

Annual Report

TO THE PARLIAMENT

2004/05



Department of Fisheries
Government of Western Australia



Fish for the future



**To the Hon. Jon Ford JP MLC
Minister for Fisheries**

Sir

In accordance with Section 62 of the *Financial Administration and Audit Act 1985* (FAAA) and Section 263 of the *Fish Resources Management Act 1994* (FRMA), I submit for your information the Annual Report to Parliament of the Department of Fisheries of Western Australia for the financial year ending 30 June 2005.

The Department also produces a companion *State of the Fisheries Report*, as required by Section 263 of the FRMA. In Appendix 5 of this Annual Report is a table on stock status and catch ranges for major commercial fisheries, derived from the *State of the Fisheries Report*.

Peter P Rogers

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FROM THE Executive Director



OVERVIEW

The 2004/05 financial year has seen some important shifts in the external environment that bear on the economic viability of our major commercial fisheries and fishing-based tourism. But there has also been major progress within the Department on a number of significant issues – both strategic and operational – it moves from sectoral to an Integrated Fisheries Management (IFM) approach, based on the principles of ecologically sustainable development.

THE ECONOMY

The economic climate is a major factor in the viability of WA's fisheries. The industry has recently been faced with mounting cost-price pressures mainly as a result of the rising value of the Australian dollar (as this is depressing the Australian dollar value of exported fish products) and the rising cost of major inputs, particularly labour and fuel.

Controlling these factors is out of the Department's hands. However, there are a number of initiatives we can instigate to assist the commercial fishing industry. The industries hit hardest are pearling and western rock lobster, which account for the lion's share of our \$468 million commercial fish export industry.

It is now more important than ever to ensure that regulatory controls governing Western Australian fisheries provide appropriate incentives for fishers to maximise the collective efficiency of their operations. For example, in the rock lobster industry, effort reduction initiatives are being targeted at high effort and low catch periods. A review of the current regime of input controls (rock lobster pot limits) is also underway with industry, so that the implications of a possible output control regime (rock lobster quota limits) can be assessed. I expect the price of oil and the state of our economy to continue to be major challenges in the year ahead.

Within the pearling industry, the Government and industry are jointly developing new management arrangements to achieve balanced growth in the value of pearl production from Western Australian and Northern Territory pearl farms. To achieve this the Department has commenced the development of new legislation. A management policy has been introduced so that licensees can substitute hatchery produced pearl oysters to replace those which reject pearl nuclei during the annual pearl seeding process.


CAPITAL INVESTMENT

This year has seen the single biggest capital expenditure in more than 30 years. The Western Australian Fisheries and Marine Research Laboratories were built at Hillarys Boat Harbour at a cost of more than \$16 million.

The project has two main purposes – the accommodation of up to 160 research and education staff and the creation of a public education facility to be known as the Naturaliste Marine Discovery Centre. The Centre will open in early 2006 and will include an exhibition room, library and a series of programmed education activities for schools and other visitors.

This facility enables WA to stay at the forefront of fisheries marine research and sets an Australian first in combining research with public education and tourism. Congratulations and thank you to Dr Jim Penn, Director of Fisheries Research, who oversaw the project with the assistance of many other staff members.

Work on the new \$2 million Arolhos Islands Research Institute commenced in February. The Institute is an integral part of the Government's Separation Point Marine Precinct, designed to create a regional facility for marine research and development excellence. Research work on rock lobster, Mid West fisheries and the Arolhos Islands is set to commence at the site upon opening in early 2006.



The 2004/05 capital works budget also provided \$2.4 million towards the construction of a new Operations Centre in Fremantle. The new centre has been created by the redevelopment of the Department's existing Fleet Maintenance Centre and will house the Department's metropolitan regional office, Fremantle District Office and the Central Support Group within Regional Services. The facility will be shared with the Department of Planning and Infrastructure.

ECOLOGICALLY SUSTAINABLE DEVELOPMENT (ESD)

Western Australia's position as a world leader in developing and maintaining sustainable fisheries has been reinforced by the Commonwealth Government's independent certification system for ecological sustainability.

ESD reports for 27 WA fisheries have now been completed and lodged with the Department of Environment and Heritage (DEH). As of 30 June 2005, 24 had been accredited by the DEH.

These assessments demonstrate that the State's fish stocks are being harvested at ecologically sustainable levels and that WA's fisheries are among the best in the country. Importantly the approvals also give the green light for continuing exports from the State's major commercial fisheries.

While well over 90 per cent of the State's marine environment remains in a near pristine condition, at a regional level concern remains over the condition of WA's major estuary systems, and loss of fishery productivity particularly in the Swan-Canning, Peel-Harvey and Leschenault estuaries.

There are clear signs of significantly reduced fish species population levels and changes in the mix of species present over a 15 year period or more including key estuarine species such as river prawns, estuarine cobbler and Perth (bony) herring.

These areas are not only valuable from a recreational fishing and ecological perspective, they are also important in the life cycle of many west coast marine species.

The solutions of course are not simple – but point to the urgent need for effective co-ordination of aquatic environmental management across Commonwealth, State and local government jurisdictions if we are to meet the joint challenges of ESD and biodiversity conservation.

INTEGRATED FISHERIES MANAGEMENT

One of the great achievements of the past year has been the evolution of Integrated Fisheries Management (IFM) from a strategic direction to a functioning program within the Department.

IFM – believed to be a world first – will be critically important to the sustainable management and reduction of resource sharing conflicts for future generations. For the first time IFM will allow all sectors that harvest fish to have a greater sense of security around the entitlements of their sector – and an enhanced opportunity to be involved in sustainable management and sectoral take. This will bring with it challenges for all stakeholders and the Department. I am particularly pleased at the positive approach and commitment of all stakeholders to the implementation of IFM.

In 2004/05 considerable progress was made with the publication of a Government Policy on IFM, the creation and the appointment of members to the Integrated Fisheries Allocation Advisory Committee (IFAAC), the appointment of a Deputy Director to oversee the implementation of IFM and the progressing of the IFM process for western rock lobster and abalone. In addition the research program to underpin the IFM process for west coast demersal finfish has been developed and will be implemented in the next financial year.

Next year promises to be exciting – with the release by the IFAAC of its draft allocation reports for western rock lobster and abalone resources. Following the consideration of public submissions IFAAC will make a final recommendation on allocation for the Minister's consideration.

Executive Director

RECREATIONAL AND FISHING TOUR SECTOR

The cycle of regional planning for marine recreational fisheries is now drawing to a close with the implementation of new regulations for the Pilbara/Kimberley and South Coast bioregions, and the finalisation of a Statewide possession limit and filleting-at-sea legislation. These major changes have created a far sounder structure on which to base future management of this sector – and ultimately of allocations under Integrated Fisheries Management.

A major challenge for the future is to improve the economic and social performance of the recreational and fishing tour sector fisheries – and optimise their contribution to the State's economy and lifestyle – as well as ensuring their continuing quality and sustainability.

INTERNATIONAL OPERATIONS

For several decades the Department of Fisheries has maintained a dedicated team of 10 specialised staff to carry out fisheries compliance on behalf of the Commonwealth Government in waters outside Western Australia's jurisdiction. However, the Commonwealth Government has decided to withdraw from the current service delivery arrangements. Under the new arrangements, the Australian Fisheries Management Authority (AFMA) will directly employ Fisheries Officers to undertake all foreign compliance services and base the group in Darwin.

AFMA has indicated that the foreign fishing compliance program delivered by Western Australia will be progressively 'wound-down' and finalised during 2005/06. Some International Operations group officers may seek employment with the new Darwin based team. Others however will transfer to positions within the domestic compliance program. These officers will be an asset to the domestic program because of their high level of skill.

Western Australia will be keeping a close watch on the performance of the new arrangements to ensure they have no negative implications for our fisheries or our State.

MARINE PARK PLANNING

Finalisation of the marine parks in the Cape Leeuwin to Cape Naturaliste area, Walpole Inlet, Dampier Archipelago and Monte Bello Islands and working with the community to develop a regional marine plan for the south coast will be the major challenges in marine park planning over the coming 12 months.

The major issues to be resolved in the creation of the new parks are those of the community consultation process, potential compensation to the fishing industry and the role of sanctuary zones within marine parks. These are issues that the Department is actively addressing in partnership with other Government agencies and the fishing and related industries.

The Ministers for the Environment and Fisheries will finalise a Memorandum of Understanding between the portfolios to ensure cooperation and integration between the two departments is maximised in dealing with government agendas in the marine environment.

CHALLENGES FOR THE YEAR AHEAD

A key challenge for fisheries management this coming year will be addressing customary fishing and the involvement of Aboriginal people in the fishing sector and fisheries management. Initiatives to address these challenges have been developed through the Aboriginal Fishing Strategy, and include a legal and policy framework for customary fishing, mechanisms to provide Aboriginal people with opportunities to enter the fishing sector, and employment and training programs with an emphasis in remote areas.

The challenge however, is funding these programs, both initially and on a sustainable basis. The progress of Aboriginal fishing and aquaculture initiatives to date has been a result of successful State and Commonwealth joint funding. While the State considers the Aboriginal Fishing Strategy within its budget processes, changes to Aboriginal governance and administration at the national level have resulted in uncertainty about where opportunities for joint funding with the Commonwealth can be developed. It is anticipated there will be some clarity on funding opportunities and responsibilities flowing from the current State/Commonwealth bi-lateral negotiations about Indigenous service delivery. The evolution of the national customary fishing principles, to which the Department is contributing, should also help give clarity.

As a Department we are also facing the reality that over the next 12 months there will be a major challenge in service delivery as a result of implementation of the State Government's Shared Service Centre model. This reform of corporate services, for which the Department of Fisheries is a pilot agency, will without doubt have an impact on the day-to-day business of the agency and our performance in the coming year. We will do our best to make this transition as smooth as possible.

CONCLUSION

Fishing continues to be a major contributor to the State's economy and provides jobs to thousands of Western Australians – many in our regional areas. Commercial fishing is the backbone to many of our coastal communities. Australian Bureau of Statistics figures for 2003/04 valued our fisheries exports at \$468 million, while the WA Fishing Industry Council estimates commercial fishing contributes about \$1.2 billion to the State's economy.

Nearly 540,000 Western Australians – or nearly one third of our population – participate in recreational fishing every year. We spend about \$570 million per year and create about 7,000 full-time jobs – making it a pastime that contributes enormously to our State's social fabric and economy.

I would like to conclude by thanking the Minister for Fisheries and his staff, all of the Department's staff throughout the State, and our 200 volunteers for all their efforts in ensuring Western Australia not only remains a leader in fisheries management, but is also a great place to *Fish for the future.*



Peter Rogers
Executive Director

Executive Director

HIGHLIGHTS FOR 2004/05

- The Department's satellite linked system for monitoring commercial fishing boats – the Vessel Monitoring Scheme (VMS) – won the 2004 Premier's Award for Governance. The use of VMS had a major impact on the way the State's trawl fisheries operate.
- WA's position as a world leader in developing and maintaining sustainable fisheries was reinforced with success in the Ecologically Sustainable Development (ESD) certification process. Reports for 27 WA fisheries have now been completed and lodged with the Department of Environment and Heritage (DEH). As of 30 June 2005, 24 have been accredited by the DEH.
- This year has also seen the single biggest capital expenditure in more than 30 years. The Western Australian Fisheries and Marine Research Laboratories were built at Hillarys Boat Harbour at a cost of more than \$16 million. Work also commenced on the \$2 million Abrolhos Islands Research Institute and \$2.4 million was provided in the 2004/05 Budget towards the construction of a new Operations Centre in Fremantle
- The first of a series of reports that will help guide the future sustainable management of WA's fish resources – The 'Integrated Fisheries Management: Western Rock Lobster Resource' report was released. Considerable progress in the implementation of Integrated Fisheries Management (IFM) was also made with the appointment of the Integrated Fisheries Allocation Advisory Committee (IFAAC) and the publication of a Government policy on IFM.
- Formal management of all the State's finfish resources has moved a step closer with the release of public discussion papers. The three papers are the result of a two-year review of the West Coast and Gascoyne commercial wetline fisheries. The wetline review was initiated to explore options that would help ensure the sustainability of scalefish stocks into the future.
- The Department has met Government efficiency expectations by rationalising the recently combined Department for Planning and Infrastructure (DPI) and Fisheries fleet by 21 vessels and 30 outboard motors. This has effectively reduced capital funding requirement for vessel replacements by \$3.85 million.
- Hundreds more Western Australian youngsters will learn how to fish at free fishing clinics, increase their awareness of the fragile marine environment and help protect precious fish stocks under an expanded education program. The *Fish for the Future* program was expanded Statewide with a \$200,000 grant from the State Government.
- The long-standing resource-sharing dispute over crabs in Geographe Bay was resolved with a Ministerial decision to impose a general prohibition on commercial crab fishing. The area reverts to a purely recreational crab fishing area following consideration of public feedback on a discussion paper.
- Land based eco-tourism at the Abrolhos Islands moved a step closer with a Geraldton company being granted preferred status. The developer's proposal still depends on State and Commonwealth Government environmental approvals before the eco-sensitive tourism venture on Long Island is likely to proceed.
- Department compliance services were boosted in the Rockingham area with the opening of a new Department of Fisheries office with increased staff. Up to four staff will now be assigned to the office during the peak summer fishing season.