

Outcomes of the Fisheries 2016 QRAA Assistance Scheme (associated with the introduction of Net Free Zones – second round)

Fisheries Queensland

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Summary

New net-free fishing zones in Cairns, Mackay and Rockhampton were introduced on 1 November 2015. The net free fishing zones aim to increase recreational fishing opportunities in Queensland, thereby supporting tourism and economic growth.

A structured scheme of assistance, including a buyback of commercial fishing vessel licences was undertaken in 2015 and 2016 for commercial fishing boat licence holders and commercial fishers who were directly affected by the net free zones. A total of \$10 million was set aside for the buyback, assistance schemes and other supporting activities (eg promotion of the net free zones).

The Queensland Government set a nominal target to purchase at least 46 commercial fishing vessel licences in order to minimise commercial fishing effort moving into other areas or other fisheries.

An initial surrender scheme was administered by QRAA in late 2015 and resulted in the purchase of 27 licence packages.

Approximately \$3.6M remained available for the purchase of further licences. Consequently the Queensland Government ran a second round of voluntary licence buybacks with a view to removing additional licences from the fishery.

The 2016 Net Fishing Buyback Scheme was offered to commercial fishers who held a commercial fishing boat licence that has fishery symbol N1 or N2 written on it (a large mesh net licence). This scheme resulted in an additional 19 licences being purchased at a cost of \$2.614M, achieving the target of 46 licences in total.

It is estimated that the QRAA fees from the Scheme will total approximately \$60 000, bringing the total costs of administration and establishment to approximately \$217 000.

After advertising, promotion of the net free zones and legal costs, a small amount of funds remains (less than \$700 000), priorities for which will be considered in 2017.

Quick facts and figures on buyback results:

	Licences purchased	Symbols removed	Settlement scheme	Impact alleviation scheme	Administration and legal costs
Round 1	27 licence packages \$3.318M	103	87 fishers \$1.026M	30 fishers \$1.5M	\$157 000
Round 2	19 licence packages \$2.614M	81	NA	NA	\$60 000

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1 Details of the assistance schemes

1.1 Introduction

The regulation for the 2016 buyback scheme detailed below can be found at Schedule 29 in the *Rural and Regional Adjustment Regulation 2011*.

1.2 2016 Net Fishing Buyback Scheme

The “*Further commercial fishing licences surrender scheme*” commenced on 8 August 2016 and closed on 19 September 2016.

A person was eligible for assistance under this scheme if they held a commercial fishing boat licence that had fishery symbol ‘N1’ or ‘N2’ written on it. These symbols allow the use of large mesh nets.

Consideration for acceptance of eligible offers was given in the following priority order:

1. Surrender offers from holders who were also eligible under the 2015 Net Fishing Buyback Scheme; then
2. Surrender offers from holders who had fished in areas near the net free zones in 2012, 2013 or 2014, followed by
3. Surrender offers from any other eligible licence holders.

Licence holders were offered a fixed price for their entire licence package. The value of the offer varied from licence to licence depending on the fishery symbols attached to the licence. Amounts paid for each symbol can be found in the *Rural and Regional Adjustment Regulation 2011*.

Full Guidelines of the scheme can be found in Appendix 1

2 Results of the assistance schemes

2.1 2016 Net Fishing Buyback Scheme

Offers to surrender a licence were sent to 201 eligible licence holders. There were 19 commercial fishing vessel licences offered for sale to QRAA all of which were accepted at a total cost of \$2,614,000.

Table 1 below provides details of the 81 fishery symbols associated with the 19 licences purchased.

Netting Symbols	Number purchased
N1 – General Large Mesh East Coast	8
N2 – Barramundi East Coast	11
N11 – Small mesh (bait) Nets East Coast	11
Other Fishery Symbols	Number Purchased
L1 – South East Queensland Line	5
L2 – Great Barrier Reef Line	1
L3 – Great Barrier Reef Line	16
C1 – Mud and Sand Crab	5
C2 – Spanner Crab South	1
C3 – Spanner Crab North	6
S – Shark	6
RQ – Reef Species	2
SM – Spanish Mackerel	4
T1 – East Coast Otter Trawl	1
T6 – Hervey Bay Beam Trawl East Coast	1
T9 – Townsville to Mackay Beam Trawl East Coast	3

Table 1: Symbols purchased by voluntary buy-back scheme

Table 2 below provides details of the catch and effort of the 19 licences.

	Cairns Licences	Mackay Licences	Fitzroy Licences	Other Licences	Total
Number of Licences Purchased	0	3	1	15	19
Catch from within NFZ 2012/2013/2014 (tonnes)	0	26.76	27.52	0	54.28
Catch within nearby zones (tonnes)	0	46.73	0.67	130.94	178.35
Catch outside zones (tonnes)	0	0.26	34.34	242.58	277.19
Effort within NFZ 2012/2013/2014 (days)	0	193	438	0	631
Effort within nearby zones (days)	0	244	5	1549	1798
Effort outside zones (days)	0	3	369	2416	2788

Table 2: Catch and effort of the 19 licences (all fishing methods)

Figures relating to 'Nearby Zones' are derived from records between 10.5 degrees and 17.5 degrees (Cape York to Innisfail) and between 20 degrees and 24.5 degrees (Bowen and Seventeen Seventy) excluding the NFZ records. The figures pertaining to the 'Outside Zones' are all other records which are not from the NFZs or 'Nearby Zones'.

3 Appendices

3.1 Appendix 1: 2016 Net Fishing Buyback Scheme Guidelines

2016 Net Fishing Buyback Scheme Guidelines

1. Objective

The objective of the scheme is to reduce the potential for over-fishing as a result of the establishment of the net-free zones in 2015.

2. Nature of assistance

The nature of assistance is payment of the relevant amount to eligible *holders* whose surrender offers are accepted by QRAA.

3. Eligibility criteria

A person is eligible for assistance under this scheme if:

- (a) they hold a *commercial fishing boat licence* that has fishery symbol 'N1' or 'N2' written on it (a *relevant licence*);
- (b) they make an application by the end of 19 September 2016;
- (c) from when the offer is made until it is accepted they remain the *holder* of the *relevant licence* for the offer; and
- (d) they comply with the conditions of assistance set out in section 6.

4. Priority for consideration

4.1 Consideration for acceptance of *surrender offers* will be given in the following decreasing priority order:

- a) *Surrender offers* from *holders* who were also eligible under the *2015 Net Fishing Buyback Scheme*;
- b) *Surrender offers* from *holders* whose:
 - (i) *commercial fishing boat licence*, at 5 pm on 16 August 2015 had *fishery symbol* N1 or N2 written on it; and
 - (ii) during the year 2012, 2013, or 2014 the *holder* used the symbol to take fish in either of the following areas:
 - (A) the waters between Cape York and Innisfail east of longitude 142°30' east and 10°30' south and longitude 142°30' east and 17°30' south; or
 - (B) the waters between Bowen and Seventeen Seventy east of longitude 142°30' east and 20° south and longitude 142°30' east and 24°30' south; and

(iii) the use of the symbol is recorded in a fishery logbook for the *relevant licence*, which was received by the Department of Agriculture and Fisheries before 1 April 2015.

c) *Surrender offers* from any other *holders*.

5. Relevant amounts

5.1 In order for a *holder* to receive the relevant amount for the symbol/s on the licence, those symbol/s must be written on the licence when it is surrendered.

5.2 The relevant amount (exclusive of GST) for a *surrender offer* is the total of the amount stated in the table in Schedule one, for a *commercial fishing boat licence*; and

- a) for *holders* mentioned in section 4.1 a) or b)
 - (i) the total of the amounts stated in the table in Schedule one for the *Class 1 fishery symbols* that were written on the licence at 5pm on 16 August 2015; and
 - (ii) the total of the amounts stated in the table in Schedule one for the *Class 2 fishery symbols* that were written on the licence at 5pm on 14 March 2016 and are remaining on the licence when it is surrendered.
- b) for *holders* mentioned in section 4.1 c)
 - (i) the total of the amounts stated in the table in Schedule one for the *Class 1 fishery symbols* that are written on the licence when the licence is surrendered; and
 - (ii) the total of the amounts stated in the table in Schedule one for the *Class 2 fishery symbols* that were written on the licence at 5pm on 14 March 2016 and are remaining on the licence when it is surrendered.

6. Conditions of assistance

6.1 For a *holder* within the group mentioned in section 4.1 a) or b):

- a) each N1 or N2 *fishery symbol* written on the *commercial fishing boat licence* at 5pm on 16 August 2015 must be written on the licence when it is surrendered; and
- b) each *Class 2 fishery symbol* that was written on the *commercial fishing boat licence* at 5pm on the day the *surrender offer* is made, must be written on the licence when it is surrendered.

6.2 For *holders* mentioned in section 4.1 c):

- a) each N1 or N2 *fishery symbol* must be written on the licence when it is surrendered; and
- b) each *Class 2 fishery symbol* that was written on the *commercial fishing boat licence* at 5pm on the day the *surrender offer* is made is written on the licence when it is surrendered.

6.3 *Holders*, upon receiving written acceptance and settlement documentation from QRAA, within 15 business days must provide QRAA with:

- a) the *commercial fishing boat licence*; and
- b) completed settlement documentation.

6. Conditions of assistance (continued)

6.4 If the *holder* complies with these conditions, payment will be made by QRAA under the terms of the *surrender offer*.

7. Assessment of surrender offers

- 7.1 QRAA is not required to accept a *surrender offer*.
- 7.2 QRAA can only accept a *surrender offer* if QRAA's assistance funds are sufficient to pay the relevant amount.
- 7.3 Priority of consideration for the acceptance of eligible *surrender offers* will be in the order described in section 4.
- 7.4 Where multiple surrender offers are received within the same group of *holders* mentioned in section 4 a), b) or c) they will be considered:
- a) in the date order they were received by QRAA; and
 - b) if more than one is received on one day, the *surrender offers* will be considered in the order of priority of lowest in value to highest in value.

8. Definitions

Class 1 fishery symbol means *fishery symbol* N1 or N2.

Class 2 fishery symbol means *fishery symbol* N3, N4, N10, N11, K1, K2, K3, K4, K5, K6, K7, K8, C1, L1, L2, L3, L4, L8, M1, P, RQ, RQ(1), RQ(2), RQ(3), RQ(4), S, SM, SM(1), SM(2), SM(3), SM(4), T1, T2, T5, T6, T7, T8 or T9.

Commercial Fishing Boat Licence means a commercial fishing boat licence under the *Fisheries Regulation 2008*.

Fishery symbol see the *Fisheries Regulation 2008*, Schedule 11, part 2.

Holder means the person to whom a *relevant licence* is issued or transferred, other than by temporary transfer under the *Fisheries Act 1994* (Qld).

2015 Net Fishing Buyback Scheme means the 'Particular commercial fishing boat licences surrender scheme' detailed in Schedule 26 of the *Rural and Regional Adjustment Regulation 2011* (Qld).

Relevant licence is a *commercial fishing boat licence* that has *fishery symbol* N1 or N2 written on it (other *fishery symbols* may also be written on the licence).

Regulated waters are regulated waters declared under the *Fisheries Regulation 2008*.

Surrender offer is an offer, included in the *approved form*, to surrender a *relevant licence*.

9. Applications

The Further Commercial Fishing Licences Surrender Scheme closes to applications **19 September 2016**.

An application for assistance under this scheme must be made on QRAA's *Surrender Offer* application form.

Surrender offers may be withdrawn by the closing date by providing QRAA with a written request for withdrawal.

After the closing date a *surrender offer* cannot be withdrawn and is irrevocable.

Before applying for financial assistance under this scheme or making any decision, applicants should seek legal advice from their legal, business and financial advisors to determine their eligibility for the terms of the financial assistance.

Payments made by QRAA may result in financial, taxation, legal or other implications. Applicants are advised to seek independent professional advice in regards to possible implications before submitting a *surrender offer* to the scheme.

Any information provided by QRAA in relation to this scheme has been taken from sources believed to be reliable, however QRAA does not represent that the information is accurate or complete and it should not be relied upon as such.

QRAA does not assume any common law duty of care towards applicants in relation to this scheme and QRAA will not be liable for any loss or damage however caused by (including the negligence of QRAA), suffered or incurred by applicants in connection with this scheme or any information provided by QRAA in relation to this scheme.

For further information, please contact QRAA on
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website: www.graa.qld.gov.au

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Schedule one

Table for working out the relevant amount.

Commercial fishing boat licence	\$18,000
Class 1 fishery symbols	
N1	\$48,000
N2	\$90,000
Class 2 fishery symbols	
C1	\$50,000
K1, K2, K3, K4, K5, K6, K7, K8	\$60,000
L1, L2, L3	\$12,000
L4	\$24,000
L8	\$54,000
M1	\$30,000
N3	\$90,000
N4	\$96,000
N10	\$60,000
N11	\$6,000
P	\$30,000
RQ	\$18,000
RQ (1)	\$24,000
RQ (2)	\$30,000
RQ (3)	\$36,000
RQ (4)	\$42,000
S	\$12,000
SM	\$24,000
SM (1)	\$24,000
SM (2)	\$30,000
SM (3)	\$36,000
SM (4)	\$42,000
T1	\$30,000
T2, T5, T6, T7, T8, T9	\$24,000

Note: The relevant amounts are exclusive of GST.

