

Sustainable Fisheries Strategy

2017–2027

Discussion Paper

Draft allocation approach – East Coast Inshore 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 east coast inshore fishery is a combination of Total Allowable Commercial Catch (TACC) allocated through Individual Transferable Quota (ITQ). The key reforms include:

- divide the fishery into six management regions (see attached map), based on key fish species
- allocate ITQ on priority species (e.g. barramundi, king threadfin, grey mackerel, school mackerel, whiting)
- set competitive TACCs (which are not allocated to individuals) for other key species (e.g. mullet, tailor, bream, flathead, shark); and
- monitor the remainder of inshore species and establish triggers in harvest strategy for review.

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 east coast inshore fishery. Once feedback has been received, Fisheries Queensland will collate all responses for consideration by the Inshore Fishery Working Group and the Queensland Government.

Fishers are invited to provide feedback on the proposed allocation approach by **Sunday, 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. For more information, visit www.daf.qld.gov.au/fisheries or call 13 25 23.

Objectives of quota allocation

Individual allocations 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 east coast inshore 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 regions

The existing East Coast Inshore fishery is proposed to be divided into six management units. The objective of defining management regions is to establish a framework that allows harvest strategies to operate at the stock level.

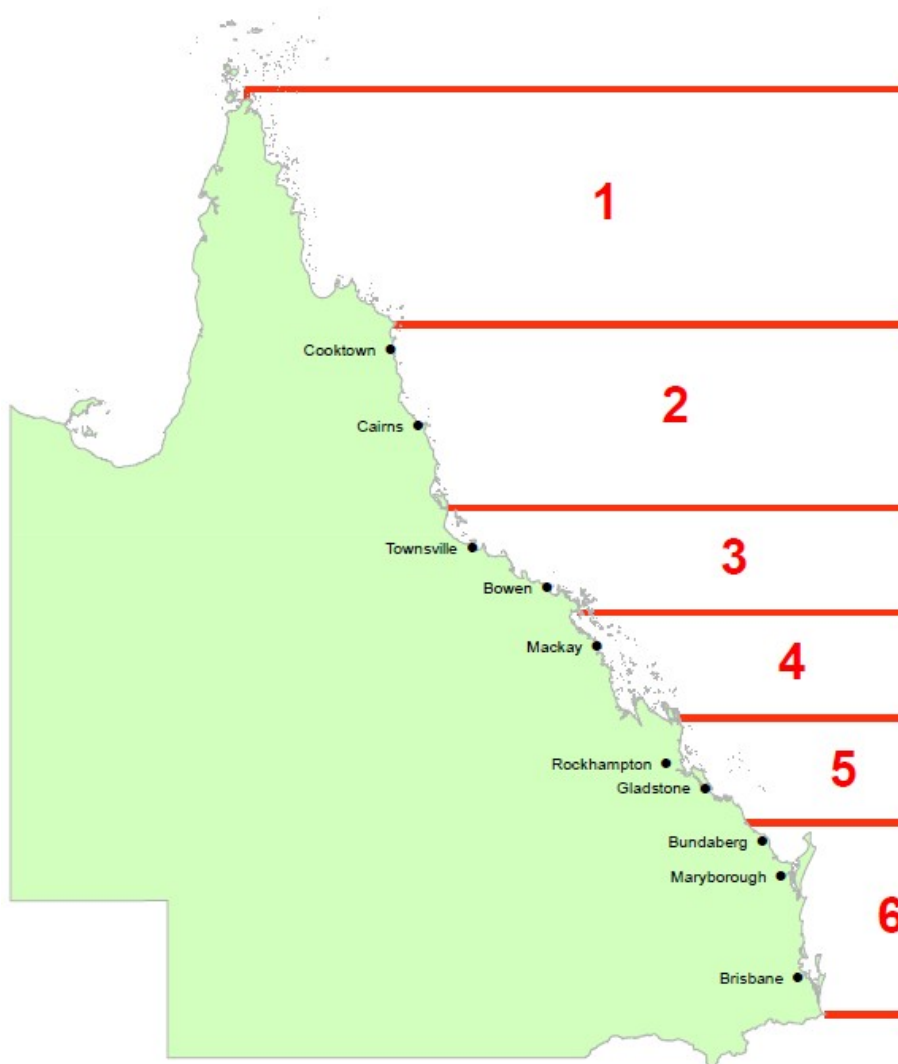


Figure: Proposed management regions for the east coast inshore fishery

Allocation principles

The following principles will apply when considering ITQ allocation in the east coast inshore fishery.

LICENCE REQUIREMENTS <ul style="list-style-type: none"> ITQ units would be issued to eligible commercial fishing boat licences Eligible commercial fishing boat licences are those that a 'N', 'K' or 'L' symbol on the date of the allocation decision Fishers would be advised of the date of allocation in advance. 	LOGBOOK PROVISIONS <ul style="list-style-type: none"> Only reported logbook catch history would be used to establish a fisher's economic position. Other documents may be used in the appeals process e.g. sales dockets Logbook catch history would be divided into the six management regions: Region 1, Region 2, Region 3, Region 4, Region 5 and Region 6 (see attached map) Catch caps (i.e. maximum annual catch) would not be used for quota allocation in the east coast inshore fishery Logged catch history for the relevant years must have been received before 31 March 2018.
RELEVANT TIME PERIOD AND DATES <ul style="list-style-type: none"> The relevant years for determining fishers economic position are the five Calendar years (1 January to 31 December inclusive): 2013 2014* 2015 2016 2017 * Investment Warning: 6 March 2014 (The investment warning can be accessed at https://www.business.qld.gov.au/industries/farm-s-fishing-forestry/fisheries/warnings) 	CATCH HISTORY ELIGIBILITY <ul style="list-style-type: none"> Holders of eligible licences would receive units for a species in that region they have relevant catch history in Eligible licences would have to meet a minimum catch criteria to be allocated ITQ. The criteria is a minimum 500kg total in the relevant years for an ITQ species in a region.

Proposed allocation approach

ITQ units would be allocated on the same basis for all species for all management regions. To focus management on the species that drive fishing behaviour in each of the proposed management regions, ITQ units would be allocated for the following management regions (excluding management region 6) and species:

- Region 1: barramundi, king threadfin and grey mackerel
- Region 2: barramundi, king threadfin and grey mackerel
- Region 3: barramundi, king threadfin and grey mackerel
- Region 4: barramundi, king threadfin and grey mackerel
- Region 5: barramundi, king threadfin, grey mackerel
- Region 6: barramundi, king threadfin, grey mackerel, school mackerel and whiting.

For a species in a particular management region, the proposed allocation approach for eligible licences is:

Average Catch (for that species, for that region) x Allocation Factor

Allocated Units = _____

Sum of Average Catch (for that species, for that region) for all eligible licences

- The Average Catch (for a species, for a region) is calculated as the total catch (for that species, for that region) for the years 2013 to 2017 (inclusive) divided by five
- The Sum of Average Catch (for a species, for a region) is calculated as the total of the Average Catch of that species for that region for all eligible licences.
- The Allocation Factor (for a species, for a region) is an adjustment to the TACC so that the total allocated units when rounded up to the nearest whole number does not exceed the TACC, as well as an amount reserved for appeals.
- Selecting a number of years before and after the investment warning (2014) in the quota allocation model recognises the intent of the investment warning but also better reflects more recent trends in the fishery
- Using five years of catch history accounts for annual variations in stock and environmental conditions in the east coast inshore fishery, and also gives fishers a number of years to demonstrate activity for the purposes of establishing their relative economic position
- No base allocation would be granted - instead, every eligible licence that qualifies and has reported a level of catch would be allocated units

Fishnet quota allocation example

Region: 3

Species: Grey Mackerel

Licence: 1234		Boatmark: ABCD			
	2013	2014	2015	2016	2017
Region 3 Grey mackerel Catch (kg)	2160	1051	425		912
Average Catch	909.60 (calculated as 5 years total/5)				
Quota Allocation		Sum of Average Catch	Individual % of Total Available Units	Allocation Factor	Indicative Proposed Allocation (Units)
Unit allocation based on 5 years of catch history		84481.40	1.08%	62037.0027	668
Total Allowable Commercial Catch = 73,000 kg Initial Unit Value = 1 kg					

Quota if
TACC = 73 t

The Allocation Factor adjusts each individual share of the TACC so that the TACC is not over allocated

Region: 4**Species: Barramundi**

Licence: 1234		Boatmark: ABCD			
	2013	2014	2015	2016	2017
Region 4 Barramundi Catch (kg)	3288	1555	1930	61	1145
Average Catch	1595.80 (calculated as 5 years total/5)				
Quota Allocation		Sum of Average Catch	Individual % of Total Available Units	Allocation Factor	Indicative Proposed Allocation (Units)
Unit allocation based on 5 years of catch history		57922.42	2.76%	49282.0066	1358
Total Allowable Commercial Catch = 58,000 kg Initial Unit Value = 1 kg					

Quota if
TACC = 58 t

The Allocation Factor adjusts each individual share of the TACC so that the TACC is not over allocated.

In the example above, the Region 3 Grey mackerel TACC is 73 tonnes and Region 4 Barramundi TACC is 58 tonnes. The licence holder has four out of five years of logged catch history for grey mackerel in region 3 and five years of logged catch history for barramundi in region 4. This licence would be eligible to be allocated ITQ units for grey mackerel in management region 3 and barramundi in management region 4 as the total catch of each of these species in their respective regions exceed 500kg for the years 2013 to 2017.

Under the proposed allocation approach the licence holder would be allocated **668 units** (or **1.08%** share) of **grey mackerel in region 3** and **1358 units** (or **2.76%** share) of **barramundi in region 4**.

The unit value will reflect the status of the stocks and be adjusted according to rules in the harvest strategy. For example, if the unit value was 1 unit = 1 kg for both species in these regions, then the amount able to be taken under this licence would be 668 kg and 1358 kg of grey mackerel and barramundi respectively

Alternative approached considered

A number of other allocation options were analysed, including average of three best years from 2013 to 2017, total of three best years from 2013 to 2017, average of 10 years from 2008 to 2017; and average of the best 6 years from 2011 to 2017. Alternative minimum catch criteria to be eligible to receive ITQ units were also considered, including a total of 100kg for a species for a region from 2013 to 2017; and a total of 250 kg for species in a region from 2013 to 2017.

These alternative approaches were compared with each licence holder's average catch, and the proposed approach reflected most fisher's relative economic position. The other allocation approached considered created a higher number of fishers who would receive either smaller or larger overall allocations and thus would affect the overall economic position of all fishers. The five year average model best minimised the impact on the relative economic position of fishers who have a reliance on the species. A qualifying criteria of 500kg total over the five year period was considered an adequate reflection of commercial activity in the fishery.

Other circumstances

Balancing the needs and particular 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 if there are other circumstances that the proposed allocation approach does not adequately deal with. 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