

NTGFIA

COMMITTEE REPORT

2005/6

1. COMMITTEE MEMBERS 2005/6:

Chairman: Graeme Williams, **Vice Chairman:** Grant Hatcher; **Secretary:** John Jordan, **Treasurer:** Darren Nickolls; **General Committee Member:** Greg Trouchet. With the exception of Grant Hatcher, all committee members served their full terms of office. Grant Hatcher resigned as Vice Chairman on 6 March 2006 and was not replaced.

2. DISCLOSURES OF INTEREST

There were no disclosures of interest.

3. AMENDMENTS TO THE CONSTITUTION

There were no amendments to the Constitution

4. ASSOCIATION ACTIVITIES

4.1 APPOINTMENT OF EXECUTIVE OFFICER

In 2004 a grant of \$40,000 was made available to employ an Executive Officer to

- formally establishment (and incorporate) an NT Fishing Tour Operators' Association and,
- provide advice to Government on future funding options for the position.

An appointment was made to the position in March 2005.

4.2 INCORPORATION OF THE ASSOCIATION

- A new Association - the NT Guided Fishing Industry Association Inc, (NTGFIA) - was incorporated on 13 May 2005.
- It has a current membership of 74 - approximately 65% of the total number of licences issued.

4.3 EXECUTIVE OFFICER POSITION: FUTURE FUNDING OPTIONS

Preliminary investigations into the availability of future funding for the Association's operations pointed to licence fee revenue as the most feasible and reliable source. Consultation with industry began on that premise.

4.3.1 INDUSTRY CONSULTATION

In an effort to accurately gauge the extent of industry support for funding the Association from licence fee revenue, two general meeting were convened. Both meetings were open to all licencees irrespective of whether or not they were Association members. Outcomes of the two meetings were as follows:-

Outcome 1: The Introduction of Licence Fees: Industry agreed to the staged/incremental introduction of licence fees over a three or five year period on the proviso that substantial progress was made towards resolving the following management issues which were seen as critical to enhancing and maintaining the economic viability of the FTO Fishery.

- Revision of certain sections of the Fisheries Act to bring it more into line with the practical realities of the modern business world.
- The formal adoption of an FTO Fishery Management Plan to minimise red tape and ad hoc decision making
- The eventual introduction of Licence Limitation
- The complete overhaul and computerization of current documentation and procedures relating to the submission of Catch Returns.

Outcome 2: Incremental Licence Fees. The \$800 licence fee previously proposed by Government was unanimously rejected by industry. Industry agreed to an initial licence fee of \$200 with additional increments of \$100/200 over each succeeding year until full cost recovery is achieved: such annual increments to be conditional upon satisfactory progress towards resolution of the key fishery management issues identified above.

Outcome 3: The Introduction of a Multi Tier Business Licence

The basic principle the Association was trying to promote in establishing a Business Licence was a devolution of responsibility to industry of certain areas currently controlled and supervised by Government, in particular

- (i) the hiring of suitably qualified operational staff and
- (ii) the requirement to conform to the various marine and insurance legislative prerequisites.

The Association's policy on the fee structure for a Multi-Tier Business Licence (ie a single licence for businesses which currently have multiple FTO licences) is that the Business Licence should be calculated on a sliding scale . With the scale set at, say, 50%, and the fee for a single tier operation set at \$200, a three tier licence would incur a total fee of \$400 (\$200 + \$100 + \$100). Using the same settings a five tier licence would incur a fee of \$600 and so on.

It is noted that the introduction of a business licence will require an amendment to the current (Government) policy of "one platform/operation one licence", which the Association believe is based on the application of Broadform Public Liability Insurance to all FTO platforms irrespective of their employment practices.

These policies were an integral part of the Association's submission to the Minister on permanent funding options for the ongoing operations of the NTGFIA. The submission was lodged with the Minister on 8 March 2006. A reply was not received until 19 September following consultations between Minister Vatskalis and Association representatives. More details of the Minister's decision are given in 4.6 below.

4.4 AQUATIC USER GROUP COMMITTEE REPRESENTATION The NTGFIA is currently represented on

- the Barramundi Fishery Advisory Committee
- the Darwin Harbour Charter Boat Operators Working Group
- the Bynoe Harbour Marine Park Advisory Committee
- the Kakadu Tourist Advisory Committee
- the Timor Reef Fishery Advisory Committee

Reduction of commercial effort in the barra fishery is still the subject of discussion, the main obstacle being availability of funds to effect a buy back of licences in such places as Bynoe harbour.

Kakadu licence restrictions have been lifted and new operators will be able to apply at specified intervals. National Parks intend to implement training courses to enable intending operators to upgrade their qualifications to meet NP standards and pre-requisites.

The Association was also represented on the Committee revising the Fisheries Act. Public submissions have now closed. The next phase will be a reconvening of the Review Committee to consider the public input before final recommendations are made to the Minister.

It is estimated that it will be at least 18 months before the first draft of the Act is complete.

4.5 FISHERIES GROUP/NTGFIA INTERACTION

Two informal meetings between NTGFIA Executive Committee members and Fisheries Group representatives were called to discuss

(a) (first meeting) interpretations of the Act and Regulations in relation to FTO licensing procedures including the Nominations Policy; and

(b) (second meeting) future directions the Association would be pursuing in accordance with resolutions taken at the September general meeting, including:

- implementation of an (optional) online system for the submission of catch returns.
- clarification and formalization in the new Act of the use of Assistant Fisherman as valid participants in FTO operations.
- a more practical and specific definition of what constitutes control of fishing operations in the new Act. Barra fishermen are currently allowed to use assistant fishermen to clear nets unsupervised (by the licence holder or his nominee) at distances of several kilometres from the mother ship but FTOs are not.
- the implementation in the new Act of more practical and commercially oriented legislative provisions which work for all stakeholders - with an emphasis on the devolution of more autonomy to FTO Corporations and multi-licence holders in the area of Licence Nominations.
- the declaration of the FTO Fishery as a Managed Fishery.

4.6 THE MINISTER'S REPLY TO THE NTGFIA SUBMISSION

On 19 September 2006, the Minister advised that a \$400 licence fee would be introduced on 1 July 2007 with annual increments of \$100 up to a maximum of \$800. The Government was prepared to discuss the declaration of a Managed Fishery and further down the track, would be prepared to listen to the Association's case for Licence Limitation. The AGM will need to carefully consider its response to the Minister's letter as its pronouncements diverge significantly from the Association's recommendations in a number of critical areas.