

PUBLIC



**STANDING COMMITTEE ON ESTIMATES AND FINANCIAL OPERATIONS
ADDITIONAL QUESTIONS FOR 2012/13 BUDGET ESTIMATES HEARING
DEPARTMENT OF FISHERIES HELD ON
WEDNESDAY, 6 JUNE 2012**

HON GIZ WATSON MLC ASKED –

1. THIRD PARTY SUSTAINABLE CERTIFICATION

1.1 *I refer to the major spending changes on page 179 and specifically to the Third Party Sustainability Certification for Commercial Fisheries. In his statement on the 16 March 2012 the Minister committed \$14.5 million to the program over the next 4 years with initial funding of \$6.5million. This doesn't appear to be reflected in the Budget Papers. Can you explain why this is the case?*

The Minister's commitment of 16 March 2012 comprises two components, which total \$14.5M:

- a) The first component provides for funding of the application costs associated with pre-assessment and full assessment and the initial audit for third party sustainability certification for commercial fisheries. This component of the funding is expected to cost around \$6.5M over four years and is listed in the budget papers under this item with particular reference to pre-assessment and assessment.
- b) The second component of the announcement involves the Department of Fisheries being allocated \$8M over the forward estimates for ongoing research and management costs expected to be associated with this project and is listed in the budget papers under this item with particular reference to ongoing research and management.

1.2 *In relation to the Third Party Sustainability Certification program please provide further details as to -*

1.2.1 *How the Third Party Sustainability Certification program will be implemented?*

1.2.2 *How will certifiers be identified and selected?*

1.2.3 *Which Fisheries might qualify for 'sustainability certification'?*

1.2.4 *How the Western Rock Lobster Fishery continue to be certified as sustainable given another extremely poor year larval recruitment despite the optimal oceanographic conditions?*

1.2.1 Governance arrangements for the Third Party Sustainability Certification Program (Program) are still being finalised. At this stage, it is expected that the Department of Fisheries will nominate a Project Leader and relevant staff to administer the program with input from a Project Advisory Committee. The Western Australian Fishing Industry Council is also likely to appoint an Industry Project Leader who will establish and chair a Certification Stakeholder Forum, which is expected to include representation from relevant stakeholders.

- 1.2.2 It is expected that certifying bodies will be identified and selected in accordance with standard government procurement practices.
- 1.2.3 The Program is expected to involve pre-assessment for all commercial fisheries in Western Australia. The order in which commercial fisheries then proceed to full assessment will be a matter for the relevant commercial fisheries to determine.
- 1.2.4 Management settings for the Western Rock Lobster fishery are determined based on extensive research and advice, including consideration of relatively poor larval recruitment and oceanographic conditions recorded in recent years. These settings ensure that the fishing does not pose an unreasonable threat to the sustainability of the fishery. Independent third party assessment of the fishery has also confirmed the appropriateness of these settings so the public and fishers should be confident in the future of this fishery.
- 1.3 *Further to my Question without Notice No. 194 on 1 May 2012 can the Department explain -*
- 1.3.1 *what 'opportunities' the non-capture sector will have to be involved in the third-party assessment of individual fisheries through the certification process; and*
- 1.3.2 *what resources will be provided to allow for the participation of the non-capture sector?*
- 1.3.1 Non-capture sector representatives have had an opportunity to participate in decision-making processes for the Program through attendance at the third party certification Workshop held in March and meetings with key decision makers. This participation is expected to continue when the Minister chooses the certification scheme that will form the basis of the Program. Non-capture sector participation is also expected to be possible through participation in the Certification Stakeholder Forum.
- 1.3.2 It is expected that the non-capture sector will continue to have opportunities to be involved in third party assessment of individual fisheries through the certification process conducted by the certifying body. Resourcing for this participation is expected to be provided by the non-capture sector if they assess the process as being of sufficient priority.

2. MARINE PARKS

The 2012-2013 Department of Environment and Conservation Budget includes funds to establish 'new marine parks in the South West Capes between Busselton and Augusta and in the Dampier Archipelago' (Volume 2, page 803). The Department of Fisheries Budget on page 179 shows that Royalties for Regions funding for the Ngari Capes Marine Park has been recashflowed into forward estimates.

2.1 *Can the Department clarify what is meant by note (a) in relation to this line item?*

In the 2011-12 Royalties for Regions (RfR) budget, the Department of Fisheries (Department) was allocated \$3.26 million over four years from 2011-12 to undertake fisheries compliance activities including the purchase of a new patrol vessel, research and employment of two full-time compliance officers, in the Ngari Capes Marine Park.

The revised recurrent expenditure profile reported under 'Major Spending Changes' on page 179 reflects the impact of the following changes since the publication of the 2011-12 budget:

- (a) revisions to RfR funding policy government-wide resulted in the Department's budget for the Marine Park being recashflowed into the forward years.
- (b) repositioning of \$600,000 for the purchase of a patrol vessel from recurrent to capital funding with a matching net decrease in forecast spending reflected in the Income Statement over for the 2012/13 budget and forward years.

The Department was not consulted on the impact of changes to RfR funding, which for this Marine Park initiative has resulted in a mismatch between the revised cash flows and funding by financial year with the patrol vessel having been purchased in late 2011-12.

The matter has been raised with the Department of Regional Development and Lands and the Department will be submitting a request to amend the expenditure profile prior to the commencement of the 2012-13 Mid-Year Review. If this is accepted, the first instalment of this funding is to be released in the early part of next financial year.

2.2 *Will the Department be providing any financial payments to benefit the fishing industry as part of the creation of Capes and Dampier Archipelago marine parks?*

The payment of compensation for fishing authorisations affected by the establishment of marines parks is provided for under the provisions of the *Fishing and Related Industries Compensation (Marine Reserves) Act 1997* (FRICMRA). Under the FRICMRA, the compensation provisions are triggered by relevant events, such as establishing the Capes (Ngari) Marine Park.

The FRICMRA sets specific requirements to consider the payment of compensation, which is deemed to be the reduction in the market value of an authorisation as a consequence of a relevant event. These requirements include the publication of a notice calling for persons who may be affected by the establishment of a marine park to apply for compensation, processes to determine eligibility for compensation and statutory time frames to conduct negotiations on an amount of compensation to be paid. There is the right of appeal to the State Administrative Tribunal for persons not deemed eligible for compensation or where there is no agreement on an amount of compensation.

The notice that establishes the boundaries of the Ngari Capes Marine Park was gazetted under the Conservation and Land Management Act 1984 (CALM Act) on 12 June 2012. There are no certain timelines for establishing the Dampier Marine Park but it is expected that the boundaries will be gazetted in 2013.

2.3 *If yes to (2.2), in relation to each marine park -*

2.3.1 *how much will be provided;*

2.3.2 *for what purpose will be payments be provided;*

2.3.3 *when will payments be provided?*

2.3.1 The Department of Fisheries is in the process of finalising background assessments for the Minister for Fisheries to publish the notice calling for affected persons to apply for compensation. The potential response to this notice is not known at this stage.

The Abalone Fishery is the main commercial fishery expected to be impacted by the Ngari Capes Marine Park. A preliminary cost estimate of \$2 million has been identified to address compensation matters resulting from the Ngari Capes Marine Park. This estimate may change following the response to the public notice. No estimate has been prepared for the Dampier Marine Park.

- 2.3.2 The purposes are provided for under section 5 of the FRICMRA where a person who holds an authorisation is entitled to compensation for loss suffered by the person as a result of a relevant event. For the purposes of the FRICMRA, a person suffers loss if, and only if, the market value of an authorisation is reduced. Loss includes where an area where is not available for commercial fishing.
- 2.3.3 Subject to matters that may be referred to the State Administrative Tribunal, it is expected that any compensation payments for Ngari Capes Marine Park will be finalised by the end of 2012/13.

3. ROCK LOBSTERS

In reference to the Budget Statements, Paper No 2, Volume 1, page 180, Significant Issues Impacting the Agency (dot point 3) -

- 3.1 *What initiatives will the Department be introducing or continuing to focus on the implementation of quota management in the West Coast Rock Lobster fishery during 2012-13?*

The main initiative being undertaken by the Department with respect to the introduction of quota in the West Coast Rock Lobster Managed Fishery during the 2012/13 financial year is the development and implementation of a new management plan. This new management plan will formally move the fishery from input-control based management to catch quotas. It will also link with the new Fisheye electronic licensing and catch/effort system by providing fishers an ability to submit details of their quota usage electronically.

- 3.2 *In relation to each of the strategies referred to in (3.1) -*

- 3.2.1 *how will these strategies be funded?*
3.2.2 *will they be ongoing?*
3.2.3 *who will be responsible for managing them?*

3.2.1 The implementation of the new management plan will be funded through the Department's normal activities.

3.2.2 Once the new management plan is in place and administrative processes to grant new licences under the plan have been completed (early 2013) it is expected that the management plan will need to be amended from time to time to address issues such as changes to the Total Allowable Commercial Catch and operational matters that may arise. This is consistent with routine management action taken in other fisheries.

3.2.3 The Department of Fisheries is responsible for drafting the new management plan, managing statutory consultation requirements with respect to the new legislation and performing administrative functions associated with its implementation. The management plan is subsidiary legislation under the *Fish Resources Management Act*

1994 and Ministerial approval is required to commence the statutory consultation process and for the final management plan to be published in the *Government Gazette*.

4. SHARK MITIGATION STRATEGIES

In reference to the Budget Statements, Paper No 2, Volume 1, page 179, Major Spending Changes -

4.1 *Can you detail how the additional \$400,000 allocated to Shark Research Projects will be spent?*

The Minister for Fisheries announced a new funding package for shark mitigation on 15 November 2011. Overall, the funding for shark-related research for 2011/12 represents the costs associated with establishing and operating these new initiatives for approximately six months, including 2.0 FTEs.

The funding increases by an additional \$400,000 in 2012/13 consistent with operating these initiatives for a full 12 months, the requirement to maintain additional monitoring equipment and purchase specialised capital equipment. Specifically, an underwater Remote Operated Vehicle (ROV) to retrieve sub-sea shark monitoring acoustic receivers and seven satellite-linked real-time shark-monitoring receivers will be purchased and deployed in 2012/13.

4.2 *Can you detail how the additional \$200,000 allocated to the Shark Response Unit will be spent?*

The Minister for Fisheries announced a new funding package for shark mitigation on 15 November 2011. Overall, the funding for the shark response unit for 2011/12 represents the costs associated with establishing operating this new initiative for approximately six months, including 1.0 FTE.

Across the next four years, \$250,000 is budgeted annually for the implementation of a large-scale community engagement strategy and associated media campaign. The additional \$200,000 in 2012/13 represents this community engagement function being rolled out in 2012/13.

5. PROTECTED SPECIES BYCATCH: DOLPHINS AND SEA LIONS

In reference to the Budget Statements, Paper No 2, Volume 1, page 180, Significant Issues Impacting the Agency (first dot point) the Department commits to the 'maintenance of healthy marine and aquatic ecosystems'. My questions relate to deaths of dolphins and other protected species in the Pilbara Trawl Fishery.

I refer to the article published in The West Australian on 22 May entitled 'Dolphins still drowning in Pilbara nets' which reported up to 100 dolphin deaths in the Pilbara Trawl over the last two years – a level of mortality that may be a threat to the survival of the local population of dolphins.

5.1 *How many dolphins have died in the Pilbara Trawl Fishery in 2012 and each of the out years?*

The following levels of dolphin mortality have been reported in the Pilbara Trawl Fishery since the introduction of exclusion grids in 2007:

2007 – 19
 2008 – 11
 2009 – 14
 2010 – 13
 2011 – 16
 2012 – N/A (Not yet compiled)

5.2 *How many of the critically endangered sawfish died in the Pilbara Trawl Fishery in 2012 and each of the out years?*

The following levels of sawfish mortality have been reported in the Pilbara Trawl Fishery since the introduction of exclusion grids in 2007:

2007 – 7
 2008 – 9
 2009 – 5
 2010 – 5
 2011 – 1
 2012 – N/A

It should be noted that only two species of sawfish have been reliably identified in catches from the Pilbara Trawl Fishery, those being the narrow (knifetooth) sawfish, *Anoxypristis cuspidata* and the green sawfish, *Pristis zijsron*. While these two species have been globally assessed by the IUCN as Critically Endangered, the assessments were based on evidence of population depletions in other parts of the world and should not therefore be taken to represent the status of Australian populations. In Australian waters, under the *Environmental Protection and Biodiversity Conservation Act 1999*, *P. zijsron* has been assessed as vulnerable, while *A. cuspidata* has not been listed as a threatened species.

5.3 *How many other protected species have died in the Pilbara Trawl Fishery in 2012 and each of the out years? Please detail these species.*

The following level of other protected species has been reported in the Pilbara Trawl Fishery since the introduction of exclusion grids in 2007:

	Sea-snake	Seahorse	Pipefish	Turtle
2007	9	2	78	0
2008	28	4	97	0
2009	19	1	104	0
2010	7	0	89	0
2011	7	1	32	0
2012	N/A	N/A	N/A	N/A

5.4 *Are there alternative gear types that can be used to catch the target species caught in the Pilbara Trawl that have a lower risk to dolphins and other protected species?*

Although the Pilbara Demersal Scalefish Fishery is comprised of separate trawl, trap and line fisheries, several of the key target demersal scalefish species taken in the trawl fishery are not readily captured by the trap and line fisheries.

5.5 *The media report indicates that a new net type is to be trialled in the Pilbara Trawl. Can the Department:*

5.5.1 *confirm whether this is the case;*

5.5.2 *if yes to (5.5.1), detail the expected number of deaths of dolphins and other protected species for each year with the new net type;*

5.5.3 *if yes to (5.5.1), detail the funds allocated for this trial under the 2012-2013 budget?*

5.5.1 Yes – the Department of Fisheries and licensees in the Pilbara Trawl Fishery have recently commenced a 6-month collaborative research trial into a new net type.

The new net type comprises:

- top opening escape slot in the trawl net;
- new T90 and dynex net material and net configuration that is designed to maintain net shape and improve water flow through the net; and
- acoustic pingers set up to deter dolphins from entering the trawl net.

A key part of the 6-month intensive trial is the use of an Electronic Observer System that utilises state-of-the-art technology to achieve 24-hour secure on-board camera coverage of fishing operations. Underwater video cameras are also being deployed inside trawl nets to record any dolphin interactions and the performance of the top escape opening in the new net design. The top opening escape slot and the acoustic pingers are being assessed separately within the trial.

The results of the trial should be available in early 2013.

5.5.2 The new net type/and or the use of acoustic pingers is aimed at further reducing dolphin interaction with trawl net operations to the lowest practicable level.

5.5.3 Approximately \$99,000 of Departmental staff time will be funded out of the 2012-2013 budget and approximately \$36,000 of equipment costs have been met jointly by licensees and the WA Fishing Industry Council (WAFIC).

5.6 *Is the Department considering using any other alternative gear types to bottom trawling as part of the solution to the deaths of dolphins and protected species in the Pilbara?*

The Department, together with licensees in the Fishery, continues to investigate fishing gear developments with a view to minimising bycatch.

5.7 *If yes to (5.6), please detail these alternative gear types.*

Not applicable

5.8 *In South Australia a shark gillnet fishery twice the size of the Pilbara Trawl was shut down for killing approximately 50 dolphins. Has the Department considered shutting down the Pilbara Trawl given the number of reported deaths in the last two years?*

No

5.9 *If no to (5.8), why not?*

The Department of Fisheries and the Pilbara Trawl industry have continued to demonstrate a pro-active approach to addressing dolphin interaction concerns through the on-going refinement of fishing gear. This has included making exclusion grids mandatory in trawl nets in 2006 (which reduced the incidental catch of dolphins by 64% and turtles to zero). This was followed by the three year Fisheries Research and Development Corporation Fund project concluded in late 2010 that has resulted in the development of the new net currently being trialled.

Changes to net design are currently being trialled to further reduce dolphin interaction or mortalities. The Pilbara Trawl Fishery supplies significant quantities of fresh fish to the Perth metropolitan markets and is an important source of fish for the community.

I refer to the same dot point in the Budget Papers and to a statement by the International Union for Conservation of Nature on Australian Sea Lions which states:

‘The Australian Sea Lion has a small, genetically fragmented population. The global population is relatively small, population decline is documented at some colonies and most major colonies are at risk of extinction from fishery by-catch’

5.10 *How many Australian Sea Lions have been caught in gillnets in 2012 and each of the out years?*

None recorded in 2012 (in records available to date). Two reported in 2009 and two in 2011. These reported rates are consistent with those observed by Department of Fisheries’ scientists between 1993 and 2007.

5.11 *How many Australian Sea Lion mortalities per year it would take to affect the population viability of Australian Sea Lion colonies in Western Australia?*

As population sizes and trends in WA colonies are unknown, this cannot be answered definitively.

5.12 *The Western Australian Southern Demersal Gillnet and Longline Fishery (WASDGLF) is currently under review by the Federal Department of Sustainability Environment Water Population and Communities (DSEWPaC) for renewal of its export license under the Federal EPBC act. In the application for renewal the Fisheries Department failed to meet key conditions requiring qualified observers be placed on gillnet vessels to monitor the impacts on Australian Sea Lions. Why has the Department failed to meet this condition?*

Condition 5(b) of the fisheries’ Wildlife Trade Operation approval under Sections 13 and 13a (a) of the EPBC Act stated:

“subject to the outcomes of Condition 5(a) implement an appropriate observer program to determine the nature and frequency of interactions with Australian sea lions”.

Condition 5(a) stated that the Department was to “undertake a study to estimate risk of interactions between fishers and Australian sea lions and determine scientifically robust levels of observer coverage required for the purposes of designing an appropriate and effective observer program”. This was completed through a study reported by Hesp, S.A., Tweedley, J.R., McAuley, R., Campbell, R.A., Tink, C.J., Chuwen, B.M. & Hall, N.G. (2012). Informing risk assessment through estimating interaction rates between Australian sea lions and Western Australia’s temperate demersal gillnet fisheries. Final report - Project No. 2009/096, and through subsequent analyses of existing observer data.

These analyses concluded that, given the likelihood of a very low interaction rate, an observer programme of anything less than 100% coverage was unlikely to provide reliable data. A 100% observer programme was not considered commensurate with the low risk these fisheries posed to the sustainability of ASL’s or economically reasonable.

- 5.13 *Is the Fisheries Department aware that in South Australia estimates of Australian Sea Lions deaths in shark gillnets increased from nearly zero to 256 per breeding season after implementation of a dedicated observer program on fishing vessels?*

Yes.

- 5.14 *If yes to (5.13), what information does the Fisheries Department currently have from dedicated Australian Sea Lion observer based programs in the WASDGLF to guide the management of Australian Sea Lion bycatch?*

The WA Department of Fisheries has collected 117,090 kilometre gillnet hours of observer data.

- 5.15 *When was the last observer study directed principally at protected species bycatch done in the Western and southern gillnet fisheries?*

On-board observer data for protected species captures was collected from these fisheries between 1993 and 2007.

- 5.16 *Given that risk assessments of interactions between Australian Sea Lions and gillnet fishing vessels are necessarily based on knowledge of sea lion movements, what data does the Fisheries Department have on the extent of foraging habitat for Australian Sea Lions other than the locations of colonies?*

Satellite tracking data from 42 sea lions from eight WA colonies has been collected. These data were used to develop a model that estimates the extent of spatial overlap between Australian Sea Lion foraging movements and the distribution of demersal gillnet fishing effort between 2006 and 2009. This model has subsequently been used to re-evaluate the extent of spatial overlap between Australian Sea Lion foraging movements and the distribution of observed demersal gillnet fishing effort between 1993 and 2007.

5.17 *Has the Department undertaken any satellite tracking studies?*

Yes, for 42 sea lions from eight WA colonies. These are reported on and analysed in the following reports:

- Campbell, R. & Holley, D. (2007). Foraging ecology of Australian sea lions and the relationship with commercial fishing and marine protected areas. Report to the Department of Environment and Heritage. Unpublished Report. Department of Fisheries, Western Australia; and
- Hesp, S.A., Tweedley, J.R., McAuley, R., Campbell, R.A., Tink, C.J., Chuwen, B.M. & Hall, N.G. (2012). Informing risk assessment through estimating interaction rates between Australian sea lions and Western Australia's temperate demersal gillnet fisheries. Final report - Project No. 2009/096.

The Department has recently collaborated with scientists from the South Australian Research and Development Institute in developing a funding proposal to collect additional satellite tracking data from colonies off the south coast of WA.

5.18 *If yes to (5.17) -*

5.18.1 *which colonies have been included;*

5.18.2 *which colonies have been excluded;*

5.18.3 *which age groups have been included;*

5.18.4 *which age groups have been excluded;*

5.18.5 *which sex groups have been included; and*

5.18.6 *which sex groups have been excluded?*

5.18.1

Colony	Cows	Juveniles	Pups
Abrolhos	2	2	0
Beagle Island	3	4	0
North Fisherman Island	3	10	1
Buller Island	0	1	0
Red Islet	2	2	0
Investigator Island	3	2	0
Kimberley Island	2	0	0
Six Mile Island	5	0	0

5.18.2 Hauloff, Doubtful, West Island, Termination, McKenzie, Kermadec, Taylor Island, Glennie, George, Wickham, Salisbury, Cooper, Round, Ford Island, Spindle and Twilight.

5.18.3 to 5.18.6 See above.

5.19 *I refer to best practice in Australian Fisheries Management Authority (AFMA) managed gillnet fisheries in South Australia where it has been determined that spatial exclusion zones are an essential part of the risk management strategy for Australian Sea Lion interaction with*

gillnets. This best practice has been implemented in South Australia. Why has the Department of Fisheries not implemented similar measures in Western Australia?

There are significant differences between the WA and SA gillnet fisheries. In SA gillnet effort is more aggregated and as such, if applied near the colonies, represents a higher risk of interaction with Australian Sea Lions – hence the use of exclusion zones. In contrast the gillnet effort in the WA fishery is less intense and more highly dispersed. The differences in the WA and SA fisheries combined with the Department’s observer data indicates that the value of exclusion zones is greatly reduced in WA.

5.20 *I refer to the Department of Fisheries application to DSEWPaC for the extension of the WASDGLF export license. In this application the Department cites the upcoming SW Commonwealth Marine Bioregional Planning process as having benefits for managing the risk of accidental deaths of Australian Sea Lions in gillnets. Is the Department aware that in the draft maps released by the Federal Government in 2011 there was no protection proposed from gillnets in any areas of known Australian Sea Lion habitat?*

The proposed South-West Marine Reserve Network released in 2011 by the Australian Government included two Marine National Park Zones that surrounded or abut ASL colonies within the Eastern Recherche Archipelago and at Investigator Island.

5.21 *If yes to (5.20) -*

5.21.1 *why did the Department refer to this as a risk mitigation factor; and*

5.21.2 *has the Department made a submission to the Federal Government suggesting more protection for Australian Sea Lion habitat in multiple use or marine national park zones that prohibit gillnetting?*

5.21.1 The proposed Marine Reserve network released in 2011 was preliminary and subject to consultative processes and changes prior to a final network being determined. The extent and number of demersal gillnet prohibitions around sea lion colonies in the final network was not known at the time the Department of Fisheries submitted its application to DSEWPaC for the extension of the WASDGLF export permit.

5.21.2 No

5.22 *I refer to observer studies that have observed that the shark gillnet fishery is killing many more dolphins in South Australia than was previously thought. How many dolphins have been killed in the WASDGLF in 2012 and each of the out years?*

None recorded in 2012 records available to date; 7 in 2006; 2 in 2008; 4 in 2009; 2 in 2010 and 1 in 2011.

5.23 *What other protected and endangered species are caught, or at risk of being caught, in the WASDGLF?*

Data records show the following captures, noting not all captures result in mortality:

Data Entry Name	2006	2007	2008	2009	2010	2011	2012
DOLPHINS	7		2	4	2	1	
MANTA RAYS	2					2	
MUTTONBIRD, GENERAL					11		
SAWFISH, GENERAL						1	
SEA BIRDS	1	3	3	2			
SEA LIONS				2		2	
SEAL, NZ FUR					5	1	1
SEALS	2	3	6	4			
SHARK, GREY NURSE	35	71	67	88	90	59	5
SHEARWATER, FLESHFOOTED						2	
TURTLE, GENERAL	4	5	3	5			3
WHALES				1			
WHITE POINTER	9	7	19	10	7	13	2

5.24 How many species have been caught in 2012 and each of the out years?

See above.

6. ACCEPTABLE CATCH SHARES

In reference to the Budget Statements, Paper No 2, Volume 1, page 180, Outcomes and Key Effectiveness Indicators

6.1 *Can you explain why the actual 2011-2012 percentage of fisheries or fished sectors where current catch shares are known and where catch share allocations are in process or in place is 13 per cent below the 2011-2012 Budget target?*

The reason for the discrepancy of 13% between the target and actual numbers of fisheries where the catch shares are known relates to the delay in the outcomes of the state-wide integrated survey of boat-based fishing not being available until 2012/13.

The state-wide integrated survey used an innovative but relatively complex design. It involved undertaking a concurrent series of diary, boat ramp, camera and compliance officer based surveys from January 2011 to February 2012. Following an extensive process of data validation and cross checking a new suite of analyses has to be developed to enable the first set of integrated state-wide recreational boat based catch estimates to be generated.

In reference to the Budget Statements, Paper No 2, Volume 1, page 180, Outcomes and Key Effectiveness Indicators

6.2 *How will the Department ensure that the proportion of fisheries where acceptable catches (or effort levels) are achieved is at least 88 per cent given the adverse environmental conditions in early 2011?*

The marine heatwave referred to in the question resulted in significant impacts to Roes abalone stocks in the area north of Moore River and particularly in the area north of Kalbarri. To deal with this issue there is currently a total prohibition on abalone fishing north of Moore River.

Within Shark Bay given the extremely low level of scallop recruitment that occurred following the marine heatwave and flooding events the fishery did not open for the 2012 season.

Similarly in order to preserve the levels of breeding stock of blue swimmer crabs in Shark Bay which were also significantly affected by these events pending the growth of the new recruits through into the adult (breeding) stock all commercial fishing on blue swimmer crab stocks in Shark Bay has been ceased (by agreement with licensees in the trap and trawl fisheries).

7. FINANCES AND STAFF

In reference to the Budget Statements, Paper No 2, Volume 1, page 178, Appropriations, Expenses and Cash Assets

7.1 *Why are the estimated actual 2011-2012 delivery of services costs significantly higher than the 2011-2012 Budget allocation?*

The increase in the Total Cost of Services from 2010-11 Actual to 2011-12 Estimated Actual of \$7.6 million (10.6%) was primarily due to the following major policy decisions, cost and demand pressures, grants and 'once-off' expenses in 2011-12:

- an increase in the funding for the delivery of the Department's aquatic biosecurity management activities (\$2.3 million) from 2010-11;
- commencement of compliance activities in the area of the Camden Sound Marine Park (\$0.9 million) in 2011-12;
- strategic planning and environmental approvals for aquaculture zones (\$0.4 million);
- costs associated with establishing the Shark Response Unit (\$0.25 million) and Shark Research projects (\$0.25 million);
- voluntary severance payments in 2011-12 (\$0.8 million) – excludes leave paid out;
- Beacon Island Act of Grace payments (\$0.3 million);
- upgrade of public airstrips on the Abrolhos Islands (\$0.8 million);
- funding to support compliance in the Eighty Mile Beach Marine Park (\$0.3 million);
- Northern Fisheries Protection (\$0.2 million);
- Barramundi stocking in Lake Kununurra (\$0.2 million);
- Kimberley Marine Education program for recreational fishers and charter operators (\$0.18 million);
- OSS decommissioning of HR Services (\$0.25 million); and
- salary, district allowance and operational cost escalations (\$0.47 million).

7.2 *In reference to the Budget Statements, Paper No 2, Volume 1, page 179, Major Spending Changes*

7.2.1 *Why has there been a \$2.25million reduction in Fisheries Services for 2012-2013?*

7.2.2 *What does 'Cost and Demand Pressures' refer to?*

- 7.2.1 While the Department sought \$4.5 million to cover a cash deficit in 2012/13, only \$2.25 million was approved as part of the previous year appropriation process. The Department has developed options to increase revenue or make savings to meet the \$2.25 million gap and these options and the possibility of funding the gap will be considered by EERC in July.
- 7.2.2 “Cost and demand pressures” are across-the-board increases in cost for the Department that are driven by demand such as increased recreational fishing activity and costs such as fuel, travel and accommodation costs, especially in the Midwest and north of the State.

In the Department’s case, over the last decade these costs have increased disproportionately from the Department’s normal historical appropriation funding and licensing revenue. A major reason for this is the growth in the State’s population including increased recreational fishing activity in the north of the State. In addition to increased regional population, the coastline has become more readily accessible as a result of supporting infrastructure, such as paved roads and new and renovated boat ramps, which comes with development.

A larger number of transient and residential workers with income levels that allow more capital intensive recreational fishing (i.e. larger boats) has also increased demand on the Department’s services. Increased demand for services from the oil and mining sector has also meant that the Department is purchasing goods and services and employing staff in competition to that sector at increased cost.

In reference to the Budget Statements, Paper No 2, Volume 1, page 180, Service Summary, item 1, Fisheries Management

- 7.3 *Why is the actual 2011-2012 expenditure significantly larger than the 2011-2012 Budget allocation?*

See answer at 7.1 and particularly the increase in the funding for the delivery of the Department’s aquatic biosecurity management activities (\$2.3 million) from 2010-11.

In reference to the Budget Statements, Paper No 2, Volume 1, page 181, Service and Key Efficiency Indicators, Compliance and Education

- 7.4 *Why were an additional 17 FTEs above the 2011-2012 Budget allocation engaged?*

The additional 17 employees (full-time equivalents) engaged above the 2011-12 Budget allocation for Compliance and Education services is mainly attributable to the difference between actual employed FTEs in 2011-12 and the 2012-13 FTE cap as set by Treasury.

The previous years' budget target (FTE cap) figures were understated and the Department is seeking Treasury's agreement to re-instate a FTE cap that accurately reflects funding previously approved by Government for additional FTEs. In part, the historical understatement was a result of previous new budget initiatives being approved without the FTE cap being adjusted correctly to reflect the associated additional FTE requirement.

7.5 *Why have the FTEs been reduced in the 2012-2013 Budget?*

See question 7.4. If the Department is successful in renegotiating a FTE cap that reflect previous funding approvals the 2012-13 figure will also be increased by 17.

7.6 *Will any Department compliance or education programs be impacted by the reduction of FTEs in this area?*

No. If the Department is successful in renegotiating the FTE cap there will be no reduction in regional staff in the context of the FTE cap.

7.7 *If yes to (7.6), which ones?*

Not applicable.

In reference to the Budget Statements, Paper No 2, Volume 1, page 182, Research and Monitoring

7.8 *Why were an additional 12 FTEs above the 2011-2012 Budget allocation engaged?*

These numbers are complicated by the issue of negotiations around the correct FTE cap figure and only an additional five FTEs will be required for third party certification for research.

7.9 *Given that the increase in employee benefits paid in 2011-2012 is attributed to the additional FTEs required to meet ongoing research and management requirement for the Third Party Sustainability Criterion for commercial fisheries (page 185) is the 2012-2013 FTEs Budget allocation likely to be sufficient to manage the proposed third party certification process for commercial fisheries?*

Yes

In reference to the Budget Statements, Paper No 2, Volume 1, page 190, Fisheries Adjustment Schemes Special Purpose Account

7.10 *Can you explain why the actual 2011-12 opening balance is significantly lower than the 2011-12 Budget?*

As the 2011/12 Budget was prepared in advance of 30 June 2011, the estimates will always vary somewhat from the actual outcome. In this case the lower actual opening balance for 2011/12 is due to additional payments for fisheries adjustment schemes occurring after the

2011/12 Budget was published. Note that the closing balance for 2010/11 equals the estimated actual opening balance in 2011/12.

In reference to the 'Efficiency Dividend' in Budget Statements, Paper No 2, Volume 1, page 179, Major Spending Changes

7.11 *Please explain what measures the Department will be taking to meet the efficiency dividend?*

7.12 *Will any existing Department programs be cut or compromised to meet the dividend?*

7.13 *If yes to (7.12) –*

7.13.1 *which programs will be cut;*

7.13.2 *which programs will be reduced;*

7.13.3 *when will these changes be implemented?*

The Department will develop a number of options to achieve the efficiency dividend savings. These options may impact on other funding and programs but no decision has been made yet on how the dividend will be applied. Given the addition of funding already allocated to front line services, any impacts of the dividend are not expected to involve a net decline in front line services.

8. ASSET INVESTMENT

In reference to the Budget Statements, Paper No 2, Volume 1, page 183, Asset Investment Program 'Aquaculture Upgrades'

8.1 *Can the Department explain why no funding has been allocated for this rolling program in the 2012-13 budget?*

The Department owns infrastructure in the Broome tropical aquaculture park and part of the park is currently sub-leased to three tenants that conduct aquaculture on the site. The Department has obligations in respect to ensuring the supply of seawater and bore water to the sub-leased sites. In the current asset replacement plan, it has planned for the replacement of critical components of the seawater and bore water supply, and discharge infrastructure biennially, with the next replacement scheduled for 2013/14. No similar capital replacements are scheduled before then and accordingly no associated budget provision has been made in the 2012/13 year.

I refer to the Budget Statements, Paper No 2, Volume 1, page 183, Asset Investment Program 'South West Fishing Enhancement Structures'. I refer also to the Ministerial statement of 17 November 2011 where the Minister announced the Government's intention to establish WA's first artificial reef at Geographe Bay.

8.2 *Can the Department explain the nature, in terms of materials and size, of the enhancement structures?*

It is proposed that two purpose-built artificial reefs will be deployed. The artificial reefs will be made of purpose built, stable, freestanding modules made from marine quality reinforced concrete (basic structural code AS3600 – 2009) with a 40yr+ lifespan. It is proposed that the modules will be an open cube shaped design, cross-braced for lateral strength. They are expected to weigh between seven and nine tonnes each and will be 2.5m to 3m high. It is expected that there will be a "cluster" of approximately 40 units that will make up each reef inside a 200m by 200m site footprint.

8.3 *Has the Department determined exactly where it will be installing recreational fishing enhancement structures?*

Following community consultation the Department of Fisheries has identified two potential sites for the deployment of the artificial reefs.

8.4 *If yes to (8.3) -*

8.4.1 *When the enhancement structures be installed?*

8.4.2 *How many will be installed?*

8.4.3 *Where will they be installed?*

8.4.1 The reefs are proposed to be installed by December 2012 subject to all approvals and weather conditions.

8.4.2 It is proposed that two artificial reefs will be deployed with each reef comprising approximately 40 modules.

8.4.3 If approved, one reef will be deployed off Bunbury and the other will be deployed off Dunsborough.

8.5 *If no to (8.3), when will the Department determine the details of the recreational fishing enhancement structures?*

Not applicable

8.6 *Has an environmental assessment been made of installation of this artificial reef?*

Not at this stage.

8.7 *If yes to (8.6), is this assessment public?*

Not applicable

8.8 *If no to (8.6), why not?*

The Department is in the process of applying for environmental approvals.

8.9 *If no to (8.6), will such an assessment be made and when?*

Yes. Applications for environmental assessment are underway.



MINISTER FOR FISHERIES

10/7/12

**STANDING COMMITTEE ON ESTIMATES AND FINANCIAL OPERATIONS
 ADDITIONAL QUESTIONS FOR 2012/13 BUDGET ESTIMATES HEARING
 DEPARTMENT OF FISHERIES HELD ON
 WEDNESDAY, 6 JUNE 2012**

HON LJILJANNA RAVLICH MLC ASKED –

Budget Paper No2 page 179 Major Spending Changes – Efficiency Dividend

9. *I refer to the \$4.72m Efficiency Dividend for Fisheries over the forward estimates and I ask, of the \$0.766 m to be delivered in 2012-13 can the Minister provide a schedule of the savings measures in the following format?*

Area of saving	Amount of saving	Form of Saving i.e. cuts or deferral of programs, capital works; sale of assets; FTE reductions, reduction to vehicle fleet etc	Name of suburbs affected

Not at the present time. The Department will develop a number of options to achieve the efficiency dividend savings. These options may impact on other funding and programs but no decision has been made yet on how the dividend will be applied. Given the addition of funding already allocated to front line services, any impacts of the dividend are not expected to involve a net decline in front line services.



MINISTER FOR FISHERIES