

# Sustainable Fisheries Strategy

## 2017–2027

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### Discussion paper

### Draft allocation approach – Crab Fishery

#### Background

The Queensland Government is committed to reforming its fisheries to ensure they are managed sustainably into the future and continue to provide benefits for the community, in line with the Sustainable Fisheries Strategy 2017–2027. Following extensive consultation with fishery stakeholders, fishery working groups and the Sustainable Fisheries Expert Panel, the Queensland Government has agreed on a number of key directions for each of the fisheries.

The preferred management framework for Queensland's commercial crab fishery (C1 Fishery) is a Total Allowable Commercial Catch (TACC) allocated through Individual Transferable Quota (ITQ). The key reforms include:

- Divide the commercial fishery into three units based on the key species
- Allocate individual commercial quota for mud crab and blue swimmer crab
- Require tagging of commercial caught mud crabs to reduce black-marketing and support quota enforcement

Licence holders are able to access Fishnet Secure to review *estimated* individual allocations under each of the proposed fishery allocation approach. You can access your own Fishnet account at this online link:

<https://fishnet.fisheries.qld.gov.au>

Fishers are advised that these estimates are for consultation purposes only, will likely be subject to change and should not be relied upon for business decisions. The actual allocation remains subject to regulatory amendments later in 2019 are the total allowable commercial catch that is set for each fishery.

#### How to provide feedback

This discussion paper is designed to provide licence holders with the opportunity to have a say about the allocation of quota for the C1 fishery. Once feedback has been received, Fisheries Queensland will collate all responses for consideration by the Crab Fishery Working Group and the Queensland Government.

Fishers are invited to provide feedback on the proposed allocation approach by **26 April 2019** by completing a short survey online at <https://www.surveymonkey.com/r/L9PV9ZP> or by emailing a written submission to [fisheriesmanagers@daf.qld.gov.au](mailto:fisheriesmanagers@daf.qld.gov.au).

For more information, visit [daf.qld.gov.au/fisheries](http://daf.qld.gov.au/fisheries) or call 13 25 23.

## Objectives of quota allocation

Individual allocation of fishery quotas have been established in Australia and overseas.

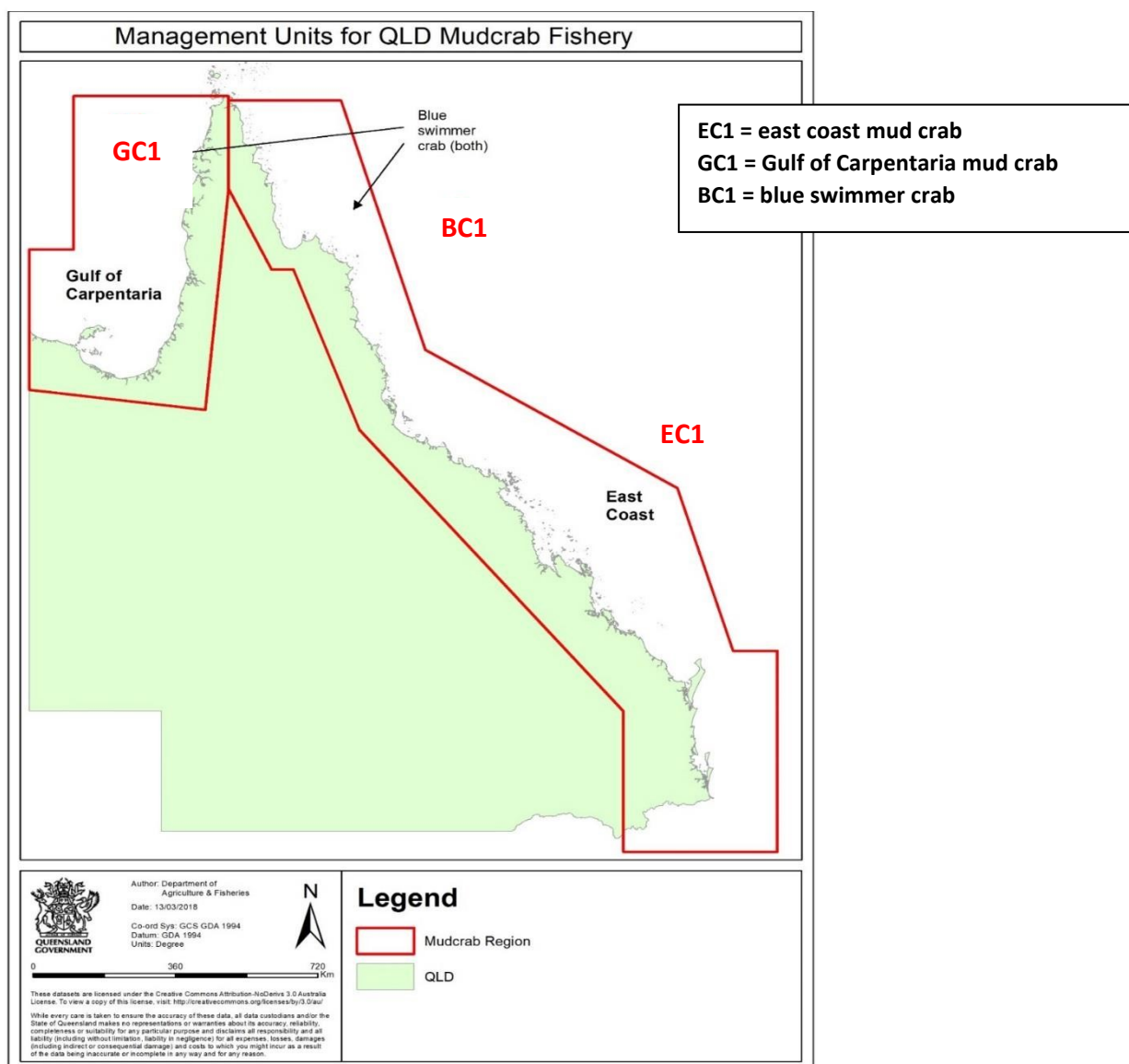
In line with best practice, Fisheries Queensland will aim to minimise the change in economic position of licence holders relative to other licence holders in the C1 fishery prior to the proposed change compared to after.

Generally, *relative economic position* means an individual's percentage share of the catch should be at about the same before and after the allocation process. A fisher's relative economic position is calculated by considering licence and symbol holdings along with reported logbook catch.

## Management units

The existing C1 fishery for crab species in Queensland is proposed to be divided into three management units. The objective of defining management regions is to establish a framework that allows harvest strategies to operate at the stock level.

Figure 1: Map showing proposed existing C1 fishery management units.



## Allocation principles

The following principles will apply when considering ITQ allocation in the C1 fishery.

<b>LICENCE REQUIREMENTS</b> <ul style="list-style-type: none"> <li>Quota units will be issued to <i>eligible</i> commercial fishing boat licences</li> <li>Eligible commercial fishing boat licences are those that have C1 symbol on the <i>date of the allocation decision</i></li> <li>The date of the allocation decision will be set at a future date, known to all licence holders</li> </ul>	<b>LOGBOOK PROVISIONS</b> <ul style="list-style-type: none"> <li>Reported catch history will be used to establish a fishers economic participation</li> <li>Logbook catch history will be allocated to each of the three management units: EC1, GC1 or BC1</li> <li>Fishers will receive units in all crab fisheries they have relevant history in</li> <li>Logged catch history for the relevant years must have been received before 30 December 2017</li> </ul>
<b>RELEVANT TIME PERIOD AND DATES</b> <ul style="list-style-type: none"> <li>The relevant years for determining a fishers economic position in the crab fishery are the seven financial years (1 July 2010 to 30 June 2017 inclusive): <ul style="list-style-type: none"> <li>2010-11    2011-12    2012-13</li> <li>2013-14*   2014-15    2015-16</li> <li>2016-17</li> </ul> </li> </ul> <p>Key C1 fishery management changes during this time are:</p> <p>* <a href="#">Investment Warning: 6 March 2014</a></p> <p>* Two C1's/licence: 23 May 2014</p>	<b>RECOGNISED CATCH CAP</b> <p>For mud crab (EC1 and GC1):</p> <ul style="list-style-type: none"> <li>Only logbook history up to a maximum annual cap of 6 tonnes will be used to calculate allocation for licences with 1 x C1 symbol.</li> <li>Any financial years a licence had 2 x C1 symbols written on it (from 23 May 2014), logbook history up to a maximum cap of 12 tonnes will be used for quota allocation.</li> <li>To be eligible for the 12 tonne cap for EC1 or GC1 (mud crab) units, 2 x C1's must be written on the licence on the date of the allocation decision</li> </ul> <p>For BC1 – No catch cap will be applied</p>

## Proposed allocation approach

ITQ units would be allocated based on each licence's annual catch history for six best years from the seven-year period 2010/11 to 2016/17.

$$\text{Allocated units} = \frac{(\text{Sum of licence's reported catch for best 6 years} \div 6) \times \# \text{ units}}{\text{Whole fishery sum of catch for best 6 years} \div 6}$$

<b>Reported catch</b>	For blue swimmer crab, the reported catch. For mud crab, the reported catch is capped at 6 or 12 tonnes
<b># units</b>	This is a fixed number representing the total number of units available for each fishery. 1 unit will approximate 1 day of catch for each fishery (noting that the value of a unit is variable, depending on the total allowable catch Fixed number - BC1 = 12,000 EC1 = 30,000 GC1 = 4,000
<b>Whole fishery sum of catch for best 6 years</b>	Sum of six best year's harvest of all eligible licences with a C1. Because the licences with a C1 attached can change, this number would be a fixed number, and reflect data in a snapshot of time. Currently proposed as at 8 February 2019. Fixed number - BC1 = 353,341 EC1 = 848,491 GC1 = 100,950

## Fishnet quota allocation example

Licence:		Boatmark:					
	2010-2011	2011-2012	2012-2013	2013-2014	2014-2015	2015-2016	2016-2017
EC Mud Crab Reported Catch (kg)	4,201	3,965	2,440	10,545	16,230	11,180	13,215
No of C1 Symbols	1	1	1	1	2	2	2
EC Mud Crab Calculated Catch for Quota Allocation (kg)	4,201	3,965	2,440	6,000	12,000	11,180	12,000
Best 6 Years Average EC Mud Crab Catch (kg)	8,224 (calculated best 6 years total catch/6)						

Quota Allocation Options	Allocated Units	Individual % of Total Available Units	Indicative Annual Quota (kg)
Unit allocation based on best 6 years of catch history	290.787	0.97%	7,075 kg

**Total Allowable Commercial Catch = 730 tonnes**  
**Total Available Number of Units = 30,000**  
**1 Quota Unit = 24.33 (kg)**

Average percent (proportion) of the TACC

EC1 = 0.28%

GC1 = 1.17%

BC1 = 0.47%

Cap applies

Quota if  
TACC = 730 t

If TACC ↑ to 800 t  
Unit value ↑ 26.67kg  
(26.67 unit value X  
290.787 allocated units)  
= 7,754kg

In this example, the TACC is 730 tonnes. The licence holder logged east coast mud crab catch in all seven relevant years, and added a second C1 to their licence during 2014.

Under the proposed approach, this licence holder would be allocated **290.787 EC1 units** or around **0.97%** of the TACC. The unit value will be adjusted according to rules in the harvest strategy, and the health of stocks.

This approach is considered the most appropriate for allocating quota in the crab fishery for a number of reasons.

- The years to be used in an allocation should be as recent as reasonably possible to accurately reflect the present relative economic positions and reliance by licence holders.
- Using seven years catch history accounts for annual variations in stock and environmental conditions in Queensland's crab fisheries, and provides fishers a high number of years in which to demonstrate catch history that reflects their relative economic position.
- Excluding the single worst reported year in the allocation approach provides for those years when licence holders might not have fished for various personal or business reasons. This addresses the issue of lost fishing time for any reason it may occur (illness, injury etc).
- Recent entrants to the crab fishery in the last 3 or 4 years (e.g. 69 east coast mud crab licences) still receive an allocation of between 40 to 68% of their average (capped) catch.
- The licences allocated 5 tonnes or more mud crab represent the top 8%, many of which hold 2 x C1's. Many of these fishers logged 7 years catch. These highest quota holders may still need to 'top up' their allocation through leasing or buying more quota, as they would receive around 60% of their average (capped) catch.
- The licences allocated 3 to 5 tonnes (around 25% of all licences), would receive around 80% of their average (capped) catch. Recognising a higher catch cap for those licences with more than 1 x C1 reflects an individual fishers increased investment, real effort capacity in the fishery and capital licence value.
- Implementing a minimum quota holding to operate in the fishery could be a mechanism to facilitate higher consolidation of quota optimising commercial viability.

## Alternative approaches considered

A number of other allocation options were analysed, including three best years before and after the 2014 Investment Warning, weighted options before and after the Investment Warning, base allocation models and average based on less years catch. These alternative models were compared with each licence holder's average catch, and the proposed approach of six best years from seven years, represented the fairest option for most fishers, for those reasons as outlined above.

In base allocation models, a greater weighting on C1's results in a greater allocation to licence holders that have not previously recorded crab catch, and a reduction in allocation to those with high reported catch.

The seven years proposed (2010/11 to 2016/17) is after the latent effort review period (1999 to 2008). Licence holders who retained their C1 in that latent effort review have therefore had the opportunity to establish a catch history for this current reform process.

## Other circumstances

Balancing the needs and different circumstances of all licence holders is difficult to achieve in all fishery allocation processes. There may be other circumstances some stakeholders feel have not been adequately addressed in the proposed allocation approach.

Fisheries Queensland would like to hear from fishers as to what may not be accounted for in the proposed approach for allocating crab quota. Noting that fishing in another fishery, many business decisions, boat size and capability and being a recent entrant are *not* considered exceptional circumstances for ITQ allocation purposes.