



New Leadership.



# Labor's plan for sustainable fisheries

## Senator Kerry O'Brien

Shadow Minister for Primary Industries, Fisheries and Forestry

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## Overview

The Howard Government has the worst fisheries management record of any government in Australian history, with the number of fisheries classified as 'overfished' increasing from four in 1996 to 24 in 2005.

As a result of this decline, the Government was forced to spend \$220 million over two years restructuring Commonwealth-managed fisheries to buy back licences to address unsustainable harvesting levels.

Even today, 19 species are classified as 'overfished' – and it will not be known for years whether the Government's fishing licence buyback has had a positive effect on our fish stocks.<sup>1</sup>

On the Howard Government's watch, Australia's fisheries have suffered from:

- An escalation of overfishing.
- Rising unemployment and job losses in the fishing industry.
- Declining gross value production and profitability.
- Rising imports and declining exports.
- Inadequate planning for climate change.

Rising fuel prices, declining real fish prices, poor water quality and loss of habitat have also had a major impact on the productivity and profitability of our fisheries.

The Howard Government has not only failed to address these challenges to our \$2 billion fishing industry – it has also failed to help the industry prepare for the future.

In contrast to the Howard Government's decade of inaction, a Rudd Labor Government will invest in a comprehensive plan for sustainable fisheries.

Labor's **Plan for Sustainable Fisheries** will assist Australia's seafood producers to return to profitability, improve recreational fishing opportunities and ensure the long-term sustainable management of our marine and freshwater fisheries resources.

Labor's *Plan for Sustainable Fisheries* will also strengthen the economic independence of Torres Strait Islander communities, and fast track the implementation of a **Climate Change and Fisheries Action Plan**.

Under Labor's *Plan for Sustainable Fisheries*, a Rudd Labor Government will reprioritise government spending to invest:

- \$2 million to develop a new **Recreational Fishing Industry Development Strategy**.
- \$4.3 million in an expanded **Fisheries Research Program**.
- \$5 million in a new **Promoting Australian Produce** initiative.
- \$10 million in a new **Seafood Industry Productivity and Innovation** Program.
- \$7.5 million in a **Torres Strait Commercial Line Fishery Reallocation** initiative.

A Rudd Labor Government will invest in a comprehensive fisheries plan to ensure the long-term sustainable management of our marine and freshwater fisheries.

## **Australia's fisheries and seafood industry**

Australia's fisheries span oceanic, coastal, estuarine and fresh waters and are used for recreational, commercial and Indigenous pursuits.

Recreational fishing is an important tourism drawcard for regional Australia and is a major activity in all Australian states.

More than five million Australians go fishing every year and spend \$4 billion across Australia – including over \$680 million on fishing tackle alone.

Australia's commercial fisheries are worth around \$2 billion in production each year.<sup>2</sup>

Over 30 per cent of edible fish exports go to Hong Kong, with Japan, China and the United States also important markets.

Fishing is one of the most economically important activities in the Torres Strait and provides a significant opportunity for financial independence for the Torres Strait Islander community.

In recent years, the importance of fish in the diet has extended from its image as a cornerstone of a healthy diet to more specialised roles in disease prevention.<sup>3</sup>

This has increased demand for seafood.

If Australia's population is to benefit from increased seafood consumption and increased recreational participation, the resource has to be valued and protected to ensure its long-term sustainability.

## **Challenges for the fishing industry**

### **Declining value and profitability**

The gross value of production of Australia's commercial fisheries has been in decline.

According to the Australian Bureau of Agricultural and Resource Economics (ABARE), there was a 13 per cent fall in the volume of Australian fisheries production in 2005-06, and a 16 per cent decline in the value of Commonwealth fisheries production to \$278 million.<sup>4</sup>

In real terms, the gross value of Australian fisheries production has fallen 25 per cent since 1999-2000, with the value of exports declining by 36 per cent.

In contrast to the decline in our fisheries production, the value of seafood imports has grown – increasing by 8 per cent in 2005-06 to \$1.26 billion.<sup>5</sup>

Modelling by the CSIRO has identified that Australia will need to increase its seafood imports by more than threefold in the next 40 years to meet growing demand.<sup>6</sup>

If such an increase were to occur, it would have significant implications for Australia's balance of trade.

Over the past decade, prawn imports have more than doubled, while the price has halved. Cheap imports and false labelling have combined to reduce the price that Australian buyers are willing to pay for domestic prawns and other seafood.<sup>7</sup>

This has forced down the price of premium Australian produce. While this is good for consumers, it is a major challenge for Australia's small seafood businesses.

The Howard Government has failed to help the seafood industry to respond to the challenge of rising imports.

The Government failed to honour its promise to work with the industry to establish a mechanism to enable a voluntary levy for promotion and marketing.

The Howard Government has also failed to implement tough 'country of origin' labelling rules, with the effect that cheap imports were, until recently, able to be marketed alongside premium Australian seafood products without adequate labelling.

The Government was slow to act on country of origin labelling that allows the Australian seafood industry to differentiate and promote premium Australian seafood in both domestic and international markets.

Despite the serious concerns of the industry, the Howard Government has also failed to take an active role in ensuring effective policing of country of origin labelling laws.

### **Escalating levels of overfishing**

Under the Howard Government, the number of fisheries classified as 'overfished' increased from four in 1996 to 24 in 2005.<sup>8</sup> Indeed, the number of overfished stocks has increased in every year since the Howard Government was elected in 1996.

As a result of the decline in stocks, the Government was forced to spend \$220 million over two years restructuring Commonwealth-managed fisheries to buy back licences to address unsustainable harvesting levels.

Today, 19 species remain overfished – and it will not be known for many years whether the Government's fishing licence buyback has had a positive effect on fish stocks.

Despite the rapid escalation of the number of overfished fisheries, the Howard Government has reduced spending on domestic fisheries compliance activity every year since 2002.

### **FISHERIES COMPLIANCE SPENDING AND OFFENCES DETECTED**

	<b>2002-03</b>	<b>2003-04</b>	<b>2004-05</b>	<b>2005-06</b>
Compliance spending (\$m)	4.125	4.093	3.943	3.466
Offences detected	92	71	150	104

*Source: Australian Fisheries Management Authority Annual Expenditure on Domestic Fisheries Compliance 2002–2006<sup>9</sup>*

This shows that despite a 16 per cent increase in the number of offences detected between 2002 and 2006, the Howard Government actually **reduced** spending on compliance activity by 16 per cent over the same period.

### **Climate change**

Climate change can play havoc with fish populations.

Large scale climate events such as El Niño can cause significant variations in water temperatures, wind speed and ocean currents.

These changes can affect the breeding success of reef fishes and the survival and distribution of their larvae.<sup>10</sup>

Warming coastal waters will encourage major redistribution of fish stocks and marine life.<sup>11</sup>

The CSIRO has found that the eastern-central and south east Australian waters are the most vulnerable to the impact of climate change, and cold water seaweeds such as Tasmania's kelp forests are at high risk.

This has serious medium-term consequences for Australia's fisheries.

There is an urgent need to invest more in climate modelling to assess the potential impact of climate change on fisheries production and marine ecosystems, to test management strategies, and to work with the fishing industry to identify a long-term action plan.

### **Clarence and Richmond River dams**

The Clarence and Richmond Rivers in northern New South Wales are home to an important commercial fishing industry – not just for the region, but also for the whole state, with 25 per cent of the total fishing catch in New South Wales being sourced from this region.

The local fishing industry injects around \$20 million directly into local economy, and provides direct and indirect employment to more than 1,000 people.

Recreational fishing is also a major attraction on the New South Wales north coast.

The Clarence and Richmond Rivers are not just a major tourist drawcard but also a vital part of the economy and lifestyle of the north coast.

Yet in April 2007 the Howard Government announced a proposal to dam the Clarence and Richmond Rivers.

The Government has not conducted an assessment of the social and economic impacts of this plan – ignoring its potential impact on the local community, the environment, regional tourism, the commercial and recreational fishing sectors, and the local economy as a whole.

Labor opposes the Howard Government's plans – and under a Rudd Labor Government, there will be no dam on the northern rivers of New South Wales.

### **The Howard Government's Recreational Fishing Tax**

The Howard Government is secretly funding a study through the Recreational Fishing Community Grants Scheme to investigate the feasibility of imposing a new tax on recreational fishing through a levy on fishing tackle.<sup>12</sup>

The study will include an analysis of the benefits and costs of the new tax and the processes that need to be addressed to consider its implementation.

Labor has called on the Government to explain why it is spending taxpayers' money to investigate imposing a new tax on the recreational fishing community.

At the same time as it is studying whether to impose a new tax on fishing, the Recreational Fishing Community Grants Scheme has done little to support the strategic development and growth of the recreational fishing sector.

Labor opposes the imposition of a new tax on recreational fishing.

### **Seafood quarantine and food safety concerns**

The Howard Government's quarantine regime has failed to protect Australia from major exotic pests and diseases, with our \$400 million prawn industry under serious threat from the incursion of White Spot virus and Yellow Head virus.

In July 2007, the Howard Government announced an intention to increase testing for the range of exotic viruses affecting prawns - but this announcement came ten years too late.

The problem has not been with the science itself – the problem has been the Government's failure to act on the science over the last decade.

In recent years there have been several high profile cases of contaminated seafood being imported into Australia.

This has impacted on consumer confidence affecting the whole seafood category.

Despite repeated occurrences, the Howard Government has failed to act to fix the flaws in the *Imported Food Standards Code*.

Under the Howard Government, Australia's *Imported Food Standards Code* has become out of step with international standards.

### **Broken promises on Torres Strait fisheries**

Commercial fishing is one of the most important economic activities in the Torres Strait and provides a significant opportunity for financial independence for community fishers.

The fisheries include prawn, tropical rock lobster, spanish mackerel, barramundi, pearl shell, dugong and turtle, finfish, crab, trochus and sea cucumber (beche-de-mer).

There remains an unresolved and long-running dispute between traditional fishing communities and licensed commercial line fishers concerning access to reef fish and mackerel, particularly within ten nautical miles of eastern island communities.

In November 2005, then Minister for Fisheries Ian Macdonald committed to seek funding for a scheme to reallocate licenses to traditional communities:

*'...to resolve long standing conflicts in the region and provide for a new way to sustainably manage the precious fisheries resources'*.<sup>13</sup>

The Minister for Fisheries, Forestry and Conservation, Senator Eric Abetz, has failed to deliver on that promise.

Representatives of the major stakeholder groups – the Queensland Seafood Industry Association and the Torres Strait Regional Authority – agree that a buyback of commercial line fishing licenses would resolve the conflict.

This would give Torres Strait communities greater economic independence and also allow commercial line fishers to continue operations through a lease back of licenses from traditional fishers.

### **Central Zone Scallop Fishery**

The Bass Strait Central Zone scallop fishery was closed to fishing in 2006 for a minimum period of three years.

This followed many years of 'boom and bust' fishing.

Scallop fishermen in south east Australia, particularly in the fishing port of Lakes Entrance in Gippsland, believe they have been unfairly treated by the Howard Government, which has failed to honour its promise to target the scallop fishery in the recent structural adjustment of Commonwealth fisheries.

The Bureau of Rural Sciences confirms:

*“...the number of fishing concessions continues to be too high. However, a total of only 22 of 152 scallop concessions were removed by the buyout.”*

There is a now need to undertake a broad survey of the status of the resource to better inform its ongoing management, encompassing areas that have previously yielded scallops.

This will help to ensure a full recovery of scallop stocks and to protect the future of this important local industry.

## Labor's plan for sustainable fisheries

### Summary

**Labor's Plan for Sustainable Fisheries** will assist Australia's seafood producers to return to profitability, improve recreational fishing opportunities and ensure the long-term sustainable management of our marine and freshwater fisheries resources.

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Under Labor's *Plan for Sustainable Fisheries*, a Rudd Labor Government will reprioritise government spending to invest:

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### Climate Change and Fisheries Action Plan

A Rudd Labor Government will fast track the implementation of a **Climate Change and Fisheries Action Plan**.

The plan will be developed through the Natural Resource Management Ministerial Council and the Primary Industries Ministerial Council, in partnership with the commercial and recreational fishing industry.

The *Climate Change and Fisheries Action Plan* will address major knowledge gaps about the impact of climate change on our \$1.4 billion wild catch fisheries and \$750 million aquaculture industry, including analysis of the impact of changing sea temperatures, ocean acidification, currents and wind on:

- Distribution and abundance of marine species.
- Vulnerability and resilience of marine systems.
- Ocean productivity.
- Social and economic systems using marine environments.

Funding for the *Climate Change and Fisheries Action Plan* will be provided under Labor's \$130 million *Australia's Farming Future* initiative for Australia's primary producers.

### Recreational Fishing Industry Development Strategy

There is a need for national representation from the recreational fishing sector in future planning for the recreational fishing industry, including a voice for the fishing tackle sector.

To improve the Australian recreational fishing experience, a Rudd Labor Government will review the 1994 National Recreational Fishing Policy and prepare a new **Recreational Fishing Industry Development Strategy**.

The *Recreational Fishing Industry Development Strategy* will provide opportunities for the recreational fishing industry to:

- Provide effective national representation of the recreational fishing industry including the state and territory peak bodies and the fishing tackle sector.
- Advise the Minister on the review of the 1994 National Recreational Fishing Policy and development of the Recreational Fishing Industry Development Policy.
- Advise the Minister on specific initiatives to encourage the promotion of sustainable fishing, education and awareness for children and angler communities, and best practice environmental standards for recreational fishing.
- Work closely with Fisheries Research and Development Corporation to invest in leadership training and education and awareness campaigns for the recreational fishing industry.

A Rudd Labor Government will invest \$2 million in the implementation of the *Recreational Fishing Industry Development Strategy*, including initiatives to encourage sustainable fishing.

### **Commonwealth fisheries management**

In recognition of the recent major structural adjustment to the Commonwealth fisheries fleet, a Rudd Labor Government will invest an additional \$4.3 million to provide a total of \$17 million over four years in an expanded **Fisheries Research Program**.

This increased investment will support the expansion of the research currently conducted by Bureau of Rural Sciences and ABARE in relation to Commonwealth fisheries.

In particular, the expanded *Fisheries Research Program* will provide for further research to facilitate the classification of Commonwealth-managed species currently classified as 'uncertain'.

Labor is committed to the continued development of **International Fisheries Partnerships** to ensure the sustainable management of migratory species currently managed by Regional Fisheries Management Organisations.

This will include support for Australia's continued participation in the Commission for the Conservation of Southern Bluefin Tuna, the Western and Central Pacific Fisheries Commission, the Indian Ocean Fisheries Commission, and the Network of Aquaculture Centres in Asia.

A Rudd Labor Government will also:

- Work with the fishing industry to examine incentive schemes for innovation in the development of new fisheries technologies to reduce the impact of fishing on bycatch, non-target and endangered species.
- Work with the seafood industry to consider how improvements can be made in order to properly assess the economic and social impacts of fisheries management decisions before those decisions are taken.

- Work with the seafood industry to consider the productivity of the seafood industry, and examine changes that may be required to better assess, measure and consider productivity within the overall fisheries management and fisheries research framework.
- Maintain support for the continuation of the new Australian Fisheries Management Authority Commission structure, including the implementation of Harvest Management Strategies and the continuation of existing consultative mechanisms including Management Advisory Committees and Resource Assessment Groups.
- Review the feasibility of alternatives to the cancellation provisions under the Fisheries Management Act, such as increased financial penalties for non-compliance and longer periods of suspension of statutory fishing rights for domestic fisheries offences.
- Increase domestic enforcement and compliance.

### **Seafood marketing and promotion**

A Rudd Labor Government will invest \$5 million in the establishment a new **Promoting Australian Produce** initiative to assist Australian producers to develop and implement strategies to raise awareness and the profile of premium quality of Australian produce, including seafood products.

Labor will support the Australian seafood industry to establish appropriate levy mechanisms to facilitate long-term industry funding for marketing and promotion

A Rudd Labor Government will also work with the States and Territories to ensure better enforcement of accurate country of origin labelling laws.

### **Improving productivity and encouraging innovation**

Labor will establish a \$10 million grant program to encourage innovation and improved productivity in the seafood industry as part of a broader \$35 million Regional Food Producers Innovation and Productivity program, as announced in Federal Labor's Plan for Primary Industry.

The programs will be administered by the Department and require matching contributions from industry and the support of relevant peak industry and sectoral bodies.

Successful projects will be required to demonstrate a high likelihood of improved productivity and profitability in the aquaculture and broader seafood industry sectors.

Projects will be targeted at innovation in production, processing and value-adding in the seafood industry. Preference will be given to grants which develop new technologies, processing or production methods at business level, rather than industry-wide consultancies or studies.

Strict guidelines will ensure that preference is given to grants at business-level rather than industry-wide consultancies or studies.

The program will be administered by the Department of Agriculture, Fisheries and Forestry and require matching contributions from industry.

### **Seafood safety standards**

A Rudd Labor Government will review the provisions of the *Food Standards Code* relating to seafood to ensure they adequately address the known risks.

Labor will also review existing testing protocols for seafood imports and consider any measures necessary to improve the food safety standards of imported seafood products.

### **Torres Strait fisheries**

Labor supports the aspirations of Torres Strait communities for economic independence and the need to move toward greater allocation of fishing rights to traditional owners.

A Rudd Labor Government will invest \$7.5 million in a **Torres Strait Commercial Line Fishery Reallocation** initiative to establish a voluntary buyback scheme for the remaining commercial Torres Strait line fishing entitlements.

This will allow reallocation of 100 per cent of the finfish fishery resource to traditional fishers through the Torres Strait Regional Authority.

Labor will ensure provision to allow Torres Strait islanders to commercially lease access to finfish stocks, subject to the approval of the Protected Zone Joint Authority (PZJA) under an agreed fisheries management framework.

A Rudd Labor Government will support the current management planning regime for establishing a quota management regime for the Torres Strait finfish fishery, including the Torres Strait Treaty with Papua New Guinea and the goal of the Torres Strait PZJA to enter into a catch sharing agreement with Papua New Guinea.

### **Central zone scallop fishery**

A Rudd Labor Government will review the administration of the Howard Government's buyback package for the Bass Strait scallop fishery.

Labor will conduct an independent audit of the buyback, with particular reference to the scallop fishery, to report to the Minister for Primary Industries, Fisheries and Forestry. This report will be made available to the public.

In relation to management of the scallop fishery, a Rudd Labor Government will undertake a broad survey encompassing areas that have previously yielded scallops to better inform management as to the status of the resource.

Labor will work with the fishing industry to ensure a full recovery of scallop stocks through the continuation of restrictions and monitoring to protect the future of this important industry.

### **Aquaculture industry development**

Labor acknowledges the key role played by the National Aquaculture Council (NAC) in representing, organising and leading Australia's aquaculture sector.

A Rudd Labor Government will work closely with NAC and sectoral organisations to continue the sustainable development of the Australian aquaculture industry including key priority areas such as marketing and promotion, trade and market access, biosecurity, food health standards.

Labor will work with the Australian aquaculture industry to develop markets in the premium end of the domestic and international seafood market.

## Financial implications

Labor's Plan for Sustainable Fisheries is fully costed and funded.

### FINANCIAL IMPLICATIONS – IMPACT ON UNDERLYING CASH BALANCE (\$M)

	2007-08	2008-09	2009-10	2010-11	Total
Development of new Recreational Fishing Industry Development Strategy	0.0	0.5	0.5	1.0	2.0
Fisheries Research Program	0.0	1.87	2.18	0.29	4.34
Torres Strait Commercial Line Fishery Reallocation	7.5	-	-	-	7.5
<b>Gross Total</b>	<b>7.5</b>	<b>2.4</b>	<b>2.7</b>	<b>1.3</b>	<b>13.8</b>
New Industries Development Program	0.0	-2.4	-2.7	-1.3	-6.3
Unallocated funds from <i>Securing our fishing future onshore</i> package	-7.5	-	-	-	-7.5
<b>Total Offsets</b>	<b>-7.5</b>	<b>-2.4</b>	<b>-2.7</b>	<b>-1.3</b>	<b>-13.8</b>
<b>Net impact</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

## Endnotes

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6. 'Australia to face massive seafood shortfall: report', ABC Landline, December 2003. <http://www.abc.net.au/landline/stories/s1001498.htm>
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13. 'Summary Record Meeting No. 18, 5-6 July 2005 Torres Strait Protected Zone Joint Authority'. ([http://www.pzja.gov.au/notices/notices/2005/n20051109\\_record.pdf](http://www.pzja.gov.au/notices/notices/2005/n20051109_record.pdf))