

FISHERIES SERVICES

AUSTRALIA

Global demand for fish and seafood product has been increasing for many years and is placing pressure on wild harvest fisheries. This demand has been met by a global shift towards increasing the productivity of the aquaculture sector. Australia's fishing and aquaculture industries are worth over AUD 2 billion annually and both sectors contribute significantly to regional employment. Aquaculture is currently the fastest growing primary industry in Australia

In Australia, responsibility for the management of wild capture fisheries is shared between the Commonwealth and the States. The Constitution provides that the Commonwealth is responsible for the management of fisheries outside the 3 nautical mile (nm) territorial sea with states/territories responsible for fisheries in all other waters adjacent to that State.

While the 3 nm limit is a historical dividing line between Commonwealth and state/territory jurisdiction, Offshore Constitutional Settlement (OCS) fisheries arrangements allow the Commonwealth and states/territories to enter into agreements that change fisheries jurisdictions that better reflect fishing practices and where fish are caught. Under the OCS, a fishery may be managed by either the Commonwealth or a state/territory or fisheries Joint Authority, comprising the Commonwealth Minister and one or more state/territory Ministers responsible for fisheries.

Currently in Australia, the aquaculture sector is managed by states and territories and occurs within 3nm. There is no legislative framework for aquaculture in 3-200nm at this stage, however this is under development. Consultation with state and territory fisheries managers was undertaken to provide an overview of the fisheries value chain from both levels of government

The OECD has asked Members to provide information regarding services provided to various elements of the fisheries value chain. The fisheries value chain constitutes many elements and a comprehensive information gathering process on all these elements was not possible given the resources available and time allocated to the process. In order to provide a response that would be of value to the OECD, our response provides information on the harvest and aquaculture sector only, which was identified as the focus of the OECD survey.

- 1. Please provide information on the extent to which services to the fishing industry are provided by the public or private sector. If the service is provided by public authorities, please state whether there is a cost recovery scheme in place, or how the service is paid for.*

There are a variety of services involved in the provision of service to the fishing harvest and aquaculture sectors. These services may be provided by either the public or private sector. For example, cost recovery for Commonwealth managed fisheries, is considered in some detail in a 'Cost Recovery Impact Statement', which is publicly available on the Australian Fisheries Management (AFMA) website. In Australia, the provision of services to the harvesting sector are provided by a mixture of privately and publicly owned bodies. Surveillance, licences and TACs services are generally provided by the public

sector, whereas boat repairs, financial management and weighing of fish is generally conducted by the private sector. There is however, an overlap with many services such as research and rescue at sea being provided by the public and private sectors jointly.

Costs incurred in the management of Commonwealth fisheries are split between those attributable to the fishing industry and those that are not. Attributable costs are recovered from industry through levies and licence fees. Non-attributable costs are met by government. Examples of attributable costs include: licensing, compliance, data collection, dock-side monitoring, surveillance of domestic fisheries, satellite monitoring, observer programmes, and management advisory committees. Examples of non-attributable costs include: responding to illegal foreign fishing, managing traditional and indigenous fishing, enforcement (including prosecutions), broader marine research such as that associated with ecosystem management, and participation in regional fisheries management organisations.

At present, the majority of the attributable costs are pro-rated across license holders on a fisheries-by-fisheries basis. However, there are moves to differentiate between those costs incurred by the management agency in carrying out its regulatory functions and those costs incurred in providing a service to industry. An example of the former is the costs associated with data entry of fishing logbooks. An example of the latter is administration of quota transfers. A system of 'fee-for-service' is being examined for service costs, replacing the current approach of spreading costs across the licence holders.

The provision of services to the aquaculture sector is provided by a mixture of both private and publicly owned bodies. Some services are characterised by being provided by the public sector such as legislation, electricity provision, and water regulation. However, other services such as cleaning and labour are generally provided by the private sector.

Costs incurred in the management of aquaculture services are paid for in a variety of ways. The states and territories manage their own aquaculture activities and thus apply their relevant legislation. Regulations and legislation varies between the states and territories and accounts for the different ways that aquaculture services are paid for around Australia. Environmental impact assessments, for example, are cost recovered in the Northern Territory, privately paid for in New South Wales and Queensland, and are administered out of public funds in Tasmania.

To help address the varying levels of management over aquaculture, the Aquaculture Industry Action Agenda (AIAA), a strategic framework between industry and the Australian Government, includes an initiative to promote a regulatory and business environment that supports aquaculture. A study by the Productivity Commission assessed the environmental regulatory arrangements for aquaculture and concluded that the industry was subject to an unnecessarily complex array of legislation and agencies.

Following through on its commitment to the Action Agenda and responding to the Productivity Commission findings, the Government led the development of a best practice framework of regulatory arrangements for aquaculture in Australia. This was endorsed in April 2005 and is now in the hands of the states and the Northern Territory to implement. As of March 2006, all states and the Northern Territory were advanced against at least one of the 11 best practice recommendations.

Some aquaculture services may be paid for from more than one area. For example, many jurisdictions across Australia indicated that veterinary services are paid for through cost recovery schemes, privately, and by public funds. It appears that within any service that must be paid for, how the service is paid for will depend on the exact part of the service that is being utilised. Some jurisdiction indicated that whilst disease diagnosis is free, disease certification is cost recovered, and other related costs will be paid for privately.

2. *Is the provision of services regulated? If the provision of services is restricted, on what grounds? Are regulations and restrictions published? Are domestic and foreign users treated equally?*

Through our consultation with the relevant state and territory fisheries agencies, many of the aquaculture services are regulated but some are not. Services such as environmental monitoring, water regulation and labour are regulated across many of the Australian jurisdictions. For other services such as veterinary services, cleaning, farm management and infrastructure, it varies between jurisdictions as to whether the service provision is regulated.

The provision of services to the harvesting and aquaculture sectors may be restricted on different grounds. The Australian Government, along with the states and territories have a number of legislative objectives that they pursue in regulating the harvesting and aquaculture sector. These objectives include ecologically sustainable development, maximising net economic benefits to the community, accountability, and efficient and cost-effective management. Management measures are implemented in pursuit of these objectives.

All Commonwealth, state and territory legislation, regulations and policies that relate to fisheries and aquaculture are published and are readily available for the public to view. This information is available from various portals including the internet and libraries around the country. This information is provided freely and can be accessed through different websites. For example, state fisheries legislation can be accessed via the relevant state authority website or through a Commonwealth legislative database website. Below is a list of links to the relevant Commonwealth, state and territory fisheries and aquaculture websites where respective regulations, legislation and policies can be found:

www.daffa.gov.au/fisheries

www.afma.gov.au

www.dpi.nsw.gov.au/

www.dpi.qld.gov.au

www.dpi.vic.gov.au

www.pir.sa.gov.au

www.fish.wa.gov.au

www.nt.gov.au/dpifm/Fisheries

www.dpiw.tas.gov.au

www.australian-aquacultureportal.com

In relation to whether domestic and foreign users in these industries are treated equally, this is not relevant to Australian harvest and aquaculture industries as there are no foreign fishers licensed to operate in Australian waters.

3. *Is the service provided as a regulatory obligation?*

Regulatory management in Australia aims to ensure that resources used in the fishing and aquaculture industry are managed efficiently, and take into consideration the environmental impacts and operational activities associated with harvesting and aquaculture. Key issues relating to regulation in Australia include the relationship between the intention of policy and the form of regulation chosen, the extent of consultation with affected businesses, and effective administration by government and reporting of performance by regulators.

Some of the services provided to both the harvesting and aquaculture sectors are provided in response to regulatory obligations, for example, data collection and licensing. Other services are only indirectly linked to regulatory functions, such as quota and licence transfers which are designed to facilitate greater economic efficiency within the harvesting sector.

4. *When considering a service provider, can the user freely choose between domestic and foreign providers?*

When considering a service provider in Australia, there are no restrictions or guidelines as to which provider a user must choose (with the exception of Government regulations).

5. *Is the regulatory environment for the provision of a service an outcome of internationally agreed instruments?*

Australia is signatory to all relevant internationally agreed instruments in relation to fisheries obligations. Australia has signed the United Nations Convention on the Law of the Sea (UNCLOS), the United Nations Fish Stocks Agreement (UNFSA), and adopted the FAO Compliance Agreement. These instruments have been ratified and implemented into Australian domestic legislation. Australia is also a member and active participant to all regional fisheries management organisations (RFMOs) relevant to Australia. These international agreements are important as they provide internationally agreed objectives and standards in relation to fishing and aquaculture activities, particularly those relating to highly migratory and straddling fish stocks, and high seas fishing operations.

While these instruments in many cases mandate a specific type of regulation (eg data collection and reporting), they only call on States to take action – they do not specify that Governments must take action. In many cases however, this is implied as it would be difficult for parties other than the Government to fulfil the set international obligations.

In the case of RFMOs, particularly where illegal, unreported and unregulated (IUU) fishing and compliance are issues, the RFMO conservation and management measures often mandate that specific activities must be undertaken by a government authority. For example, the Commission for the Conservation of Antarctic Marine Living Resources (CCAMLR) Catch Document Scheme (CDS) for toothfish requires catch documents to be authorised by government officials to reduce opportunities for misreporting and manipulation.

Australia actively participates and takes a leadership role in international fisheries management fora. As a responsible fishing nation, Australia continues to review, enhance and take steps in its domestic fisheries and aquaculture management that lead to competitive and sustainable industries. All jurisdictions across Australia will consider whether establishing a regulatory framework is the most efficient and effective method of improving service delivery.