected fishers and offered to meet with them directly to talk about what the government was offering and how the scheme would work. It was actually impossible, until that decision was made, to identify all of the people, although in the early days we were able to find some numbers because of the broad nature of the maps we were given.

With the \$10 million the government has also established a two-part support scheme, and that scheme is a voluntary buyback of commercial fisher licences in the zones and a settlement scheme that recognises the effort that was put in by the commercial fishers in those areas. The schemes will be administered by our colleagues from QRAA. If fishers do not wish to take advantage of those schemes offered by the government, they are able to claim compensation under the Fisheries Act. There is a formal provision, section 42 of the Fisheries Act, which allows people to claim compensation. I will quickly hand over to my colleague Andrew Thwaites, who might talk about work he did in terms of consultation.

Mr Thwaites: In addition to what Scott has advised, I wanted to raise a couple of points and, firstly, provide an overview of the commercial net fishery in Queensland. Currently 411 licences are authorised to use nets commercially along the Queensland east coast. That is around one-third of Queensland commercial fishing licences. Typically, commercial netting operations are run by family businesses operating out of small vessels and fishing is obviously dependent on seasons, tides, weather. Commercial fishing logbooks report that between 2012 and 2014 there were 92 commercial net fishers who worked at least one day in one of the zones. About 28 per cent of those 92 fishers worked for 73 per cent of their overall effort within the zones. The commercial net catch from the three zones represents approximately eight per cent of the Queensland east coast net fishery catch by weight between 2012 and 2014, and the estimated gross value of production to fishers is approximately \$2 million per annum out of that weight.

I will make a comment on the meetings that I have had with stakeholders. Question on notice No. 676 provided details of dates and meetings between departmental staff and commercial fishers in relation to the zones, but, in addition to those meetings, departmental staff have also met with a number of recreational fishers and other stakeholders on a number of occasions through the year. The first meetings occurred in March and April of this year for the purposes of gathering feedback and views from stakeholders and to discuss the zone boundaries that have been put forward by recreational proponents for the areas. This was critical as, while the sustainable fishing policy committed to the introduction of the three zones, it did not detail the exact size or location of the zones. Until the boundaries were determined, as Scott indicated, it could not be determined which fishers were actually impacted by the closures.

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To gather wider input into discussion on the boundaries, the government undertook a period of public consultation between 15 May and 15 July this year. As Scott indicated, there were about 6,300 submissions made during that consultation period. Most were in support of the zones as proposed or wanted them expanded. Also, a number of submissions suggested that the boundaries should be made smaller or proposed alternative arrangements that could be put in place as opposed to the closures.

On 21 August, following the government consideration of the public input and views of stakeholders, the boundaries of the zones and the assistant arrangements for fishers were announced. At that time, we wrote to all the net fishers and net licence holders to advise them of the government decision and offered to meet with them on a one-on-one basis to explain the arrangements and the implications for them. Since that time, we have been contacted by in excess of 40 fishers by phone and departmental staff have travelled to Cairns, Mackay and Rockhampton between 24 August and 9 September this year, and we have met with approximately 20 fishers on a face-to-face basis to take them through the options.

Finally, I wanted to outline the difference that exists between the Trinity Bay zone near Cairns and the two other zones. Trinity Bay was closed to commercial net fishing 15-odd years ago with an arrangement put in place to allow fishers who historically fished in the Barron River, Trinity Inlet or Trinity Bay to an exclusive non-transferrable right to fish in Trinity Bay only. The Trinity Bay arrangement was put in place following the signing of a deed that was executed by the fishers in favour of the state and made in connection with *ex gratia* payments in the year 2000. It was because of this arrangement that the details around the implementation are slightly different for Cairns as opposed to the zones near Mackay and Rocky.

I will now hand over to John Rossberg, the program manager for delivery at QRAA, to provide opening remarks about the buyback and settlement schemes.

Mr Rossberg: Thank you, Andrew, and Madam Chair and members of the committee. As manager of program delivery at QRAA, I am responsible for the administration and delivery of a variety of regulated schemes on behalf of the state and also the Commonwealth government. QRAA is a statutory authority of the Queensland government established under the Rural and Regional Adjustment Act 1994. The act prescribes that QRAA may only give financial advice under approved assistance schemes. QRAA was engaged by the Department of Agriculture and Fisheries under a memorandum of understanding to administer both the net-free fishing zone buyback scheme and the net-free fishing scheme settlement scheme.

The administration of these schemes is in four stages, and I will quickly go through those four stages. The first stage is the issue of invitations to eligible fishers to participate in the schemes. Firstly, in relation to the buyback scheme, on 15 October 2015 QRAA will issue an invitation pack by registered mail to those eligible holders of a Queensland commercial fishing boat licence, endorsed with the relevant fishing symbols, who have conducted netting operations in one of the three net-free zones between 2012 and 2014. That information pack will include a cover letter, scheme guidelines and a prepopulated surrender offer application for the fishers, together with a set of Q&As that will assist them. QRAA has been provided with a preliminary list of 73 licence holders who are eligible to receive an invitation to participate. The final list of eligible licence holders will be supplied by the Department of Agriculture and Fisheries to QRAA on 1 October 2015.

Secondly, in relation to the settlement scheme, again on 15 October 2015 QRAA will issue a separate invitation pack by registered mail to those eligible holders of a Queensland commercial fisher licence, as distinct from a boat licence, who have recorded net-fishing activities in the net-free zones between 2012 and 2014. The information pack will include the letter, guidelines, a prepopulated settlement application in this particular case and some Q&As. QRAA was provided with a preliminary list of 92 holders of a Queensland commercial fisher licence who are eligible to receive an invitation to participate in the scheme. The final list of eligible licence holders will be provided by the Department of Agriculture and Fisheries again on 1 October 2015.

The second stage is the time in which the application period is open—that is, effectively from 15 October 2015 through to 2 December 2015. The licence holders have the opportunity to decide then whether they wish to submit an application. In some cases some fishers will have two applications—one is a boat licence and one is a fisher licence—or they might just have an individual application. QRAA will then progressively register all of these applications as they are received. Licence holders will be advised of the fact that their application has been registered and that the outcome of their application will be determined after the application period has closed.

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Applications deemed to be ineligible or incomplete will be rejected by QRAA and a letter will be issued explaining the reasons behind that. It could be as simple as that there is not a signature or that there has been an alteration on the application form. What we will do is prepare a fresh prepopulated surrender offer or settlement payment application, if requested, and that can be supplied to the fisher. However, it is important that we receive the amended application before the closure on 2 December 2015. QRAA also has a freecall telephone number for all fishers that they can use. Should they have any questions in relation to the application process, QRAA will be more than happy to assist those fishers in that particular process.

Stage 3 is when the application period closes, and that is Wednesday, 2 December 2015. QRAA will, within three business days of the closure, advise the Department of Agriculture and Fisheries of the total number and total value of surrender offer applications received for the buyback scheme in each of the net-free zones and also the number and total value of applications received for the settlement payment under the settlement scheme. The Department of Agriculture and Fisheries will then advise QRAA within two business days of the total funding available to buy back licences in each of the net-free fishing zones and the total funding available to pay settlement payments. QRAA is then to determine successful applicants under the scheme based on the funding that is available and using an order of merit as set out in the regulation. What that means for the buyback scheme is that it is in decreasing order of priority in each zone from the holder of the highest number of net-use days in the net-free zone to the lowest. Then for the settlement scheme it is just in order of receipt. QRAA will write to all applicants and advise the outcome of their application. QRAA plans to have written to all fishers by Friday, 11 December 2015.

The final stage is the settlement stage or the payment stage. For the buyback scheme, successful applications will receive a surrender pack. That includes a surrender authority form for completion to surrender their Queensland commercial fishing boat licence to Fisheries Queensland. They will also get an authority-to-pay form, which is just to tell us where they want the money to be sent to. Once these items are returned to QRAA, together with the actual commercial fishing boat licence—we actually get the licence back as well—and the documentation is confirmed with Fisheries as being correct, payments can commence. The timing of these payments will be dictated by how quickly the fisher is able to return that surrender authority and the boat licence. However, we expect that most payments will be made by Thursday, 24 December—before Christmas. For the settlement scheme, there is no further documentation that is required from the fisher, and once their application has been deemed successful the payments can be made. Payments are expected to commence on Monday, 11 December, and within 24 to 48 hours that should all be complete. QRAA thanks the committee for the opportunity to present.

CHAIR: Thank you. For the commercial fishermen who take a compensation payout, is there any assistance or guidance in terms of future careers? In addition to the financial compensation, is there any counselling?

Mr Rossberg: No. That is beyond the scope of the administration of the scheme, to be honest. We will assist them absolutely through the application process. Any questions they have in relation to that, by all means, we are happy to answer. But beyond that, no. Our administration is just for the scheme.

Mr Spencer: What we have been able to do is get the services of the farm financial counsellors, and they are available to commercial fishers to assist them in that process.

CHAIR: Mr Spencer, the period that you identified as the consultation period is 15 May to 15 July. It is a fairly unique set of circumstances, but how would you compare that to average consultation time in a process like this?

Mr Spencer: This is a new process for us. In terms of previous buybacks that we have done, they have been progressive. There has been a committee, but at that stage the policy was not set. Two months is probably standard for government type processes.

Mr BENNETT: I want to talk to John from QRAA. In terms of compensation, it seems that the fishers have to make this commercial decision about probably a lifetime of fishing in less time than they had for the consultation. I am curious as to why there is an accelerated period to December. I am trying to work through the decisions that these small business people, mums and dads, have to make about their future. We seem to be putting what could be seen as onerous time frames on them. It is a significant decision they have to make.

Mr Rossberg: I totally understand the significance of the decision they need to make. QRAA abides by the regulation and those dates are part of that. The department might be able to assist in responding to that.

Mr BENNETT: Has the regulation set the time frame?

Mr Spencer: That is correct.

Mr BENNETT: Mr Thwaites, you spoke about the consultation period. Correct me if I am wrong, but I note that after the consultation period you then wrote to the fishermen. I also note that it was an internet based survey. When you had a four per cent uptake from commercial fishers in that process, did you not think that, considering the magnitude of this decision, that may not have been the best way to go and that maybe you should have gone out to the commercial sector at the front end? Again, there was a four per cent uptake and it was all done on the internet. I am wondering what the thought pattern was behind that as opposed to having a more public consultation process.

Mr Thwaites: Four per cent of the total number of submissions was still around the 200-odd mark, which in terms of a response rate to submissions was well and truly above the average that you would expect from the commercial sector. There are 411-odd licences and over 200 responses from commercial fishers, so from a census point of view, if you like, it was actually a very high rate of return with that mode of consultation.

Mr BENNETT: With all due respect, if you are going to do an email survey, you can get people sending a lot of emails quite quickly if you galvanise behind a particular stakeholder as opposed to mum-and-dad fishermen who are probably more inclined to be out fishing than using the internet. So to throw around 6,000 signatures when you are going to use them as statistical data, I just wonder why you did not think about something more appropriate that would have suited the industry. It appeared to suit the industry.

Mr Thwaites: When industry approached us about that, it was not just internet submissions that were accepted. Certainly written submissions were accepted as well in terms of providing feedback.

Mr BENNETT: Did you send something out to the fishermen encouraging them to engage in the process from 15 May? How did the commercial sector know about the submissions from 15 May?

Mr Thwaites: From 15 May we sent out a broadcast email to the major stakeholder groups and people who had contacted me in the previous two months before the consultation started.

Mr BENNETT: I assume the Seafood Industry Association and others would have got that email.

Mr Thwaites: Yes. There was also the Fishermens Portal and various other bits and pieces. Very quickly that message spread through industry that this was happening. As I said, we had a number of concerns from people saying they did not have access to the internet and they were not able to do it et cetera. That is when we said we would accept written submissions, and a number of people did take the opportunity to provide written submissions.

Mr MADDEN: Mr Rossberg, you mentioned that QRAA would make a recommendation to DAF. So the final decisions as to the amount to be paid by way of compensation will be as recommended by DAF?

Mr Rossberg: There are a couple of components. Within the regulation itself it actually defines the consideration and the calculation for the consideration of the buyback scheme as well as the settlement scheme. QRAA will provide the information that has come from the applications that have arrived. We will supply that information. That will be in line with the regulation and the priority that is set out there. That includes the number of applications that come back. It will not nominate the names of the fishers. That information is presented to the department. They will then give us an indication of the funds that are available for us to administer the fund going forward. That will then allow us to use the priority listing with the funds that are available and they will be the successful candidates.

Mr MADDEN: My second question is with regard to how the applicants will be informed of the last day they can actually fish. How is that going to be done? Will that be done when you send the final correspondence? Will they be told that up-front?

Mr Spencer: That is probably our responsibility. The closures are in place now. They will commence from 1 November. I am sure most of the organisations are well aware of that, but if fishers are not certain about the closures we can again write to the organisations or the fishers—there are only 400 of them so we can do that relatively easily—to explain the exact outcome of the regulation.

Mr MADDEN: What is the cut-off date?

Mr Spencer: It is 1 November, which coincides with the closure of the barramundi fishery.

Mr MADDEN: Is that midnight on 1 November?

Mr Spencer: Midday.

Mr SORENSEN: When you take away a percentage of somebody's income, especially in a small business, are you going to compensate them for their whole business or are you only going to compensate them for the part in that net-free zone? If you are going to take away half of someone's livelihood who has the boats and the nets and who cannot make a living out of it anymore, are you going to take them completely out or are you only going to compensate them for—

Mr Rossberg: There are probably a couple of components to that question. One is the compensation component, which I will throw back to Fisheries, and the other is the regulated schemes. The regulated schemes nominate a formula that we are to use, and then there is the opportunity for the fishers to decide whether they wish to take up that offer. We are very much restricted to what the regulation says, the formulas that are incorporated within that regulation and the defined amount that goes with each particular fishing symbol. Beyond that, I will hand it back to Fisheries.

Mr Spencer: The scheme deals only with the licences and the settlement. It does not deal with the other parts of the business that you were talking about. If the fishers chose not to accept those offers, they can seek compensation under section 42 of the act. That provides for three years taxable income and any loss of licence value. They are the two things that are prescribed by the parliament in terms of payments.

Mr POWER: In one section you say that the take within the zones was around \$2 million per annum; is that correct?

Mr Spencer: That is our estimate based on about \$6 per kilo.

Mr POWER: That is obviously the wholesale value of the fish at the wharf.

Mr Spencer: That is a gross value figure, yes.

Mr POWER: Obviously for any fishers there are costs involved with the capital cost of the equipment, the nets, diesel and things like that, as well as deckhands and others who are not part of a family enterprise.

Mr Spencer: Certainly.

Mr POWER: We have heard the figures that 26 or 28 people spend more than 73 per cent of their time and then 92 at least one day, but that does not give us a clear indication because there is a big gap between those two figures. Is there a clearer way to express that than those two figures?

Mr Spencer: Certainly on the analysis that we have done they range from one day through to over 120 days or around about that.

Mr Thwaites: Yes, per year on average.

Mr Spencer: But the vast majority of effort days was undertaken by a relatively small number—26 or 28, whatever the number was—who undertake about three-quarters of the effort days across the zones.

Mr Thwaites: So the curve falls rapidly away.

CHAIR: Thank you for your time. I invite the representatives from the Queensland Seafood Industry Association to come forward.

AHERN, Mr Mark, Fisher and Retailer, Queensland Seafood Industry Association

BATCH, Mr Bruce, Fisher, Queensland Seafood Industry Association

CARACCILO, Mr David, Retailer and Wholesaler, Queensland Seafood Industry Association

HARRIS, Mr Keith, Fisher, Queensland Seafood Industry Association

MORGAN, Mrs Kelly, Retailer, Queensland Seafood Industry Association

SWINDELLS, Mr David, Fisher, Queensland Seafood Industry Association

CHAIR: Mr Swindells, I understand that you are leading the representation today.

Mr Swindells: That is correct.

CHAIR: Could you introduce your group and briefly explain whom your association represents and how many members you have?

Mr Swindells: My name is David Swindells. I am a commercial fisherman in Rockhampton. As far as introducing the rest of the delegation, I would like them to do that individually if that is appropriate.

Mr Harris: I have been a commercial fisherman since 1993 in the Rockhampton, Yeppoon and Shoalwater Bay area. I am presently a board member of the Queensland Seafood Industry Association.

Mr Caracciolo: I am a seafood wholesaler, retailer and an ex-fisherman from Mackay. I have been in the fishing industry since I was probably six or seven years old. I have been in the marketing game for probably 30 years. I have worked all of the areas where they are talking about net closures, the Repulse Bay area, St Lawrence area and the Northern Territory. I have an extensive knowledge of the industry, marketing and catching.

Mrs Morgan: I am from Mackay in Queensland. I am a seafood retailer. We have two outlets in Mackay and we are currently fitting out our third outlet. We are also fish and chip retailers in Mackay.

Mr Ahern: My wife, Debbie, and I own Debbie's Seafood in Mackay with 23 staff and seven vending trucks, and we are also seafood wholesalers. In my spare time I go fishing still.

Mr Batch: I am a commercial fisherman and have been for 43 or 44 years. We have a family business, a wholesale-retail outlet, and two of probably the largest commercial net boats in north Queensland.

Mr Swindells: Thank you, Madam Chair and committee, for letting us have this opportunity to present our concerns regarding the net-free policy. The delegation is happy to address all questions and take questions on notice. The delegation at the moment would like to present some technical data.

CHAIR: Leave is granted.

Mr Swindells: As opportunities arise during this committee hearing, there may possibly be more information that this delegation would like to present to the committee. When that time arises, my colleagues may seek leave to present further information.

The information that we are going to provide today is verified by third-party information. The losers in this process will be Queensland consumers: the elderly, the sick, those who cannot fish for themselves and the commercial fishers who are going to lose their jobs. Then we go down to the retailers, wholesalers and tourism: they are all going to lose their jobs. Jobs in allied industries such as iceworks, transport companies and net suppliers will lose jobs through the process. This is in addition to jobs lost from commercial fishermen's businesses, retailers and wholesalers. At a time when the economy is losing jobs, the government should be protecting businesses that employ people, particularly in rural and regional Queensland.

Buying back our licences, which has been spoken about earlier, is not a compensation package. We can sell that licence as it stands now on the open market, so that should not be taken into consideration. The government has not taken plant or equipment into consideration. In my business I own boats, nets and other relevant equipment. My colleagues and I did a quick analysis the other day, and we quickly ran into \$500,000 worth of equipment, and we are only small fry.

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The industry believes that development of the policy did not follow due process. There is evidence that the policy was developed well before the election and drafted to the exclusion of the commercial seafood industry. In saying that, in the document that I tabled you will find emails between recreational fishers and politicians that state it was really done in a backroom deal. I can read it out to you, but I think you should read those emails yourselves. SurveyMonkey was a joke. All that SurveyMonkey was about was the boundaries; it was not about whether this process is going to help the tourist industry or not. We are not objecting to tourism. Tourists and us have to go hand in hand. Industry was told what the process was going to be. They did not come and consult with us. They said that they spoke to us over a number of years. I have been a board member of the QSIA for a number of years, and I can never recall this coming up.

In relation to the consequences of net-free zones, Mr Burns has invited recreational fishers and lobbyists to nominate more areas for netting bans, and one group is moving to have netting bans throughout the state. This would destroy some 411 fishing businesses operating 480 licences on the east coast and the Gulf of Carpentaria. I know these net-free zones are for the east coast, but there are also areas already put up for closure in the Gulf of Carpentaria. The Department of Agriculture and Fisheries has deemed this area targeted for net-free zones as sustainable. What that means is that there is no danger of the industry catching too many fish; it is sustainable. Those figures are supplied by the government. The three proposed net-free zones are something new. More than 200 areas are already closed to commercial fishing.

In relation to netting in Queensland, there are already extensive areas in the Fitzroy system that are closed. What that means is that at the moment through other regulations the Fitzroy River is closed effectively for six months of the year already. Why should there need to be any more? I noticed before they said—and they are quite correct—that the wild caught fishery is only going to be affected by 7.6 per cent, I think it was, but that is the bottom line. What they fail to tell you is that 32 per cent of wild caught barramundi will be removed from the fishery. That is 32 per cent of that one. There will also be 25 per cent of blue salmon and 20 per cent of king salmon that are going to be removed. They threw in small amounts of mullet and whiting into our area which brought the percentage down to seven per cent. If they had not put that in there, it would have been up around 25 per cent of wild caught fish that would have been removed from ours. We are open for questions.

Mr BENNETT: You said that the Fitzroy River is closed for six months. Is that just for one species: barramundi?

Mr Swindells: No, it is closed to net fishing. For three months of the year there is a barramundi closure that is closed to set nets. Then you have your weekend closures. They are closed from six o'clock on Friday until six o'clock Sunday night. In that system there is a small percentage that is left open for commercial fishing, but the majority of it—which off the top of my head would be about 80 per cent—is absolutely closed already.

Mr BENNETT: You heard my questions earlier to the department about the consultation process. You mentioned that you have not had much consultation over the years, particularly from the period 15 May to 15 July. Would you be able to elaborate for the committee on your exposure to the consultation process that was alluded to by the department earlier?

Mr Swindells: I do not know the dates specifically, but Keith Harris, John O'Neil, Adam Kelly, Gary Sykes, Quentin Warnock and I were invited to come along so they could talk to us. They told us what was going to happen; they did not ask us whether we agreed with this process. They did not ask us for our opinion on whether tourism would be a success or not. They just came in and told us, 'This is government policy. This is what is going to happen.'

Mr BENNETT: Was that the departmental officers?

Mr Swindells: That was Andrew Thwaites.

Mr POWER: There are 1,437 commercial fishing licences in Queensland. The figure from the department was that 26—and I think earlier they said 28—of the licences spend more than 73 per cent of their time in the zones. Is that information reasonably correct?

Mr Swindells: I cannot be 100 per cent sure. They quote that there are 400 and something licences there, but in fact there are only 120 N2, which is the set net symbol. That means that I can put an anchor on the end of my net and an anchor at the other end and set it. Any other net has to be drifted; it cannot be set. Effectively, there are only 120 fishermen that can access that system and do what they are talking about with barramundi. This all revolves around barramundi, but it is not just barramundi; it is king and blue salmon and all of the lesser species that we will still not be able to catch. The easy way to explain it is that people think barramundi is a top restaurant fish, which it is.

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Tourists come here and they want to eat barramundi. They do not want to go out and catch it, although to be truthful some do. The general public like to eat—and of course it is more affordable—the lesser species such as bream, whiting, mullet and king and blue salmon. Monetary wise, I would say that barra retails for around \$35 to \$38. You can buy blue salmon for half that price. I think the public will be the ones who will really suffer from this.

At the present moment we import over 70 per cent of seafood into Australia. A lot of the reason for that is we cannot catch enough. All of these restrictions have been put on us so that we cannot go and catch the fish. Why should the general public be subjected and forced to eat more imported product when the product is there to be shared? It is a community resource. It is not just for a select few people. The people who are pushing for this are only a few people. As you have noticed, we got over 27,000 signatures and we did not go hard to get that. Those people came up willingly and signed that.

Mr POWER: I just refer you back to the question. The information we were given is that 26 or 28 licences spend over 73 per cent of their time within the zones.

Mr Ahern: I have been one guy and I have just taken Andrew over it at the moment. I actually fish that area and I also own another licence that fishes that area. I have a guy working full time. I had not received a letter about working in that area, and then I got a letter from the department saying that I and Dave Daniels, the fisher concerned, were to be fined \$470 and so many cents because we had not been filling in our logbooks correctly—me for 15 years and Dave ever since they started. If you are not aware, we are given a zone which is a square and inside those zones there are tiny site areas. As I say, since 1993 I have been filling out logbooks and have never put that little site in. I have just put 'N24 and O25'. From what I can gather, we do not think that that information of my catch and Dave Daniels's catch is being put into the data that they have used.

As far as compensation goes, I have a letter to say that I had no time logged in the affected area. I rang Andrew about it and they are saying, 'For the last 13 years you haven't been filling in your logbooks, but it's okay. It's just now that we've got to pay compensation we might send you this letter to say that you're going to be fined \$470 if you don't fill your logbooks out.' I have a copy of that letter and I have shown it to Andrew today for someone to give us verification if that has been added on to the tally. I do not think it has. I think right from the start this whole thing has been rushed through. It has just been one bad decision after another and it snowballed and we have to stop it. Somewhere along the line there has to be a bit of sense brought back into this argument. People like me have not been consulted. I spoke once with Andrew right after this decision was made three days before the election. It caught me by surprise, and other guys at this table had been talking with Tim Mulherin a month before and there was no word of any of this coming. It came on us as a bit of a surprise. We were blindsided. There are just little things like that right through that people have not been aware of, and it is the same as the statistics. You have been shown that it is six per cent of the gross catch in Mackay. We do not have a tailor fishery, and that should not be added into our little area where it has been. The original figures are available for you to peruse.

Mr Swindells: With regard to your question directed at me, there would probably only be, in reality, about 12 commercial fishermen in the Keppel Bay system that work it pretty hard. The rest are only minor fishermen.

Mr POWER: Do they have specific boats or tackle that mean they are only able to work those types of environs?

Mr Harris: Yes. In the river system they have only a smaller tinnie, like David said, to run and set your nets. Some people do have a larger boat to store their catch on for an extended stay of three to four days and ice down before it goes to market. The majority of fishermen would probably be overnight fishermen who the next morning will go to their local wholesaler, whether it be in Yeppoon or Rockhampton, and unload the fish. It is filleted and basically the customer gets it that afternoon. How good can that be to get fish that fresh? Of all species, like David said, the barramundi is the one that everyone talks about, but the bread and butter fish are mullet. Like he said, not everybody can afford it. It is \$30-odd for a fillet of barramundi. That is a kilo. I can go in and buy half a kilo for \$15 and we can have a feed for \$7.50 each. When you work it out, it sounds dear when you put it in the top perspective but when you break it down it works into a very affordable high-protein food—resource—that we are feeding to the public which is under very serious risk not only for these three areas but possibly proposals that are on the books for other areas along the east coast and the Gulf of Carpentaria.

Mr Caracciolo: To answer what Linus was asking, in terms of the nets and the ropes because of the tide range down there, you have seven-metre tides north of the Rockhampton area and some in Mackay. You have bigger head ropes, you have bigger leads and you have bigger mesh—

eight-inch mesh or six-inch mesh. Those nets cannot be used on the foreshores in Brisbane or Hervey Bay because they are not suitable for those areas. So certainly the equipment is designed for those areas.

CHAIR: There is a lot of years of experience in fishing in front of us. With regard to the issue of sustainability, which is one of the reasons that the government came at the decision, have you seen a decline over the years in your catch?

Mr Swindells: There are a number of people who can answer that one, but the actual figures show that there has been no decline. In some areas it shows there has been an increase.

Mrs Morgan: On the DAF website we have the figures and they have been provided to you. From 2012 and 2014, barramundi was a sustainable caught fish in both 2012 and 2014. There has not been a decline. There are others on here such as grey mackerel. King salmon and blue salmon are not mentioned in here. They are undefined. That does not mean that they are not sustainable; it means that they have not been assessed. The main caught species is barramundi and that is sustainable.

Mr Swindells: The government has never, ever said to us that it is a sustainability issue. They have always stated, as Scott Spencer said before, that this is a reallocation from the commercial sector to supposedly tourist organisations. There is supporting documentation in there from tourist operators that have tried exactly what they are proposing and it has failed a number of times. I am not saying that it cannot work in the future. We have to have tourists. We have to have everything going in our favour to make our country earn money. We can work in conjunction with tourists; I am sure of it. I can remember when I used to sell mud crabs in Brisbane. I used to sell them to one man whose job was to go out as a tourist operator and pick up a crab pot, but he would put the crab in there the day before so that when the tourist was there he guaranteed something.

Mr POWER: I wondered why I never caught any!

Mr Swindells: That is why. If the commercial sector is removed, that could not be done.

Mr Caracciolo: I have brought some documents along that I would like to table. There is a copy for everyone. One is an introductory—

CHAIR: David, I will ask you to seek leave to table them.

Mr Caracciolo: Sorry, but I will just explain what they are. There is a financial loss status report. There is also something talking about net-free zones increasing tourism. There is a report from the Hinchinbrook Passage where they have a net-free zone. There is also our colleagues saying that there are 82 species of fish in one area. We only take 15 species commercially. With regard to the rest—and I used to fish that area—I do not know where they come from. There is a document there to do with bait nets killing juvenile fish right down to the Mackay fishermen or the Queensland fishermen who did a code of conduct. Tim Mulherin and Henry Palaszczuk were involved in that and that has all been ratified. In 2013 Mr Burke and Ludwig wanted to introduce closures all around Australia. The industry did a documentary called *Drawing the Line* with a CD. I brought a copy of that along for everyone to look at. There are scientists and everyone involved in that that may give you a different look at things in terms of how things happen in the regulation side of it. There are also letters from Keith Payne VC AM saying how un-Australian this is. He is totally against it.

CHAIR: Leave is granted.

Mr SORENSEN: It has been quoted to us that the catch is worth only \$2 million a year. For the wholesalers and retailers, what would it really be worth at the end of the day in those areas, especially for the wholesalers?

Mr Batch: I have a wholesale-retail business outlet in Cairns. It is a very small area where only four people operate, so it gives you an idea of what the product can actually be worth. One vessel alone—I have done the analysis—turns over somewhere in the vicinity of 25 tonne of fish per year into the local economy. That 25 tonne of fish cut down into pieces equates to probably 150,000 pieces of fish. If anyone can buy a piece of fish for \$6, as they stated before, I think you are getting a pretty cheap meal. Those species of fish we are talking about are very high quality fish served in restaurants. We are talking about king salmon and barramundi. You would pay anywhere in the vicinity of \$8 to \$16 to \$20 for a piece of fish. Working it out at \$8 a piece of fish, which is what you pay across the seafood bar, you are looking at very close to \$1.2 million from one vessel alone. That is one of my boats, so I know what I am talking about when you come down to pieces of fish—\$1.2 million from one vessel on one licence in one area.

Mrs Morgan: QFish has released figures and it is public information. In terms of the net-free zones, once they are closed that will mean a loss of 1.275 million serves with approximately 1.2 million serves per year of local wild caught fish which will be permanently eliminated from Queensland plates. That is estimated on 160 grams of fish. For example, in my shop we would sell a piece of battered barramundi for \$9 a piece. But in the entirety of these net-free zones it is 1.2 million serves of fish taken away from the Queensland public.

Mr SORENSEN: Have you guys ever been involved with any scientific research into barramundi fishing? Have you ever been involved with it to see a depletion or an increase in the population?

Mr Swindells: That might be a question that I could answer. None of us have any degrees in fishing, but we have a lifetime of fishing in the river system. We all used to return tags to the relevant departments. One of the people who is trying to get rid of us—that is one way to put it—I used to talk to every week. He would ring me up and I would ring him up, and I would give him the relevant information about whether they are small juvenile fish, what sort of recruitment we were having and if I was getting any other signs of how much fish was around. I do not believe that there has been any reduction in fish at all. Take as an example Pumicestone Passage, which is just across the road. There have been no nets there for I think over 20 years, yet the organisations over there are now trying to get money together to restock it manually. The only people who have been fishing over there have been recreational fishers, not us.

Mr Harris: The barramundi stocks rely heavily on seasons. That is a big factor in whether they increase or decrease. The chap whom Dave is talking about did a study on that. He predicts two years ahead, basically, how the recruitment may be for the barramundi stocks. He is normally pretty right. He works on all of his data. He goes out and catches little barramundi and measures them, and it is all related to flows in the Fitzroy River system which, as you are all well aware, is probably the biggest one along the east coast of Queensland or in Australia. Without that flow in the river, the flooding of the lagoons and the smaller barramundi going this way, obviously stocks will go down. We have had many drought years in the past, which indicates in the sales and the stock levels that they are down.

One other impediment I also believe is the fish ladder systems that we have in our estuaries. They deny the fish from going where they naturally want to go, because they are either improperly designed or poorly designed and basically do not work at all. There is a natural progression for fish to go up, do what they do and come back down to the saltwater system. There are a couple of factors which are way beyond our control that are seasonal and that are the migration of these stocks. I think the seasonal conditions are very important to the fish stocks. If they are not there, we cannot catch them. When they are there, we catch more and they say, 'You're taking more.' We are not talking more; it is just way the weather cycle goes.

Mr Swindells: In talking about stock levels, in Rockhampton they have recently held their local Barra Bounty, which is a fishing competition. I think it runs for about 2½ days and I think they have 80 teams. They predicted that they would catch around 350 barramundi. They caught 408. They also caught 516 king salmon—I might be out with a couple of these figures but not by much, I assure you—and 50-odd blue salmon and associated species. Overall, over 2½ days they caught over 1,000 fish. That just proves that tourism could be there now catching that amount of fish. That is what they are catching. If we equate that to making fishing the legal length, they caught effectively two tonnes of fish over three days.

Ms Morgan: Might I just add there that the whole issue with net-free zones has never been about sustainability. We have proven to be a sustainable industry. Sustainability was never the reason these net-free zones were put in place.

Mr Caracciolo: It was an election commitment.

Ms Morgan: It was an election commitment.

Mr Caracciolo: It was purely politics.

Ms Morgan: Yes.

Mr BENNETT: I have a question to the team. A big problem I have with all of this is the statistics and the numbers that have been thrown around. Could you give the committee the benefit of your experience with the black market? Does it exist now? I know that you cannot answer a hypothetical.

Mr Swindells: I will just give you an instance that was reported to me by another fisherman three weeks ago on Spanish mackerel alone. He said, 'I've just been given 400 kilos of backbones from an amateur fisherman who has been out for the last four days.' If he got 400 kilos of backbones

to put in his crab pot, that equates to around 1.2 tonnes of black market Spanish mackerel that was caught. That is only one instance. There is more recreational black market fishing. It is rife. I was talking to a local fishing inspector the other week. He had done a run-through in a place called Casuarina. As he was going in there he saw these recreational fishermen emptying out bags. He raced in but unfortunately could not catch them. They all had bags full of jenny crabs.

I was an amateur fisherman. I still am an amateur fisherman. I was the president of an amateur fishing club for 25 years, so I have seen both sides. I can remember when we used to go out as an amateur fishing club. It would be no trouble at all for us to catch 1,000 fish—no trouble at all.

Mr Caracciolo: Another point that is in these tabled documents is that, as commercial fishermen, we cannot go out and line catch barramundi. It has been in the media that we can go line fishing. I have it in a government document there. We cannot, because we are commercial fishermen, catch barramundi for commercial take. I do not know why we are discriminated against. So that is part of it. The land mass in those closures is 2,240 square kilometres—the size of Canberra we are talking about—for these recreational-only zones apart from the ones that are there already now: the closed creeks, the green zones, the Commonwealth government zones and the yellow zones. We are not talking about one creek: we are talking about a big volume of productive area that feeds the population.

Mr BENNETT: I have heard some concerns from the commercial seafood industry associations in regard to the formula being used. I understand that it is set in the regulation. Have you or have any of your members done the numbers in terms of where you will end up with the proposed QRAA formula on compensation?

Mr Batch: I can answer that. I have a handle on what I catch and what it is worth at the end of the day. I am being offered one-third of one year's take. That is my compensation package. The value of that is based on the value of product that the Queensland fisheries department issued on the Great Barrier Reef Marine Park zoning. That is going back the best part of eight or nine years ago, and I am sure that the product has increased since that time.

Mr BENNETT: So eight or nine years ago—

Mr Batch: They valued the product. I still was in possession of the value of each individual species worked out on the value that they placed on product, and my compensation package is equivalent to one-third of one year's take in that area.

Mr Swindells: You can see by the comments that have been made here that we do not really want a compensation package to be on the table; we are here to try to feed the public. But, if we are forced down the compensation package line, it really should be done properly. Personally, I am going to get only \$5,000 out of this. That is my choice. I choose not to do a lot of netting. For me to do that netting, I still had to purchase a boat—an outboard—and thousands and thousands of dollars worth of nets. I have bundles of nets that have not even been used yet. If this is imposed on me, how am I going to be compensated for all of my equipment? It is not just me: it is Keith; it is everybody sitting at this table. We have thousands of dollars worth of stuff that will be sitting in the back room. Where is it going to end up? Probably in the hands of recreational users so they can go and catch black market fish.

Mr Caracciolo: There is no compensation or even any mention of any compensation to the marketers. In the figures that I have produced there, over five years I will lose \$1.7 million in income. I will be putting off staff. We are not even considered in the whole package. How the compensation package was done intrigues me totally. With regard to what the fishermen have been offered, everyone I have spoken to has flatly rejected it. It is a joke, it is an insult and it is totally embarrassing the way the government has done it.

Mr Swindells: If you remember correctly, if you go back to when we introduced the green zones, they estimated that they would be able to get out of the compensation package for \$50 million. I have heard two figures. I have heard one say that it was over \$300 million, but I have had one politician tell me that it was over \$500 million that they ended up having to pay out in compensation and we have been offered \$10 million.

Mr BENNETT: You are representing key geographical areas adjacent to or in the proposed net-free zones, but across Queensland and New South Wales a lot of fishermen participate in these areas as well. Commercial fishermen operate up and down the coast. While we are referencing Trinity Inlet, Yeppoon and Seaforth, there are fishermen in my area of Bundaberg and Hervey Bay who participate in your areas as well?

Mr Caracciolo: That is correct.

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Mr BENNETT: Just so the committee gets a broader idea of how wide—

Mr Caracciolo: Fishermen travel the whole coast. If there has been rain in a certain area or there is a good season, they are not zoned to any specific area. Today I could be sitting in Brisbane and tomorrow I could be in Cairns looking for mackerel. A trawler bloke might be in Hervey Bay or Yeppoon; tomorrow he might be in Mackay, because banana prawns have shown up in Mackay.

Mr Batch: Cairns is a special case, because, as it was stated earlier, Cairns is already closed. It has been closed since the year 2000. In the year 2000 there were, I think, six deeds signed for people to fish in that area. Cairns has basically been a protected area except for four existing deeds that are still there. Other than that, no other Queensland fisherman was allowed to fish in that area.

Mr Swindells: I think Ted brought up before that the majority of us are what we call multiendorsed fishermen. That means that I am entitled to go line fishing, net fishing and crabbing. In my situation, net fishing is a small amount of my income. But, if you take it out of my livelihood, I will not have a livelihood. Therefore, I think that certain people are thinking, 'If he can't make a living out of this, he's going to get out.' I know they say, 'You can go crabbing,' but if I go crabbing I am only going to increase effort in that particular fishery. Will the next thing be that the recreational sector will be on my back saying, 'There's not enough crabs there now; close this down'? Where is it going to stop? It has to stop now.

Mr Caracciolo: Displacement of effort is a big issue.

Mr Harris: Like Dave said, I am a multiendorsed fisher. I am similar to Dave. What we are talking about here today will mean that I will lose 25 per cent of my income. It will be gone with no prospect of it being replaced—not in the net fishery, because there is nowhere else along the coast that I can go to access a river system like the Fitzroy River to replace what I catch. Therefore, I am going to have to put, as they said, effort into another fishery. That could be either mud crab or the line fishery, which I would not normally access at that time of the year. To do that, I will have to probably move to another area and impose on other fishermen's areas. They do not want me there, I do not want to go there, but I am being forced to do that.

Mr Swindells: To explain how bad this is—and Keith was talking about the transfer of effort—there have actually been guns drawn already up the coast where commercial fishermen are threatening to shoot each other because of them moving from one area into another. I hate to see that happen. We should all be getting along together, not doing that.

Mr Caracciolo: In closing, there are also three more net-free zones in front of the government at the moment to go through. We are not just talking about these three that are on the table today. There is Albatross Bay, Capricorn and Moreton Bay. Where is that going to leave people? It is just ludicrous.

Ms Morgan: I want to add something before we close. Something very important that our industry is trying to get across to this committee is the fact that there has been very little consultation. We have asked for consultation. We have asked for compromise. We feel that we have been quite disrespected in the fact that this will happen and this is going to happen. We know that QSIA has sought five separate written requests for consultation that have been ignored by the minister. We found out that the regulation was pushed through at midnight two nights before the election via media.

We have suffered a very vicious attack from recreational lobbyists who are pushing for this. Our businesses have been ridiculed on social media. We have been labelled a joke and a load of crap. We are here fighting for our industry. It is very important to us. I have 34 staff plus my own livelihood. That is something that we want this committee to recognise: we want consultation and we want compromise. There is a way that this can work. It needs to be handled with parliamentary scrutiny so that it is looked at correctly before it is implemented. I think that is a big part of what we really need to say.

CHAIR: Thanks, Kelly. Thank you, everybody, for your time.

Mr Swindells: Thank you very much. If you want any further information, feel free to ring any of us up.

Mr Ahern: We were awarded the best seafood business in Queensland again (four years running) and are now finalist in the National Award.

Ms Morgan: Myself as well: Best Fish and Chips in Australia.

Mr Ahern: Yes, Kelly as well. We know what we are talking about. We have been told through the whole process that the businesses do not work and we have not made money, yet here we are.

CHAIR: Thanks, Mark. We will have to wrap it up. We have a tight schedule. Thank you all.

LYNNE, Mrs Judy, Executive Officer, Sunfish Queensland Inc.

CHAIR: Welcome, Judy.

Ms Lynne: I would like to thank you for allowing me to present this afternoon.

CHAIR: Would you like to tell the committee about your organisation and who you represent?

Ms Lynne: I am the executive officer for Sunfish Queensland. We are a peak body representing recreational fishers. Recreational fishers cross a very wide demographic. They cover club fishers and mum-and-dad fishers. We look after the interests of people who do not even identify as but actually are recreational fishers. If you are doing a survey and ask people what their pastimes are, they will say that they do cricket, bowls, footy. If you then ask, 'Do you ever fish with your family at Christmas?', they will say, 'Oh, I've been doing that since I was a kid.' There is a very large portion out there who fish with their family but do not really identify that as a pastime. It is a very diverse group to try to get across. We are trying to address that.

I am also involved nationally with the Australian Recreational Fishing Foundation. We have been doing a lot of work with the federal government, which is trying to liaise with state governments to try to address that a little by looking at the recreational fishing surveys across the country to see if we can get a little more consistency and data so that we know who we are dealing with. These days when we are talking about allocations and harvest strategies, it is important to know exactly as a sector what we are taking out. Looking at representation is really important.

We have become a little more diverse in what we do. It is not just about the fish that the sector takes out. We have become a lot more heavily aligned with the NRM sector. I am on the executive of the SEQ Catchments Members Association and the Fish Habitat Network. It is all about looking after the environment where our fish stock comes from.

If I use an acronym by accident, please pull me up. Fisheries is probably the worst industry for the use of acronyms. I have worked at all levels of government and this industry is probably the worst for using abbreviations. I have written in capital letters to try to remember not to do it.

Net-free areas are not new. It is not Queensland-specific. Currently there are closures all around the country. Some of them have been in place for a very long time. This is not something new. With this particular process, even though the media and some presentations have said that it all happened very quickly and very fast—and I am sorry, but I did not think to bring the original document—in 2012 there was a presentation put up to the Queensland LNP, and QSIA was a cosignatory, requesting a \$9 million buyback. That was from the industry saying that netting needs to have effort reduced. They wanted a buyback. They considered that \$9 million was going to be sufficient. In that document, there was a paragraph that said that these buybacks would have special consideration for areas of high recreational and environmental value. Unfortunately, those areas of high recreational and environmental value were not taken into consideration. This process, then, for net-free areas was a flow-on from that process. The areas that we were looking for of high significance were not addressed in that previous process so it flowed on to these further applications.

As the people before me mentioned, there are estuary closures in Queensland. It is very much a bipartisan type parliamentary policy position. The first closures were in 1989 with Nev Harper from the National Party. Even to the current day we have a bit of a quandary in that, with net-free areas, this has been put through by the current Labor government and, at the same time, the current coalition federal government is supporting net-free areas through the 2050 reef sustainability plan. The message there is probably that this is an issue that goes across politics, across communities, across everywhere.

The media has a lot to answer for in what we are dealing with at the moment. It is not just about commercial fishermen and recreational fishermen. It involves a lot of other community groups and local commerce industries and families. There has been a lot of scaremongering and grandstanding in the media. Media loves a story. On Thursday of the week before last, Channel 7 ran a story that included a quote from a celebrity chef in Moreton Bay who was belabouring where he was going to get local seafood from for his very well-known bayside restaurant. I ate there for my daughter's wedding rehearsal dinner on Thursday of last week. The seafood on his menu was Tasmanian salmon and whiting fillets that the menu stated were from Fraser Island. Given his level in the community, I am assuming that prior to going on to the Channel 7 show he was probably given misinformation. That would then lead me to believe that a lot of the other stories in the media may have involved very well-recognised people who have not been given the information that they should have been given.

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Net-free areas from a community's perspective: if I had children who wanted to learn to play football, I would take them to the football club. If a child wants to learn to fish, most people will not go to a fishing club because the general consensus is that they are the guys who go out there and are really keen; they go out in boats and fish all night. So people will not go to the clubs. Once we have net-free areas, that will provide an area where families can go with an understanding that probably there will be somebody on the beach who may be able to help them. Fishermen are notorious for that. They will talk to anybody. They will just stand there and talk all day and they are happy to pass on their information.

One of the good things that has come out of all the media and the social networking on this is that people are posting their stories of seeing a kid who has caught a fish for the first time. For us, we are looking at getting people back on the beaches. In addition, it is about community groups; it is not just fishing clubs. Organisations like Chicks With Cancer, beyondblue and Pink Flyfishers all rely on areas where they can take their members, get on the beach and have an expectation that they will catch fish. And it is families that maybe go only once or twice a year. There has been a lot of passionate comment out there, but sadly a lot is not based on fact.

I have not provided a whole heap of data because numbers can be manipulated, and I know there have been in a lot of instances on both sides. Some of the really basic stuff: an ABS survey said that most people who buy seafood tend to buy it from the major supermarket chains. The major supermarket chains generally source from regular farmed sources. Most Queensland fish and chip shops also source from wholesalers with national and international footprints. Australians have an ever-increasing demand for high-quality, sustainably sourced produce and we can see that in the advertising across television from Sunfish ourselves. A survey of retail outlets was done in the Rockhampton area. Another has been published from Hervey Bay. We have done two so far over a time period in Moreton Bay which show that less than 20 per cent of outlets actually stock locally caught net fish. By net fish, I am talking about gill netting and not tunnel netting. Tunnel netting tends to produce a higher quality fish. In this day and age, that is what the market is demanding. They are not demanding the stuff that is gill netted, drowned and damaged.

Can I ask leave to provide some photos? They are live photos, home photos. I will mention them as I go through.

CHAIR: Is leave granted? Leave is granted.

Ms Lynne: These are photos of net-caught fish in Rockhampton and this comes from a commercial netter's Facebook page. It shows fish just lying in the bottom of the boat, with no ice at all. This one here is also from Rockhampton and that is wire cages full of net-caught fish with no ice. What we are trying to say is that, from a community perspective, this kind of product is not going to our local market. The reason it is not going to our local market is that people will not buy it. It is going to wholesalers and from there a lot of it is shipped south and then on overseas. The stuff that is appearing in our local markets is generally line caught or tunnel-net caught. It is a much better appearing product. It does not have marks and bruises on it. It is a lot fresher. When people are buying fish in the supermarkets, they now have guides to show how to source really good quality commercially caught fish. With the net-free areas, we are certainly not looking to stop people being able to purchase fish. We would like to see that the fish that is available locally is of a higher quality and a quality that the Australian consumer is looking for.

There was mention earlier about sustainability. Sustainability is a very complicated issue these days. With a lot of our fish stocks, there is no issue with sustainability of the stock as a whole. The N1 fishery is a Queensland based, whole-of-east-coast based fishery. When fisheries have to do a stock assessment, they are looking at the stock as a whole. At the national level, it has already been identified through a lot of the different fisheries that we are going to have to do a lot more science around localised depletions, and localised depletions is what we have in Queensland. The Commonwealth Scientific Advisory Committee with the small pelagic fishery has had to address localised depletion and come up with a definition so that it can be researched to deal with harvest strategy. Including with the MRAG review that is up for consideration at the moment, there is a push looking towards a harvest strategy so that different sectors have an allocation of their stock. To do that, there is a need to look at localised depletions.

In some of the Commonwealth fisheries they are already closing off certain grids that have high recreationally significant value. These are grids that could be in the middle of the Great Australian Bight, off Tasmania, but they are areas that have been identified as having a stock going through them that can be impacted by a concentrated effort. Generally what happens in areas of high recreational significance is that you are looking at localised depletion. Commercial fishers are the same as people in the community and the recreational fishers: they like to fish near where they live.

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Where the larger population is, that is where the heaviest concentration of fishing is. That is where we find impacts from gill netting because that has a high concentrated effort in a very small area. While the stock as a whole does not have depletion issues, in that local area there are very significant impacts. Both sectors will target spawning aggregations. That is how the commercial sector make their profit, by targeting spawning aggregations, and that will severely impact on the local population of fish. It also targets future populations of fish if you are targeting a spawning population because then there is less recruitment in future years.

Pumicestone Passage was mentioned. That is a local area for us. A local fishing club has put in a couple of applications for restocking. It is mainly whiting that they are looking at restocking. We are having that issue of local depletion of whiting populations because the nets that are used from the Noosa council area all the way down to Bribie and Moreton are targeting those moving populations of whiting as they come along the beach, so we are not getting the recruitment for them to go up the passage any longer. They cannot get into the passage to then be allowed to be caught.

In terms of the tourism value of recreational fishing, the numbers are so large that it is really hard to calculate them. Our ability to collect that data is also limited. As an example, we sent a survey out two years ago to caravan parks and to the caravan park organisation. On their records between April and September 70 per cent of people who were in their caravan parks were not Queenslanders. When they are not Queenslanders, we do not have the ability to collect data from them.

A lot of the value that we are getting in communities is not coming out of our own pockets; it is fresh money. The Barra Bounty was on the weekend before last. In terms of the figures that were provided to the local council up there, approximately \$100,000 each year in new money comes in for that long weekend event. They are people who come up with their families and book accommodation. They stay a bit longer. Normally they will not just come for the two or three days. They will include that weekend as part of an extended trip. That is another reason why the net-free areas along the north are so important in terms of tourism. The tourists who come from the south stop all the way up the coast. They will go fishing, they will go to the local tourist parks and they will do a lot of other tourism activities. As a family unit, mum says, 'I want to go to a resort in the Whitsundays.' Then the kids say, 'We want to go to the water park at Yeppoon.' Dad says, 'Okay, we will do all of that,' and in the back of his mind he knows he can fish as well. While the trip has been planned and booked to go to that resort, it is all of the other family activities that occur along the way. If one of those activities is not available, that trip may not happen. They may go somewhere else, and that will have an impact on the tourism industry.

There is data to reflect this. It is gulf based rather than east coast based, but it will give you an idea. Two years ago in the wet season the RACQ failed to update their road advice to say that the road that goes from Cairns across to the gulf was reopened, so people were going the long way around to do their fishing in the gulf. Two of the towns along that road nearly shut down. The towns nearly closed because they did not get passing tourists through. Recreational fishing is about the only thing people go up to the gulf for. There is not a lot else. If you are doing any of the other touristy things, you go through the centre.

I will not go into the matter of increased protection. I will leave that to Jim. When we were doing the 2012 presentation, which QSIA was a part of, for the \$9 million buyback, the data that we were provided showed that not so much turtles but mainly dugongs and dolphins also tend to be in the same area as our high-population centres. Reducing gill nets in those areas will have a flow-on effect to impacts on those native species.

One thing I would really like to make clear—and I have lost count of the number of times I have said this in probably the last five years—is that as a sector we are not targeting commercial fishing full stop; we are looking at impacts from entanglement gill netting. It is gill netting as an industry that we believe is causing environmental impacts and localised depletions. It is also not providing a good quality product. Line caught commercial fish or tunnel caught commercial fish is just better for the community, better for the environment and better for locals.

CHAIR: Thank you so much, Judy.

Ms Lynne: Thank you for your time.

HIGGS, Mr Jim, Great Barrier Reef Fisheries Policy Manager, World Wildlife Fund—Australia

CHAIR: Welcome, Jim. Can you tell the committee a little bit about your organisation and whom you represent?

Mr Higgs: Today I am representing WWF—Australia. Globally I think it is one of the most recognised environmental non-government organisations around. WWF—Australia has had a long involvement in the Great Barrier Reef in various campaigns. Today I will be talking specifically about the net-free zones and the fisheries side of things and not getting too involved in the wider campaigns that the organisation runs.

As a good former public servant, I think I should also reiterate that in my former roles I have worked for Fisheries Queensland in its various guises and also the EPA. While I was at Fisheries Queensland, I was also seconded to work for the Queensland Seafood Industry Association as their stand-in office manager/CEO for a short time. In these roles I was heavily involved in coordinating five structural adjustment packages and removed something like 350 commercial fishing licences out of the Queensland east coast.

I would like to go through a bit a background before I get into our submission. This year's UNESCO decision really highlighted the values that the world sees that the Great Barrier Reef has for many people. It is not just for Queenslanders or Australians; it is actually a global priority for many people. It really highlights that all levels of government should be looking at trying to reduce the risk to different values of the marine park.

To get an understanding of our submission, I think it is also important that we look at a little bit of history. As I mentioned, I have worked for Fisheries for a few years. A lot of the problems we seem to have in Queensland still stem from the mindset of the policies in the seventies and eighties when commercial fishing licences were seen as a mechanism to promote the regional and rural economy. It was pretty easy to get a commercial fishing licence back in the seventies and eighties, and it was not until the mid-eighties or late eighties that they put a limit on the number of licences allocated.

The first major reforms for the inshore finfish fishery, which is the main component of these net-free zones, did not really occur until 2008 and 2009. A lot of latent licences were removed from the fishery and there was a two-stage process that was communicated to the public. The first stage was looking at trying to limit things. That is where the latent effort removal for the commercial sector came in, and also for the recreational sector there was a range of new size and bag limits that were applied. Why I mention this is that the second stage of that review was intended to provide local solutions for local issues.

Mr POWER: What year was this?

Mr Higgs: This is 2009. As I mentioned, the second stage—local solutions for local issues—was to provide a mechanism to address localised issues such as where fishing occurs in a region, what or how apparatus are used and temporal or spatial closures. The second stage was never really implemented. A lot of the grief between the commercial and recreational sectors maybe stems from that time where the recreational sector believe they got the size and bag limits but they do not believe that the commercial sector had the spatial management component of the second stage.

As Judy mentioned, prior to the 2012 state election, WWF was involved in coordinating a consolidated policy paper that essentially was used to go around to the political parties before the election and gain commitments to remove commercial fishing nets. The document Judy from Sunfish mentioned earlier was the *LNP CanDo action: safeguarding for our marine resources* policy commitment. The wording that Judy was after was—

... undertake a \$9 million voluntary buyback program in consultation with the industry. The buyback will target large mesh and gill nets with a special focus on important recreational fishing locations and areas of high conservation value.

That was back before the 2012 election. The then minister in one of the first press releases around that program highlighted the 50 per cent target. Again, this is another direct quote from the minister at the time. He stated—

In line with industry wishes, 50 per cent of net licences will be withdrawn to keep the industry sustainable.

He goes on—

“I have instructed the Chairman of the buyback steering group, Mr Scott Spencer, to draw up a list of management options to stop any speculation and ensure we achieve our goals.”

“Such management options could include a trebling of licence fees because of the increase in value of remaining licences, along with VMS satellite tracking and reporting, and taking out latent licences with historically low takes.”

The results from that scheme were published earlier this year. It certainly did not achieve the 50 per cent target that was deemed by industry to be the level required for sustainability. The actual program delivered about 30 per cent of the large mesh nets from Queensland. Again, leading up to the last election, WWF provided some policies around trying to improve the sustainability of commercial fishing in Queensland. That is possibly where we may have influenced the launch of the sustainable fishing policy, which includes these net-free zones.

In our submission to the net-free zones public consultation, we looked at some of the values for populations of marine turtles, dugongs and inshore dolphins. It is worth raising that, since we put that submission in, the two inshore dolphin species that we have—the humpback dolphin and the snubfin dolphin—have both had their listing under the Queensland Nature Conservation Act increased to ‘vulnerable’ status. If the mechanisms are still in place for this fishery’s performance measurement system, they should trigger some form of management response to try to get that species back lower on the NCA listing. There have also been a number of dugong deaths along the Queensland coast. Due to the time they were found, we have not been able to identify the cause.

Some of the earlier speakers have discussed the sustainability of fish stocks in Queensland, but there has not been a discussion about the sustainability of dugongs and snubfin dolphins which was a key aspect of the original listing of the World Heritage area in the early eighties. Again, some of the research shows that, unlike the fishery stock assessments where you can have one good recruitment from good seasons, the protected species do not bounce back. They have very low rates of increase. Even a single human induced mortality can lead to the demise of that population.

Daniele Cagnazzi is a researcher who has done a lot of work with snubfin dolphins in the southern closed area, and his estimates suggest there are fewer than 100 snubfin dolphins that reside pretty much within the closure that is being proposed. Even the loss of one dolphin could head that population to extinction. As I mentioned, these things cannot bounce back like fish stocks with a good season. They will take decades and decades to recover from these sorts of—

Mr POWER: Which zone did you say that is?

Mr Higgs: The southern ones, so Fitzroy River, Keppel and out that way. That last special closure is pretty critical for that population of snubfin dolphins, and our submission said that it needs to be large enough to protect the entire population. If you end up with displaced effort and the zone cutting that population in half, it is likely that the commercial fishermen that are displaced will be using new gear in new locations and we will see an increase in mortalities just because the fishermen are doing something different to what they have historically been doing. Our strongest point with the net-free zones is that the southern area has to fully protect the whole population of those snubfin dolphins or else we could see the localised extinction of that population.

The rest of our submission looked at the key factors of good fisheries management. As I mentioned, there is still an oversupply of commercial fishing licences on the Queensland east coast. The WWF has been pushing for a long time that, instead of having maximum sustainable yields, we should be looking at maximum economic yields. Essentially, that is fewer boats catching more fish. With fewer boats you have a reduced fishing effort and the natural population starts to build up. So you might have a sustainable stock or the maximum sustainable yield might be at 30 per cent of the standard population, but if you have maximum economic yield you might let the population grow back up to around 60 per cent so it is that much easier for the commercial fishermen to catch the fish. They are using less fishing effort, so there is less interaction with the protected species. Economically it is better for the remaining fishermen because they can actually make some profit through higher catch rates even if their prices are set and their costs are increasing over time.

There was some discussion earlier about guns being drawn. The WWF also suggested that we need to have regional quotas. This would allow fishermen to still have their east coast entitlement so they could still fish up and down the coast, but if they are going to a new zone they would have to lease or buy some of the quota holdings from the existing local operators. That way there is a benefit that it gets locked in for the local fishermen. They can either fish the stock themselves, or they can lease it out to somebody that wants to pay them to access their quota.

We are also very strong on using compliance. We need to be smarter about this. In my previous role in fisheries when we introduced the satellite tracking for the trawl fishery there were a lot of issues around trawlers not fishing in the right areas. Within a couple of years of having the satellite tracking those sorts of issues for that fishery pretty much vanished because they knew that people could see where they were fishing. We need to be smarter and we need to apply the technology we have used with trawlers 15 years ago back on the other fisheries in Queensland. We need to have observers on these boats to make sure that we know what is being caught. We know that these fishing gears can

interact with dugongs and dolphins and turtles. It does not happen regularly, but, as I said, just one death is enough to cause problems for the local population. We need to make sure we have observers on the boats so we can come up with an accurate measurement of what the interaction rates are.

The section that I work for is the market transformation section within the World Wildlife Fund. We work with industry groups to try and promote best practice methods and third-party independent accreditation of the production methods. I work with the Marine Stewardship Council certification process, which is an independent body that certifies a fishery and promotes the blue tick of sustainable seafood production. That is where we need to be heading. We need to make sure that this fishery is in a state where we can have it accredited by a third party. We can see that there is a bit of emotion between people agreeing about what government or industry says is sustainable these days, and we need to make sure that when we talk about sustainability it is not just for the fish stocks but also for the other protected species.

Mr BENNETT: You did use the emotive thing about turtles and dolphins a lot there, but what evidence is there and what mortality rates are you quoting, or is it hypothetical? Considering that the industry has done significant work with excluders, they have been working really hard, particularly with turtles, which you did not mention.

Mr Higgs: Industry has done some great jobs with particularly turtles and it is a nice active fishing method, the trawl gear that can use other methods to exclude turtles or sea snakes. The trawl industry has done a brilliant job on the east coast and in the Gulf of Carpentaria to reduce trawl interactions. The issue is we do not really have the research for the net fishery. The tunnel net operators in Moreton Bay have come up with a great code of practice. They have put in place gear similar to a trawl excluder. They have turtle excluders so they can keep the turtles and other large things in the water, which is fantastic, but we really do not have the same amount of detail for the gillnet fishery. The reality is that, unlike turtles, dugongs can die in under five minutes. They essentially drown. If you have a couple of hundred metres of net out and you have a couple of lots of those and you have a couple of hundred metres between all of those, by the time you see something at the other end of your nets—

Mr BENNETT: What evidence and what numbers do you have, or is this all hypothetical?

Mr Higgs: No. Industry has called for zone reform in places like Bowling Green Bay, where they know that the offshore set net fishery caused the deaths of—

Mr BENNETT: Whereabouts is that?

Mr Higgs: Bowling Green Bay is just south of Townsville. Industry was very proactive in trying to get regulatory reform in that area because they know that the regulation as it stood allowed offshore set nets to occur in very shallow waters where the dugongs were. There were reportedly four deaths, and by the time they got there there were definitely two drownings. We funded some research looking at new methods to try and reduce interactions. Some of the local fishermen in Moreton Bay were very proactive in looking at options to reduce mortality for dugong by having different gears that partly broke away and let the animal swim through. During that research process they were in areas that could be fished using that apparatus, and they were able to catch dugongs.

Mr BENNETT: I do not want to be argumentative, but it could be said that the amount of dugongs, dolphins and turtles that are hit by recreational fishing motors could also contribute to a high mortality rate and we do not know about it, so it could be due to increased activity on our waterways with boat licences. Is that a fair comment?

Mr Higgs: There are a range of options. Marine parks use go-slow zones to reduce those, and they are very effective in reducing—

Mr BENNETT: I suppose enforcement is another thing.

Mr Higgs: It is a bit easier down here because we have such a small area, but that is an issue up there. But researchers have accidentally killed dugongs using large mesh nets and it takes just a couple of minutes. It is a low rate of occurrence, but the consequence of that happening is very dire for those populations.

Mr POWER: In 2009 the QSIA said that there was no warning of these policies, but you said that in 2009 it was flagged that there be local solutions based on spatial closures, and in 2012 the policy was about recreational areas and high conservation again as a spatial policy. At the last election there was a 50 per cent reduction in east coast licences; is that correct?

Mr Higgs: That was the 2012-14 target, so that was under the LNP government. The industry had wanted a 50 per cent reduction.

Mr POWER: The industry wanted a voluntary reduction to the point of 50 per cent?

Mr Higgs: Yes, that is correct.

Mr SORENSEN: On the weekend there was an article in the *Courier-Mail* about slave ships and \$2 million worth of illegal catches. Does Australia not have a moral and social obligation to make sure that we produce and import fish from other countries so they are not just raping the area as well? I have net-free zones in Hervey Bay, but that does not satisfy them. It is the next step and the next step. When we get rid of the net fishermen it will be the crabbers. Do you not think Australia has a moral and social obligation to the rest of the world to produce its own fish?

Mr Higgs: We certainly do, but we need to make sure that it is sustainable and that as a developed country—and particularly one that is looking after a World Heritage area for the globe—those measures we put in place are truly sustainable, not just for the fish stocks but also for the species we were talking about before. There are only 400 to 600 dugongs left on the GBR urban coast south of Cooktown, according to the last survey that was done. Of those 600 there were no juvenile dugongs there at all. That is a pretty serious issue. We need to make sure that we are maintaining the unique values of the marine park.

As I mentioned, I work for the market transformation team. We are working globally to try to come up with certification schemes that are third-party independently accredited so that the Australian public can make their choices on how sustainable their seafood products are. Queensland has some issues with trying to adopt those third-party certification schemes because, as I mentioned, we are stuck with some of the issues we had from the 1970s and 1980s when licences were handed out. The big issue we have is that we need to have viable commercial fishermen who can afford to implement these things that everyone thinks are a standard for a developed country. We need to have VMS; we need to have observers; we need to have decent research that gets published so we know how things like sharks are going on the Queensland east coast. We need to make sure we have commercial fishermen who are making some money and we can have appropriate fees and appropriate research and compliance. Otherwise we do not know: we might be performing just as badly as some of these other countries.

Proceedings suspended from 3.56 pm to 4.11 pm

McKENZIE, Mr Col, Executive Officer, Association of Marine Park Tourism Operators

O'CONNOR, Mr Paul, Chairman, Mackay Tourism

CHAIR: I welcome Col McKenzie, the Executive Officer of the Association of Marine Park Tourism Operators, to the table and we have via teleconference Mr Paul O'Connor, Chairman of Mackay Tourism. Welcome, gentlemen. Would you care to make brief opening statements?

Mr O'Connor: Certainly. Thank you very much for the opportunity to present this afternoon. I will give you a little bit of background about Mackay Tourism. It represents in excess of 200 members located in the areas guided by the Mackay Regional Council and the Isaac Regional Council. We have been looking for opportunities across a number of years to be able to find more incentives for tourists to visit the region. In 2005 we commissioned a study from the Stafford Group to identify the benefits of fishing tourism in the region. That study was particularly focusing on the impoundments of the area—Kinchant Dam, Eungella, Teemburra and the Peter Faust Dam located in the Whitsundays. This particular study also included some information on the benefits of adding saltwater fishing to the mix to provide a complete angling opportunity for the region. We also identified back in 2005 that a New South Wales study had shown that saltwater fishing takes in 86 per cent of the market, with the rest preferring freshwater fishing. The long-term plan that Mackay Tourism embraced back in 2005 and is still working on in 2015 is identifying the natural opportunities for people to be encouraged, firstly, to visit the region and, secondly, to stay a little longer. We certainly see the opportunity of an improved fishing environment as one that will stimulate further attractiveness for the region.

CHAIR: Thank you, Paul. Col, would you like to make a statement?

Mr McKenzie: The Association of Marine Park Tourism Operators is the peak body for marine tourism on the Great Barrier Reef. Some 90 per cent to 95 per cent of tourists who visit the Barrier Reef are carried by our members, and we obviously have a very focused view as to how to get more tourists into the regions and how to maximise the returns. We have been part of the fisheries rationalisation process for many years. We were part of the net buyback that I have heard mentioned here this afternoon and we were a part of that process as it went through. Our association totally supports the proposed legislation. We think the legislation is the only way to go. We have to close the areas and then compensate the commercial fishermen for what they are going to lose. I think that is really where we are at. It is making sure there is fair compensation for the fishermen, because some of them are going to lose a significant part of their livelihoods while some of them will lose almost nothing. There are some people who hardly use their licences. I think the legislation draws a fairly straight line across what is going to be paid and what is not. I think a fairer way of looking at that would be looking at their logbook history to find out what is the usage—what have the commercial fishermen done—and that should be how the compensation should be done. Some would get more; some would get less.

My other concern would be that when we displace that effort they are not simply going to go into another area and create a problem there. That certainly is part of the fishery management. It is almost impossible to see what is going to happen—you close one area and then another one gets really seriously hammered. You almost have to have the judgement of Solomon as to how you are going to draw that line. The key, however, is certainly to be looking at how we can maximise the return from the resource. There is no doubt in our mind that if we had better catches in the areas that are now proposed as net-free areas we would significantly improve the local economy with the creation of jobs. There are far more people involved in recreational fishing than there are commercial fishing. When you start looking at what has happened in Darwin and the Northern Territory, a lot of commercial fishermen have simply swapped over to being commercial guides, and they are making far more from the charter fishery than they ever made when they were looking at trying to make a living from net fishing.

The poor recreational catch is a matter of record. There are significant areas, certainly within the Cairns area, where we have had fishing club after fishing club start up and then close down. They cannot keep their members because they cannot get the catches. They run fishing competitions and they get six or seven fish reported, and that is for a 24-hour or 48-hour fishing period. That is just simply driving people away from it. It is strange to see, but people from Cairns go to the Northern Territory or far up the cape to go fishing. That, to me, seems to be somewhat ludicrous. If we could pick up and be as effective as Darwin and the Northern Territory, I wonder just how much we could do in the way of the creation of new jobs and more support for the recreational industry—and the recreational boating industry would come into it.

Mr BENNETT: Col, displacement is obviously a big issue with what has happened. I wonder whether there would have been some expectations about some better management of the resource. I agree: with displacement, you close off one area and they go into another. I think the issues around that really need to be highlighted to the committee as well. You mentioned Cairns and the success of the recreational industry, but Trinity Inlet has been closed to netting to some degree except for some small numbers. But they do not have the success in Cairns that you were alluding to that you would probably like to see. You used Cairns as a benchmark for success in increasing recreational activity. How do you see that as a success story?

Mr McKenzie: I am sorry, if I said that Cairns was a success story, obviously nerves got the better of me. It is an example of where there is no catch. For recreational catch, people are going to the far north, up the cape, or they are going out into the gulf, or they are going into the Northern Territory.

Mr BENNETT: It has been closed for a while now except for those four or five operators.

Mr McKenzie: And we still have no recreational fishing worth mentioning within the Cairns inlet.

Mr BENNETT: Hinchinbrook has been closed for a long time.

Mr McKenzie: I really would not know about Hinchinbrook. I know that it has been closed to gill net fishing, but I could not tell you what the recreational catches are there.

Mr BENNETT: Part of the tourism experience in coming to the Great Barrier Reef or any one of our major regional destinations also includes seafood that people might want to eat at a restaurant. Could you make a comment about how you see that affecting those people, who would certainly be part of your organisation, I am sure, providing that complete experience including a restaurant feed?

Mr McKenzie: We certainly want to see local fish on restaurant menus, but at the same time it has to be sustainable. The catch has to be sustainable.

Mr BENNETT: We all agree.

Mr McKenzie: I can tell you anecdotally of the local tinnie hire operation out of Cairns inlet in the marina. They have not had a single barramundi reported in the last 10 years. In 10 years, for the people who are going and hiring their tinnies, hopefully to catch a feed for the family for the night, not one of them has come back and said, 'We caught a barramundi.' To me, that is a pretty poor outcome.

Mr BENNETT: Are you claiming that is all to do with commercial fishing issues?

Mr McKenzie: I am sure that there are other issues such as water quality issues.

Mr BENNETT: Absolutely.

Mr McKenzie: I think we have to look at all the issues holistically. I do not believe that you can simply come in and close an area and say, 'We've done the job,' because when you close an area you are going to displace the effort to somewhere else. We have to look at it holistically. That is why I have said that it has to be the judgement of Solomon for the fisheries experts to try to work out how to do this, but the voluntary buybacks have not worked. You have heard plenty of evidence just in the short time that I have been here of people saying, 'These voluntary buybacks aren't achieving the targets.' I think the government has to man up. The government needs to man up and say, 'We are going to close these areas and we will compensate you for what is lost.' That way you will start to see some change.

Another issue that is missing is a complete lack of research. I am horrified to think that we do not even have a handle on the inshore shark fishery. I do not know whether what we are doing is sustainable or not. You would think that, for a peak predator, we would have that information, yet we do not.

Mr BENNETT: We do not have the information, but we are arbitrarily going to close off large sections of net-free zones without the data, without the science?

Mr McKenzie: It is not large sections; it is only three sections and they are not particularly large when you look at the overall shoreline of Queensland.

Mr MADDEN: First of all, thanks very much for coming here today. We are very interested to hear what you have to say. You mentioned the possibility that the removal of net fishing will improve fish stocks in the areas that amateur fishermen are using. Are there any other ways that the removal of net fishing could improve things for the amateur fishermen in these three areas?

Mr McKenzie: I am not sure I understand the question, sorry.

Mr MADDEN: Are they doing any damage to the environment that might assist amateur fishermen? Are they taking up wharf space? Are they interfering with amateur fishermen in any way?

Mr McKenzie: They are certainly not taking up wharf space, but there is other damage being done. Again, you have heard people this afternoon talk about the dugong and the dolphin catches. There is no doubt that there is significant bycatch with netting. That is simply a fact of life. My boy has been a commercial fisherman for many years. He talks about the problems that they have with bycatch and that he would like to make sure there was not any, but that is practically impossible. I think the bycatch is certainly a big issue as well. When you start looking at the proposed closure of areas, there is an enormous number of breeding fish that come into the mangroves, breed in there and then move out and finish their growth cycle on the Great Barrier Reef. You cannot separate the two ecosystems.

Mr SORENSEN: You say that there is not enough research, but you have restockers who are now wanting to stock compounds and all the rest of it. Has there been enough research done in that area as well so that the predator fish do not kill the rest of the fish that they feed on?

Mr McKenzie: I think recreational and commercial fishing, particularly for fin fish, has been underresearched. There is a lot more time and effort needed there to make informed decisions. Unfortunately, as members of parliament, you are being asked to make a decision based on what we know today and I think the precautionary principle has to apply. If we do not have the information and there is no possibility of getting that information in the next four or five years, then you need to take the precautionary principle. You need to protect what we have.

Mr SORENSEN: But you are not going to have barramundi if you do not have something for the barramundi to feed on.

Mr McKenzie: I absolutely agree.

Mr SORENSEN: If you put too many barramundi in the one area they die out. It is like putting a mob of cattle in a paddock and eating it down to the ground. Some of them are going to die, so you end up with nothing. There is always that balance.

Mr POWER: Does that mean that you are advocating a barramundi culling program?

Mr SORENSEN: No, I think that, if you are going to restock a compound with all predator fish that eat the smaller fish and you do not have anything for them to feed on, that is a problem. You do not have a balance. Do you understand where I am coming from?

Mr McKenzie: I totally understand where you are coming from. Again, from my perspective, it is a matter of trying to maintain the balance. We are taking out the predator fish when we are catching them or when we are netting them, and we need to make sure that we get some restocking done. Fisheries management and, in particular, fish farming have come along in leaps and bounds over the last 20 years. What we know now compared to what we did know has increased enormously. We still have a long way to go.

Mr SORENSEN: Yes, that is for sure. I agree with you.

CHAIR: Thank you very much, Col and Paul. We will move on to the next segment.

SCOTT, Councillor Graham, Deputy Mayor, Livingstone Shire Council

STRELOW, Councillor Margaret, Mayor, Rockhampton Regional Council

CHAIR: Thank you for joining us. We welcome Mayor Strelow and Deputy Mayor Scott. Would you like to explain your views on the proposed net-free zones, starting with you, Margaret?

Mayor Strelow: I am very supportive of the net-free zones. We can see a lot of value for tourism, aquaculture and agriculture in our community. Preliminary information is talking about a direct economic benefit to our council area of about \$22 million with another \$14 million or so as flow-on. Obviously, it needs to be independently assessed. It is one of those things that you probably do not know until it happens, but we are estimating anywhere up to 200 local jobs and that is not including at Livingstone shire.

Our experience is that the commercial fishermen have not helped with our restocking groups or supported the Fitzroy River restocking work. My deputy mayor Tony Williams has been very actively involved in this space. From his knowledge of eight to 10 years, he says that you can count on one hand the number of tags that have ever been returned and that some of the commercial fishermen have said they are not keen to be involved in the collecting of tags or recording of information for fear that it might be used against them. I can kind of understand that, but it means that our community—our members—are giving up their free time to be involved in restocking. Council has supported it and we do not know what the benefit of that restocking has been because of the preponderance of the fish that is taken by commercial fishermen.

CHAIR: Thank you, Margaret.

Councillor Scott: The Livingstone Shire Council involves the Fitzroy River as our southern and western boundary, the Capricorn Coast as our eastern boundary and we extend almost as far as St Lawrence. So it includes the Shoalwater Bay training area and the Broadsound.

In terms of my background, I am also the chair of Capricorn Enterprise, which is the equivalent of Mackay Tourism, the peak tourism body RTO for Central Queensland being Rockhampton, Livingstone and the Central Highlands, and we represent about 400 members. I am also a full-time professional engineer and, unlike many here, I have also operated a fishing charter business for seven years, working out of Roslyn Bay on the Capricorn Coast. Prior to that I was also heavily involved in the rezoning of the Great Barrier Reef Marine Park in the early 2000s. We were recognised as one of the best results on the Queensland coast for community engagement.

That led to a couple of other interesting things, including CapReef, which is a community based monitoring system where the community collected data on the fisheries and the impact on the fish, mainly by looking at catch records of recreational fishermen. In fact, between CapReef and Infish, we believe that it is the largest database of recreationally caught fish in the world.

This led to a number of offers to tour internationally to explain how we did this collection and engagement. I ended up doing a tour of the west coast of Canada to talk to the communities there about engagement with marine park management. For Jim Higgs's benefit, I did get a WWF scarf and beanie at Prince Rupert on the Alaskan border. I cannot remember what it was for—I was too bloody cold—and I had to be careful where I wore it after that, because many of the commercial fishers did not appreciate my WWF scarf. In saying that, I have also been an avid recreational fisherman since I was two. I have fished for barramundi in the Fitzroy River since the 1960s. For many years I held the record for the largest barramundi on a two-kilogram line—it stood for about 15 years—at 9.8 kilos.

I am here today mainly to represent the community of Livingstone shire. From our perspective, we have received deputations at Livingstone shire from both the recreational sector and the commercial sector. Our response is that we would like to support both. We also believe that that is entirely possible. It was very timely that the MRAG report has been released recently. I think we are clever enough to walk and chew gum. That is my view, and that is the view of the council. Both sectors are welcome. Both sectors are important.

There is no doubt that there are more recreational fishermen than commercial fishermen in our area. There is no doubt that, through the rezoning process of the Great Barrier Reef, the impacts of netting, particularly set netting, were recognised. So many areas of that rezoning restricted netting. It was also recognised through that process the importance of the Fitzroy River to commercial output.

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With regard to tourism, particularly through Capricorn Enterprise and our membership, we do not see the immediate nexus between net-free zones and an increase in tourism. It might happen; it might not. This is simply a resource reallocation, as Scott Spencer mentioned at the outset. It is simply a resource allocation. It does no more than that. It does not even necessarily increase the opportunity for recreational fishermen to catch barramundi. It might; it might for the short term; it might not.

It is also worth remembering that, as part of the Southern Great Barrier Reef, one of the hero experiences is about culinary delights and tropical delights. Particularly, barramundi from North Queensland is seen as one of the iconic opportunities for people who come to our region. From a charter-fishing perspective and from my business knowledge in charter fishing, over six or seven years I never got a request to fish for barramundi and I never got a request to go to the Fitzroy River—except Jim Higgs mentioned Daniele Cagnazzi as the lead researcher on snubfin dolphins. He frequently chartered my boats and, as I always say, he shoots dolphins: he captures DNA samples in a dart. I will get on to the environmental stuff a bit later.

Basically, in the short term, it will benefit the existing recreational fishermen and the lifestyle opportunities. Net fishing alone will not produce more tourism boats in the Fitzroy River. To operate tourism, one thing you need is at least enough charter days to survive. There is a three-month closure on fishing for barramundi and there is no change to that. It is illegal to target barramundi from 1 November to the end of January, so that is three months gone already. There are tide issues similar to the net fishermen, where there are certain tides that you cannot fish, so at best you might get 100 days. Also, going back to my tourism experience with Capricorn Enterprise: product, marketing and management. All we have with this is potentially an increased opportunity with no product, no marketing, no marketing support, no additional funding and no management, because there is not a fishery there yet; there may be in the future.

To have more certainty about this spinoff, you would need to address the closures and you would need to address things like the bag limits, which are significantly excessive. I am sure we have seen, say, the whiting fishing in Hervey Bay where the grey nomads are illegally fishing and black market fishing. They are doing the same to grunter in Karumba. We may get an upsurge in caravan park occupation, but, whilst you can take five barramundi per person, that is a heck of a lot of barramundi that could disappear in a very quick time and with no repercussions and no sense of ownership.

Moving on to the fishery, this is yet another input control. Input controls really just tie people's hands behind their backs and do not have any direct link to sustainable fishing in many respects. In other words, output control is where you determine how many fish can be taken sustainably. There was mention of maximum economic yield. I like that term, rather than maximum sustainable yield. With output control, you could allocate correctly and sensibly the allocation of these key fish between sectors and you could allocate them to get a thicker population than what you have now, which is down around the maximum sustainable yield. It is correct: the fishery is sustainable. It is probably maybe at 50 per cent of its total stock. The economic yield would be higher than that at perhaps 65 per cent and the maximum economic yield for recreational fishing could be higher again. This could result in a lower take for commercial fishermen, but it would still be highly valuable and it would be economically profitable. This leads into other things such as total allowable catches, individual transferable quotas and a sense of ownership with an endorsement to the people you saw here today from the commercial fishermen who clearly knew their stuff and they knew their area. We get some terrible commercial fishing in the Fitzroy. They might pulse fish it after a flood. They are taking billabong barra that are unsaleable, because they can and they are entitled to. In closing, on the fisheries side, I believe we can do both: we can create a very viable recreational fishing industry and a strong commercial industry, which they have done in many other places such as the Northern Territory.

Just quickly with regard to the environmental impacts, I am well aware of the snubfin dolphin. I think I saw them two weeks ago, probably seven of the 100. In our area there are dugong and turtles. We have dugong preservation areas north of Yeppoon in Port Clinton and Island Head Creek in the Shoalwater Bay training area. I have seen 30 or 40 dugong there at any time. I have seen one in Keppel Bay and I have seen none in the Fitzroy River. There are no net closures in those areas, so the displaced effort is likely to go to an area where there are dugong and there is very difficult enforcement because the only access is by 40 miles of open water. I am concerned about that. Likewise, if we are going to reallocate the resource, we assume there will be greater traffic on recreational boats, many of which can do 100 kilometres per hour now. I think boat strikes are likely to be similar. So with over 50 years of recreational fishing, I think we can do both.

CHAIR: Thank you, Graham.

Mayor Strelow: May I comment, acknowledging that Councillor Scott is chair of the regional tourism organisation, but probably that is of limited relevance to our council, although we appreciate the role that they have. We have been hit hard. There are very different interests in the two communities. For us, we would see the opportunity to grow a whole new industry. Traditionally, we do not have a lot of tourism. Tourism goes to the coast for obvious reasons: it is glorious down there. But we believe that if there is great infrastructure and council is prepared to invest in marketing, we need a serious plan around how we make best use of the new opportunities that would open up if there were net-free zones in the river. We are already known for our amazing beef and we believe that we can add barra to that. 'Barramundi' is actually a word from our Indigenous community. It is something we really want to grow a significant new emphasis on and a new industry in terms of tourism. We do not have any strong tourism element at the moment. Our accommodation houses are full Monday to Friday and that is the business market. We have almost no holiday or weekend destination tourism. This is our opportunity to have something that we currently do not have.

Councillor Scott: Just as a comment on that, the Barra Bounty has been mentioned. It is a fantastic event. The catch rate of barramundi per person per hour at the Barra Bounty has exceeded the Barra Nationals on the Daly River in the Northern Territory year upon year for as long as I can remember. Currently we do not have a shortage of barramundi in comparison to the Northern Territory; we have a shortage of tourism product.

Mr BENNETT: I was also going to talk about the barra classic and some of the figures about the record barra taken this year, but Graham got in there. How do you see the barra classic growing with the net-free zones, considering that we have had record barra caught at this year's event as well?

Mayor Strelow: We have a limit. There is a natural limit to the number of fish that can be in our river, effectively. It sits at around 160 or so boats. Barra Bounty has at least 40 teams that are not allowed to participate in any given year. They are queued up waiting for someone to drop out. It is a very popular enterprise. We believe that we can do that much better and on a much bigger scale if we have a degree of certainty about the number of fish that are there.

Councillor Scott: I support that. I think there are certainly great recreational opportunities. I think the vehicle to get there as simply 'nets out' is not necessarily the case. I think the vehicle to get there is to use some of the MRAG philosophies of full output control and allocation to the various sectors.

Mr POWER: Councillor Scott, you obviously have some history and I appreciate that. We heard earlier that there had been long talks about temporal and spatial closures to best address this, and you talked about regional limits. None of those things is implemented in a voluntary fashion; would that be fair to say?

Councillor Scott: They need a champion. They need some leadership to achieve that. I take you to back to the Great Barrier Reef rezoning around 2000. There was that strong leadership initially from the federal government and supported by other key sectors. Yes, it is a difficult task. At the completion of the rezoning of the Great Barrier Reef, the inshore fin fishery was considered the next problem to solve. Really, 10 years later, we have not solved it and we do not even seem to be getting closer to solving it.

Mr POWER: We saw that often the buyback was buying back licences that were underutilised and the further buyback, which was supported by the industry, possibly does not address particular regional or temporal and/or spatial areas that have high environmental needs.

Councillor Scott: That is correct. The buybacks need to happen of course, but the buybacks become almost secondary if there is output control. In other words, if you allocated 20 tonnes of barramundi this year because it is not a very strong year recruitment-wise, then you have these transferable quotas per person of all people in the industry. Many will have virtually none; others will have some; Keith Harris will have a lot. Then you have a full control. Livingstone shire has always offered to various federal and state fisheries ministers to be the guinea pig for regional management and undertake to support this temporal spatial management. There is each end of the bell curve where netting is a poor outcome. One is with the critical environmental issues, as Jim explained. I think for those they probably sit more outside the current net-free zone. The other is the strong interaction between recreational people, as Judy Lynne mentioned about families versus nets. You would not want them netting mullet on Bondi Beach. Both of those can be accommodated. There are clearly locations where there should be no nets. The entire Keppel Bay and the entire Fitzroy delta do not entirely meet either of these criteria.

Mr POWER: But neither does a completely voluntary system of buybacks.

Councillor Scott: Yes, absolutely.

Mr SORENSEN: Earlier you mentioned Hervey Bay.

Councillor Scott: I see dugong every time I fly in.

Mr SORENSEN: You mentioned the black market in winter whiting at Hervey Bay. The biggest downturn that we had on the tourist side of fishing for winter whiting was when they bought in a 50 bag limit, especially the 50 in possession, as the fishing inspectors noted the numberplates at the boat ramps and followed them back to the caravan parks. In one instance the man was deaf and they could not speak to him, so they slapped the fine on his 74-year-old wife. That really had a big impact. I also think that, especially with winter whiting, there should be a size limit, because I think a lot of people catch a lot of small whiting and keep them until they catch a bigger one and then they throw the small one overboard, and it goes on and on. However, if you have a size limit on them, it would make a huge difference to the kill of the fish themselves. I see that as a real problem. Years ago there was an eight-inch size limit and I would like to see that come back.

Councillor Scott: I agree. It is about the fishery's management, looking at the fish stock primarily and then determining the appropriate measures. Again, that is almost an output control by managing what the fish stock can sustain.

Mr SORENSEN: That is okay if you have a size limit and you only catch that size fish. The problem is where a lot of people keep catching smaller ones and throw them in the boat and they are dead when they throw them back over, because they do not want to go back to the boat ramp with undersize fish.

Councillor Scott: By the rules of compliance—and I might get a boot from behind me here—if they are dead and you have thrown them overboard, they are actually part of your take. They are part of your catch. It is the same regulation as for the charters.

Mr SORENSEN: But when you get back to the boat ramp they have to prove it.

Councillor Scott: What we learned through the Great Barrier Reef rezoning was that no amount of regulatory compliance works. What works is a sense of ownership and a sense of responsibility by the various stakeholders. When someone feels they have a sense of ownership of that fishery or that stock, they will treat it very well. When they do not feel it is anything to do with them or they feel disadvantaged or disillusioned, they will break every rule in the book and we could increase compliance tenfold and it would make no difference. I cannot remember the last time a fisheries officer visited my boat, but I do the right thing every trip. I only have a very small boat now because I was in charter fishing for seven years.

CHAIR: Just as a matter of interest, Graham, you said that when people hire you for charter fishing they do not want to catch barra. What do they want to catch?

Councillor Scott: I have sold my boats now, luckily before I went completely broke. We did mainly offshore fishing for red emperor, coral trout and nannygai. There was no problem catching the fish, and that is similar to catching barra in the river. If I could catch twice as many fish on those charters, I would not have got a single additional charter. It was about the opportunity to catch those fish and the overall product—the quality of the boats and the fun you have out there. But the control, which is the same as this issue here, was the number of times you could do it. I was limited by weather. Even those nine-day fish closures for spawning impacted me. That is what my concern is with this legislation: if we are going to build a recreational tourism industry, we have a closure for three months where you cannot target barramundi. How could I as a charter fisherman operate by saying, 'I'm going to take you out to catch barramundi'? People say, 'But you can go out and catch king and we will just catch barramundi by mistake.' I was threatened with legal action if I said you would see whales on our charters because I do not have a whale-watching permit. I could have gone whale watching, but I did not have a permit so I went fishing. Where do you go fishing? Near the whales. You should come and have a look. It is only one step along the way. I really hope that Rockhampton and the Capricorn Coast do establish this wonderful tourism industry. This alone does not do it. It does not do it at all.

CHAIR: We had better move on. Thanks for joining us, Margaret.

Mayor Strelow: I think our basic point is that commercial fishermen take so much so quickly that we cannot build a viable tourism business around barramundi, which is one of the assets that we do have. It is very important for us.

CHAIR: Thanks, Margaret. Thank you, Graham.

BENNETT, Mr John, Vice-President, Mackay Recreational Fishers Alliance Inc. (via teleconference)

MARTIN, Mr Kim, Queensland Recreational Fishing Network (via teleconference)

CHAIR: Welcome, John. Welcome, Kim. Would you like to make a brief opening statement?

Mr Bennett: Yes. My name is John Bennett and I am the Vice-President of the Mackay Recreational Fishers Alliance. I was involved in the consultation process when Fisheries Queensland briefed recreational and commercial fishers on the introduction of the net-free zone. Sixteen years ago our group started with the concept of having a net-free zone where people of Mackay could take their families fishing and actually catch a fish. We commenced discussions with stakeholders and authorities in the hope of reaching a suitable resolution. During 2013, our proposal accelerated due to the fact that the then LNP tourism minister formed a backbench committee expressing interest in how to greater harness the economic benefits of recreational fishers.

Commercial fishers in the Mackay area were made aware of our intentions of the proposed net-free zone and of the community's concern with diminished fish stocks, as we were open and honest. They repaid us by increasing their fishing effort within the net-free zone from 42 days in 2012 to 256 days in 2014. This represents a staggering 609 per cent increase in effort. We have to ask: did this shift in effort really occur or were there other factors at play? We would like to draw your attention to the media release that explains this shift in effort in more detail. I asked for that press release to be delivered to committee members. Pay particular attention to the graph in the blue trend line in 2013 and 2014. Our net-free zone is contained within this grid.

Only 27 tonne of the 173 tonne of estuary fish within the Mackay region comes from our net-free zone. Of this 27 tonne, 3½ tonne is actually garfish that is used for bait. The fish caught within the net-free zone represents only 16 per cent of total estuary fish that is caught by commercial fishers from roughly a 150-kilometre radius around Mackay. Commercial fishers can still supply to the public from the vast areas outside the net-free zone where the other 84 per cent of fish is already sourced. We feel commercial fish retailers have completely overstated their dependence on this 16 per cent of estuary fish that is caught within the net-free zone. I would like to ask these retailers how they survived in 2012 when records show that only six fishermen fished for seven days each within the net-free zone. For the committee's benefit, 2012 was a fairly standard year, with 173 tonne of fish caught.

The claim that local people will not be able to source locally caught product if these net-free zones go ahead is completely false and misleading. Reef fish availability remains unchanged and can be sourced and sold as it always has been. The Mackay Regional Council has provided on behalf of a caravan park and accommodation provider a REPLAN economic benefit study that found that the introduction of the net-free zone had the capacity to generate between 66 and 110 new jobs and will raise the gross regional product from \$8.6 million to \$14.6 million. This variation is dependent on the length of visitor stay. The longer the stay the higher the economic benefit. One could reasonably assume that this is not a bad trade-off for the \$150,000 worth of fish at farm gate price that is caught annually within our net-free zone. This economic multiplier fits in perfectly with the Labor Party's sustainable fishing policy, which is designed to maximise the economic value of the resource. New South Wales fishing haven government reports show that recreational fishing participation rates increased 25 per cent within three years of implementing their net-free zone. We would expect a similar rise here. Twenty-eight per cent of our local population are recreational fishers. Our economic modelling suggests that the current spend by these anglers is in excess of \$40 million, which is spent locally in the Mackay economy. This spend will only increase with increased recreational fishing participation rates.

The social implication is something that has not been spoken of until now. Recreational fishing provides social benefits that cannot be measured in dollars. These include the chance to relax, unwind, share time with family and friends, and engage with nature. The latest recreational fishing survey claims that fewer people are fishing now than in the year 2000, despite the rapid growth in population. It was stated that a perception of poor fishing quality and consequential lack of interest were the primary reasons. To reinforce this, we are in receipt of extensive fishing club records dating back to 1963 that showed definite localised stock depletion from within our net-free zone in Mackay. We would like more kids to take up fishing. Kids who hunt and fish do not steal and deal. Let's get our kids hooked on fishing, not on ice. But the opportunity needs to exist for this to occur. Recreational fishing is the obvious one. Changes need to be made. If no changes are made, I guess nothing is going to change.

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We have the opportunity here in Mackay to become a family fishing destination point, not just a stopover point for people travelling to the Northern Territory. Because of the close proximity to major regional towns, we can offer such a unique family experience. The family can spend the morning fishing and then enjoy the social and retail benefits of the town in the afternoon. This is the case with the Fitzroy and also Cairns. I will finish with a quote from a book titled *The North Queensland Fishing Eldorado*, written by Ralph De Lacy, who was a commercial fisher who fished North Queensland and the gulf waters during the 1970s and 1980s. It fairly sums up the message that we have attempted to get across to the committee today. He said—

The large patches of fish I talk about are no longer around today. Those of us that saw them disappear and perhaps contributed to their disappearance are the ones most aware that the North Queensland commercial fishing industry is in far greater trouble than anyone will publicly admit. My story is not about passing judgement or offering solutions to the industry. It is a simple story told as it happened and as I saw it.

This was over 30 years ago. As we find today, very little has changed in the way that we manage our inshore fisheries. Thank you for your time.

CHAIR: Thank you, John. Kim, would you like to say anything to the committee?

Mr Martin: Thank you for the opportunity. I am Kim Martin. I am from Yeppoon in Central Queensland. I have advocated for recreational fishers and fish management reform in Queensland now for almost 30 years in various capacities which included 10 years as a member of the government's inshore finfish management advisory committee. I note that the Barra Bounty has been raised by a number of people during the day, as has the Suntag fish-tagging program. I have been involved in both of those. I was one of those who started the Barra Bounty 16 years ago and have been involved in every event since then. I know that event intimately and all the statistics that come from it—and some of them that have been tabled today are pretty dodgy. I have also been involved in the tag program since 1988 and I know that intimately as well. That is a bit of background.

I will just quickly set the record straight about fishing in the Barra Bounty. This year there were 400-odd barra caught but can you believe that 74 per cent of those were under the legal limit? So 300 of the 400 fish we caught this year were less than the legal size. That is just wrong. If we go back to 2011, when there was a record 1,200 fish caught, if they had still been in the river four years later those fish should have been 700 millimetres to 850 millimetres long. That should have been the average size that people in this year's Barra Bounty caught, yet that size range was almost absent from our catch statistics. So I find it hard to believe that it is fair that commercial fishermen should catch the lion's share of legal size barra in the river and the poor old recreational fishermen are relegated to catching undersized fish, and that is how it has been for the 16 years of the Barra Bounty. I am happy to provide those statistics to anybody who wants them.

In terms of tag returns, yes, it would have been nice if the commercial fishermen in the river had been participating. We would have even more data than we have. I will give Mr Swindells some recognition here. He has made an attempt, for a couple of years anyway, to get a few of the guys, and that was really appreciated and we got some wonderful data from that. But prior to that and since then, no. In fact, the guys go around town skiting about how they throw handfuls of tags away that they get in their barra. So you have to question the genuine commitment to the long-term future of the fishery with guys who do that. That is enough of that.

Today what I am going to focus on is providing data and findings from a survey that was recently conducted in Rockhampton and the Capricorn Coast that investigated the availability and the origin of fish that is for sale in that marketplace. Committee members have a copy of this report and I hope have had the opportunity to read it. If you have not, I hope you will undertake to read it in full. The baseline data was obtained by surveying 44 retail outlets across the survey area, including the two specialist seafood retailers in the area, restaurants, hotels, clubs, fish and chip shops and supermarkets. In summary, the report reveals that, apart from the two specialist seafood retailers where you would expect to find locally sourced finfish, only one restaurant and one fish and chip shop definitely had fish—in both cases barramundi—that had been caught by commercial net fishers in Central Queensland waters. The data shows that fish and chip shops predominantly sell Spanish mackerel and reef fish, which are both commercially line-caught species and will not be impacted in any way at all by the proposed net-free areas. Other species sold in many fish and chip shops are imported from wild fisheries and fish farms outside Australia.

Discussions we had with some of the owners of the fish and chip shops and restaurants highlighted that there are three key criteria that determine what kind and the origin of fish they purchase for sale through their businesses. These are the reliability and availability of supply, the quality and consistency of the product and the price positioning of the product. Following the release

of the survey report, the Rockhampton *Morning Bulletin* interestingly and independently contacted some local fish retailers to confirm for themselves the robustness of the survey and its findings. They also discovered and reported in the paper that they had not found any hospitality outlets selling fish that had been netted locally either.

There is a genuine market for fresh fish species like barramundi, king threadfin and a few other lesser quality species caught by commercial net fishers, but it is a very small market segment of the overall finfish market because of its higher price positioning than the alternatives that are widely available now through the national fresh food distribution network. This niche market is largely provided for by specialist seafood retail outlets, and the product will continue to be ably supplied by the hundreds of licensed commercial net fishers in Queensland who operate along the majority of the coast despite three new net-free areas being created.

I now draw your attention to the year-by-year annual east coast commercial net harvest since 1989. These figures have been obtained and compiled from data contained in official departmental records and documents. As you can see, the annual fluctuation in catch over this period has been significant. In fact, there has been a differential between the maximum and minimum years of no less than 3,000 tonnes. You will note that large fluctuations are not uncommon at all. The difference from one year to the next can be anywhere from a couple of hundred tonnes to a couple of thousand. You know, that is fishing. There are so many variables impacting the catch lot—weather, success of natural spawning seasons, the migration of fish and so on—that it is impossible to maintain any sort of steady harvest in the inshore fishery.

You have seen today from the Fisheries Queensland statistics that an average of 319 tonnes of product has been caught collectively from the three new proposed net-free areas over the past three years. You do not have it, but we have. Looking at the historical commercial catch from these areas for the past couple of decades, the average annual total catch has been less than 200 tonnes. The recent spike of 319 was due to an unprecedented three consecutive years of record natural recruitment of barra, in particular, and is not typical of the normal situation. The early incomplete commercial catch figures from this year are already showing a marked decrease from that all-time high of 319 tonnes.

What you are looking at here is a fishery that experiences dramatic peaks and troughs in terms of annual harvest. Let us put this into perspective. The worst-case scenario is that these three new net-free areas are declared as proposed by this legislation resulting in a direct reduction in catch of less than 200 tonnes per annum from a fishery that averages a total harvest annually of between five and 6,000 tonnes with natural fluctuations far in excess of 200 tonnes. That is the worst-case scenario if we get the net-free areas. At no time since 1989 have we seen any concerns raised in the media from the commercial netting sector about likely dire consequences for the availability of local finfish in the marketplace as a result of the huge natural annual fluctuations in catch or any massive job losses within the industry in years when the catches have been low. So it is really quite perplexing to sit here now to understand how suddenly, with the prospect of a loss of no more than 200 tonnes from the annual harvest as a result of the new net-free areas progressing, the supply of fresh fish will somehow disappear and 100 people will be put out of work. It quite clearly fails every test of reasonableness, and the data presented to you here must surely reassure parliament that the passage of the net-free legislation next month will not result in the sudden collapse of the east coast commercial net fishing industry or the overnight disappearance of some species of local fish from the marketplace.

It is my hope that this hearing will finally expose and disprove this persistent popular urban myth that any reform to the inshore netting industry will result in the disappearance of fish from the marketplace. The community should never be concerned by this unfounded threat ever again, and we must continue to work positively towards ensuring our fish stocks are well managed and sustainably harvested for future generations.

Mr MADDEN: Mr Martin and Mr Bennett, it has been suggested that the removal of net fishing from these three areas will increase the chances of an amateur fisherman taking some fish home and having a good day out. How do you see the removal of net fishermen achieving that goal?

Mr Martin: It is purely statistics, Mr Bennett, as I suggested to you—and we have the statistics to prove it—that had netting not been in the Fitzroy River since 2011 there would be 300 tonnes more barra in there, roughly speaking, and the majority of those fish would be in the 700- to 850-millimetre mark. Anybody who catches one on a line that big has had the best day in their life, and that is what we have missed out on.

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Mr Bennett: We have come across a study recently that compared creeks that are open to netting to creeks closed to netting. Creeks closed to netting had three times the amount of large target fish that both commercial and recreational fishermen target and they are also bigger fish. Also the spawning cycle of these fish was increased rapidly. Not only do net-free zones hold the fish within the zones; we get spillover so it goes into other areas that can be netted and they catch more fish.

We have an instance like this just north of us in the Proserpine River. In the early 1980s you could not catch a fish in the Proserpine River. At the end of the eighties it was closed to commercial netting. Within three years we caught a lot of fish. Commercial fishermen were out the front of the Proserpine River where they could net and they started catching fish. Tourism took off there. We have a caravan park there that is full nearly all of the time and 98 per cent of its market is recreational fishers now. I come from this area. There were 12 boats on the river on a busy day back in the nineties; now there are 120. It is a simple matter to put that into dollars.

CHAIR: Thank you, John and Kim, for your input.

MACMILLAN, Mr Cameron, Chief Executive Officer, QRAA

ROSSBERG, Mr John, Manager, Program Delivery, QRAA

SPENCER, Mr Scott, Deputy Director-General, Fisheries and Forestry, Department of Agriculture and Fisheries

THWAITES, Mr Andrew, Director, Implementation and Consultation, Department of Agriculture and Fisheries

CHAIR: This is an opportunity for you to respond to some of the matters that were raised throughout the hearing. Are there any points you would like to respond to?

Mr Spencer: I have a number of minor issues.

Mr Thwaites: For the record, there was a question earlier around whether it is 26 fishers or 28 fishers. It is 26 fishers; 28 per cent of the 92, essentially. So it is a percentage issue.

The three-month barramundi closure obviously does not stop net fishing. You can still net fish during the closure period; you just cannot take barramundi. Other species can be taken over the summer months normally during a barramundi closure. Certainly up and down the coast net fishing continues to occur during those months. It is just that the take of barramundi is prohibited. I just needed to clarify that again.

I want to reinforce that the closures we are proposing here apply only to net fishing, not to trawling, crab fishing or line fishing. There was a little bit of ambiguity with some of the statements, so I wanted to clarify that point.

There was a statement made about additional areas being in front of government at the moment for consideration in addition to these three.

Mr Spencer: Other than Moreton Bay, which is in the government's policy, nothing has been raised with us. We are aware that the recreational sector has proposed a number of other areas.

Mr Thwaites: There was a question around the displaced fishing effort and there were a lot of concerns about that. That is the construction of the buyback scheme that QRAA will be running. It is designed to address that. It is a voluntary scheme. The target of 46 is designed to prevent displaced fishing effort into other areas. There is a margin of error erring on the side of caution in terms of taking more licences out than probably are required. On the basis of experience in other buybacks where not enough effort has been removed, we have tried to err on the side of caution with a target of 46. Again, that is a voluntary process so we will have to see what results we get out of this one and compare, I suppose, actual versus target and where we go to from the next perspective.

Mr Spencer: There was a discussion about the value of the fishery. The number we talked about related to the gross value or the equivalent in an agricultural sense. The commercial fishers were talking about the retail price, and we would not dispute what they have said.

Mr Thwaites: I have a note here in terms of balance of regulations. There have been a lot of people coming forward suggesting alternative regulations et cetera. Fishers presented a case of being overwhelmed by regulations. There are other sections that are proposing more regulations or different regulations. I suppose it is just a matter of considering that overall burden and how we balance that, so it is just more a general comment along those lines.

Net-free zones as a concept were also raised in terms of the actual timing. Clearly from this government's perspective it was announced and associated with their election policy in January this year. Net-free zones as a concept, though, have been around for 30 or 40 years—a long time. Any time an inshore fishery comes up for review it is one of the perennial questions that comes up: should there be a closure? How should management occur? As a lot of the guys said, this has been in discussion for a number of years but the specifics around these particular three zones have only been on the table this year.

Mr Rossberg: From the administration of the scheme there was nothing of a material nature to warrant further comment.

Mr BENNETT: John, one of the comments today was about compensation levels—and how you manage that administratively is always going to be contentious, as you alluded to—but it was the value of one-third of an annual take from eight or nine years ago? The gentleman from Trinity Bay, I think, said he has done the calculations. He equates it to one-third of his annual income based on figures from eight or nine years ago. I think that was my recollection of his comments.

Mr Rossberg: I probably cannot comment on that from the perspective of—

Mr BENNETT: It is about the formula.

Mr Rossberg: There was mention made before about a QRAA formula. There is no QRAA formula. The formula that we utilise is whatever is legislated in the regulations.

Mr Thwaites: The way the settlement scheme has been structured is that it is separate from compensation. The formula around the settlement scheme was designed to be offered to commercial fishers rather than commercial licence holders, so that is a little different. You have to be out there fishing. It was designed to give them a package which they could use for retraining, moving, upskilling or changing industries—whatever they would like to do—depending on their level of fishing. The more they fished, the more money they would get for the settlement scheme.

It was designed to provide one year's work in the area. depending on how often they had worked in the area, they would get X. So it was based on one year's working but only using figures from the last three years. We looked at 2012, 2013 and 2014 and added the number of days they had worked in the three zones together and divided that by three to get the one-year calculation and that is what is used in the formula.

Mr BENNETT: If I can clarify, the licences are generic anywhere from New South Wales right up the east coast, as we established, so they are geographic. If somebody traditionally fishes in the Fitzroy delta out of Hervey Bay, for example, are they captured within those statistics?

Mr Thwaites: Yes.

CHAIR: There was some talk earlier about a black market operating. Do you know anything about that?

Mr Spencer: We wish we knew more. Black marketing has been a feature of the Queensland fishing industry for as long as I can remember, and that goes back to the 1980s. At one stage the government of the day tried to overcome it by issuing a permit to recreational fishers to allow them to sell legally. That was later abandoned. We do not know the size of it. By its very nature, it is black. You hear a lot about it in reef fish and mackerel, and it is very seasonal. What might happen is a person who has a particular occupation takes their leave, goes fishing, takes more than their regulated bag limit, runs the gauntlet in terms of enforcement and sells it either locally or interstate. It is not clear that they always sell it to legitimate retailers. It could be sold, to use the vernacular, in the pub. We have a surveillance group within the Boating and Fisheries Patrol that undertakes covert operations. We cannot entrap people obviously, but it is one of the issues that we have a lot of difficulty getting a handle on. There are all sorts of suggestions as to its size. We simply do not know. We do know that for crabs it is rife and we have had some recent successes in that area. It varies, but it tends to be seasonal.

CHAIR: One of the other things that I noticed that came out of a lot of the submissions today was a lack of empirical data on the statistics. A lot of questions were asked hypothetically—

Mr POWER: A lot were anecdotal.

CHAIR: Yes, there was a lot of anecdotal stories. Is there any move to improve our research in those areas?

Mr Spencer: The issue for us is resources. We collect data in terms of stock assessments, and the question of sharks was raised and we are waiting on the stock assessment. It is due any old tick of the clock—that is, east coast shark. We have independent scientists who do that. We collect our logbook data from the commercial fishers. Every couple of years we do a recreational survey. That costs about \$1 million, maybe a little less. We have a long-term monitoring program, but even that is not enough. We have all of that data, but there are significant shortfalls in our information. Some commercial fishermen tell us to our face that they do not tell us the truth, so there is some noise in the data. It is a constant challenge for us and we can only gather the information we have got based on the resources that are available.

Mr BENNETT: This question might not be for Fisheries; it might be more for Environment and Heritage Protection. There was a lot of talk today about aquaculture being increased in Queensland. I suppose my concern is about the outcomes of the Great Barrier Reef's protection, because aquaculture does come with some baggage. Are you able to comment? Do you licence the aquaculture industry, particularly on the Great Barrier Reef?

Mr Spencer: We certainly are involved in the process; that is right. From our point of view, it is an industry that has a future and we need to work with the other regulators because the main issue in the Great Barrier Reef, Mr Bennett, as you would know, is the water discharge. We are working

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with our colleagues across government and with the Great Barrier Reef Marine Park Authority and the Commonwealth to try to get a situation where we can take a program to government to resolve that issue to allow the industry to grow.

Mr BENNETT: Is it fair that we have seen an increase? A lot more constituents through my office are inquiring particularly around prawns up my way. Are you seeing an increase in interest in aquaculture?

Mr Spencer: There have been add-ons to farms. There has not been new farms. The largest extension of a prawn farm at Guthalungra has recently received Commonwealth approval. It has taken a very long time.

Mr BENNETT: It is huge, is it not?

Mr Spencer: Yes, it is doubling their size. I know that our minister is very keen that we spend more of our time trying to promote that sector, but it is a significant challenge because there are other competing uses for the land.

Mr BENNETT: Yes, it is always in good delta country, I suppose.

Mr POWER: Councillor Scott brought up charter operators having the necessity to get return on their capital equipment and to have a 365-day ability to have charters. Can the department help facilitate that within regulations?

Mr Spencer: Yes. There are a couple of things that already happen. There are some concessions to charter vessels in terms of bag limits if they are at sea for a considerable period and there are even some concessions during the spawning closure for what we call the rovers—the ones that stay at sea for quite a while. The government has asked us to develop a charter action fishing plan and we are in the process of doing that. Subject to the advice from the minister, the plan is to put out a discussion paper. We have already had extensive consultation with the sector and we have looked at a range of issues, and they are not just Fisheries issues that affect them; they are marine safety, access to marine facilities and promotion. Again, we are leading a whole-of-government effort to develop that policy as part of the sustainable fishing policy. I would like to have that to the minister soon, but when he releases it is his call.

Mr POWER: It does seem that, if there are relatively small impediments to a high value-add business with relatively low environmental impacts facilitating, that would be a good idea.

Mr Spencer: Sure.

Mr BENNETT: You mentioned that Moreton Bay is in the front of the department now about a proposed net-free zone. Is that going to go back to a public consultation and is this one going to be a little different from what has happened with these three?

Mr Spencer: Mr Bennett, we have not yet received specific instructions from the government on how that is to be handled, but the policy says that the government—I suspect that will mean the department—will sit down with recreational and commercial fishers and look at the best way of implementing these sorts of things in Moreton Bay, but we have not started that yet.

Mr BENNETT: The other ones that I think were mentioned were Albatross Bay and Capricornia. I forgot who specifically, but they were mentioned by some of the proponents this afternoon.

Mr Spencer: It was by one of the commercial fishers. Judy Lynne mentioned that Sunfish has had proposals on the table for a considerable period, and Albatross Bay is certainly one of the proposals that was included in the Sunfish application. The Capricorn Coast one I am not so familiar with, but there are others around the coast where groups of recreational fishers or community groups have said, 'This would be a nice place to have a recreational fishing area,' and the government policy talks about a process for other areas by way of open application. Again, we have not had specific instructions from the government as to how that will go forward.

Mr MADDEN: I want to clarify: is that Albatross Bay at Weipa?

Mr Spencer: Yes, it is.

Mr BENNETT: It is the wrong side to affect the Great Barrier Reef, but it is all very important that it is sustainable.

CHAIR: As there are no further questions, that brings the hearing to a close. I want to thank everyone for contributing today. The draft transcript of the meeting will be on our website as soon as it is finished. Hopefully that transcript will be available by tomorrow afternoon or Wednesday morning.

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We are planning to report to parliament with our findings on Thursday, 8 October. If there is anyone here today who has been listening to the proceedings and would like to share any views with the committee, I encourage you to email us at aec@parliament.qld.gov.au. I declare the meeting closed.

Committee adjourned at 5.22 pm