

QUOTA HOLDER SUB-COUNCIL AGM
Friday August 30, 2019

Minutes

Welcome:

The Chair, Alan Gray welcomed members present, and reflected on the state of the fishery and the challenging year to date for divers for 2019.

Attendance:

A Gray (Chair), B Lesser, A Brown, S Forward, M Walch, D Tory, S Seabourne, J Jones, A Jones, W Seabourne, B Rex, B Wilson, J Bock, D Hansen, G Woodham, S Dale, S Sharp, L Norris, B Cobbing, T Lesser, R Rex, J McKibben, A Eaton, D Lisson, J Huddleston, M Reed, P Seabourne, B Hall, Jillian Freeman (Minutes)

Apologies:

F Ledwell, G Shaw, B Maddock, G Chung, J Clark, C Forward, B Denny, G Bull, M Porteus,

The Minutes of previous meeting:

Minutes of the meeting held on Tuesday July 24, 2018 were accepted as a true record; moved Joey McKibben, seconded Avril Brown

Business arising from previous meeting:

Nil

Alan called for nominations for Chair of the Quota Holder Sub-Council.

Susanne Forward was nominated by Greg Woodham and seconded by Avril Brown.

Sue accepted the nomination and as there were no other nominations Sue was elected unopposed

2019 Catch Update:

The Catch to date is over 55%, which is expected for this time of the year is a great result considering the historically unfavourable conditions that divers faced in the western zone this year reducing numbers of safe dive day's for harvesting.

Management actions have been undertaken to keep the industry sustainable into the future.

Divers View 'status of the fishery': *Joey, Jeremy, Beau*

This "Divers View" is to try to capture what the divers are seeing as they harvest our product on reefs around the Tasmanian coastline. IMAS's catch per unit effort (CPUE) is one tool for assessing status of stocks etc, but it doesn't always capture recruitment and recovery that the divers observe.

In brief Joey, Jeremy and Beau are seeing good recruitment in majority of blocks within our harvesting zones.

Mixed species harvesting in the northern and greenlip zones is a concern relating to data captured on the dive docket books.

Pulse fishing in the N/E greenlip zone with divers working on top of each other in unfavourable weather conditions is not ideal. This was also conveyed in the western zone in the lead up to the

Chinese New Year with divers reporting good catches even with less than ideal weather conditions.

2019 Quota discussion:

FRAG 3 recommended to delay final 2020 quota setting discussions to FRAG 4. The FRAG 4 recommendations will be tabled at the TACL AGM to be discussed then voted on by the members.

Size Limits:

IMAS developed a Harvest Strategy which has been peer reviewed, the outcome concluded that abalone should have 3 years of spawning prior to being available for harvest.

Minister Guy Barnett endorsed the Harvest Strategy including the 3 years spawning rule.

The Department drafted a proposal for consultation for the areas that currently don't comply with the Rule.

East coast size limit to 145mm West Coast from 145mm to 150mm.

The three-year rule by zone: (DRAFT by DPIPWE)

Moving from existing size limits in each blacklip part of the commercial fishery to the size limits generated by applying the three-year rule needs to be progressed responsibly.

As well as biological considerations, thought needs to be given to minimising the impacts on industry, compliance and policing requirements.

Western zone;

Present size limit:	145mm
Three-year rule target size limit:	150mm
Timing:	150mm 1 July 2022

Eastern zone;

Present size limit:	138mm
Three-year rule target size limit:	145mm
Timing:	142mm 1 January (April) 2022
	145mm 1 January (April) 2024

Northern zone;

North East;	
Present size limit:	127mm
Three-year rule target size limit:	132mm
Timing:	132mm 1 January 2022

King Island;

Present size limit:	127mm
Three-year rule target size limit:	136mm
Timing:	132mm 1 January 2022
	136mm 1 January 2025

Albatross Island to Wild Wave River;

2020 size limit in statute:	132mm
Three-year rule target:	136mm
Timing:	136mm 1 January 2022

Bass Strait Zone;

No change

Greenlip;

No Change

Recreational blacklip abalone fishery;

Southern area;

Present size limit: 138mm

Three-year rule target size limit: 145mm east, 150mm west

Timing: Single area compromise 145mm 1 January 2022

Members discussed the draft proposal.

Stock Rebuilding Plan: *Darvin Hansen*

Darvin Hansen presented a power-point on 'Rebuilding the Tasmanian Abalone Fishery' beginning with 2018 SAFS data to give an overview of the status of Australia's fish stocks relative to their historical productivity (based on maximum 25 year average catches). Based on that he contends that 93% of Australia's abalone grounds are either depleting or depleted. Tasmania is in a similar condition.

He showed catch/effort data from IMAS from 6 highest income producing blocks with more than 70% contribution to Tasmania's wild abalone income (12,13,11,9,10,7). The only recent uptick in 2018/2019 CPUE was for block 13. Given the ~7 years it takes abalone to grow through to the measure, lower recruitment levels should be expected in the coming years given the steadily declining CPUEs seen until 2015. We have not yet seen the general 10-15kg/hr/year increases in CPUE in our most important blocks of that we saw in the 1990s during the block 9-12 biomass rebuild, which was effective until the catch levels increased. He showed a modelled view of an abalone fishery in depletion could show a mild spawning biomass increase following a mild quota cut can be a false recovery. He also made the point that trusting in reseeding technology without addressing overfishing would require decades of time to yield results, with majority of expenditure required when industry would lack income, and significant reseeding income would only arrive well after that point.

Recent peer review of Tasmania's Harvest Strategy by Mayfield (2019) stated "Given the reliance on CPUE, and especially on its translation to the CPUE Target score, I am concerned (despite the MSE testing (Haddon and Mundy 2016)) that the current settings in the eHS-MCDA are not sufficiently conservative to prevent stock declines", and there was also MSC Pre-Assessment undertaken in 2017. A graph showing the recent 9 years of annual gradual TACC reductions was shown as more evidence that the current approach needs improvement.

Darvin made the case that in the current/future low interest/inflation and depleting abalone environment, a choice to generally leave abalone in the water yielded a better return and Net Present Value than harvesting it. He also showed evidence that TACC reductions over the last 5 years had not resulted in a similar revenue reduction, and that a best guess would be that further TACC reductions may have some compensatory export/beach price increase (but still would be determined by market forces out of our control).

Rebuilding Plan – A Depletion-Dependent Harvest Strategy

- Need to estimate Maximum Sustainable Yield, and Sustainable Yield for each block.
- Rebuild everywhere with high confidence except for the Bass Strait Zone. (There is not enough history to easily estimate productive capacity of most BS blocks.)
- This plan respects the nature of an abalone fishery – abalone for the most part recruit within sub-blocks, and within the reefs within blocks. Every block must be managed for sustainability with sufficient margin.
- Optimized to maximize Net Present Value of each block (and hence fishery), which in turn results in an overall smooth rebuild of TACC beginning after ~7 years and continuing for the next 20 years after that. The speed of the increase would be greatest from 15 years after the cut.

Key element #1: Halt catch in highly depleted areas until biomass is rebuilt.

Key element #2: Ensure fully stocked areas are fished conservatively at a 'pretty good yield'.

Key element #3: Ensure partially depleted areas are fished at Sustainable Yield less sufficient margin to allow for biomass to rebuild with confidence.

In Darwin's view, a relatively "high confidence" sustainable yield less some margin to allow for adverse environmental effects was 800t total for the fishery, and if significant growth of biomass/additional protection/better return/favourable outside-industry view was desired, industry would cut lower. He said to expect (a) motion(s) for the AGM to reduce the TACC to 600-800t.

National AWA/ACA Levy question time:

Dean gave an overview of the Agribusiness Levy to market the industry on an international platform. The Meat & Livestock, Wool and Wine Industries all have a marketing levy. The abalone industry is the only commodity without a marketing program. A further discussion and education session will be held in the next month.

Documents listing the development and process over the last seven years are on the website www.abalonepal.com.

'Turning the tide' – Investing in consumer education and promotion for Australian wild-caught abalone.

The Abalone Council Australia Ltd is seeking investment by all Australian wild-caught abalone quota and license holders to implement a Consumer Education and Promotion (CEP) Program. The Levy Prospectus and Consumer Education and Promotion Program has been signed off and The Australian Electoral Commission has prepared for a ballot to take place in October. National agribusiness levies are administered by the FRDC/DAWR/AEC National body – overall consolidated vote, all agribusiness levies are reviewed after 5 years.

All quota owners are strongly encouraged to go to www.abalonepal.com to obtain detailed information regarding the levy proposal. This website also has a facility which allows stakeholders to make comment or ask questions about the proposed levy.

The chair asked members if they have any questions to put them in writing to be answered in full.

Abalone Industry Reinvestment Fund (AIRF):

Dr Ian Dutton thanked the quota holders for setting up a 'war chest' to tackle the *Centrostephanus* incursion.

- There was a workshop in December 2018 with all sectors of the industry government and scientists, looking at all aspects and methods that have been used overseas; and develop a response strategy.
- A subsidy program has been underway to encourage divers to harvest *Centrostephanus*.
- A call for proposals to minimise *Centrostephanus* and create new industries.

AIRF Project Summary August 15 2019

- 2019/19 IMAS - John Keane: Budget: 5k Title: *Centrostephanus* Exhibition
- 2019/21 IMAS – John Keane: Budget: Stage 1 65k. Title: Resetting urchin barrens: liming as a rapid widespread
- 2019/20 IMAS – John Keane: Budget: 132k: Title: Effects of urchin fishing on urchin populations and reef recovery
- 2019/25 IMAS/RTS PauaCo: Budget: 301k year 1; Title: Commercial upscaling of urchin fertiliser.
- 2019/26 IMAS – Katie Cresswell: Budget: 25k Title: Modelling the fine-scale dispersal of *Centrostephanus rogersii*
- 2019/08 IMAS Scott Ling Budget: 30k Title: Decadal re-survey of long-term lobster experimental sites.

2019/30 IMAS Craig Mundy Budget: 100k: Title: Cost-effective commercial scale stock recovery of East Coast abalone.

2019/11 Jeremy Huddlestone; Budget 26k: Title: Block 22A southern front removal.

The Committee supported Dr David Westcott's (CSIRO) submission to develop the Strategy. Budget; 138k

Urchin Subsidy evaluation: IMAS - Katie Cresswell: 40k – draft report submitted \$730,000 has been allocated for 2019 – the rest will be divided between culling and subsidy.

Ian Dutton suggests leveraging the AIRF funds with the Federal Government by approaching Minister Jonathon Dunium.

Credit Limit & Emailing of Royalty Notices Update:

Electronic Tax Invoices - members have requested royalty invoices be emailed as local mail delivery is slow and if the Member is overseas the mail is not collected demand notices are sent.

The 'Deed of Agreement' Deed was written 25 years ago and stipulates mailing of royalty invoices. The Department will be writing to members, asking them to request their invoice by email.

The credit limit to pay royalties has been increased to \$20,000.

The Department is working towards a digital platform for changes to the allocation of quota.

Election of TACL Quota Holder Sub Council Chair

Susanne Forward was nominated by Greg Woodham and seconded by Avril Brown, Sue was elected previously in the meeting.

Alan was congratulated for his commitment and service to the abalone industry in his time as Chair of the Quota Holder Sub-Council.

Sue gave members a short introduction about herself and is looking forward to the challenges ahead.

General Business:

Suggest the possibility of live streaming future meetings for Members who are unable to attend.

As there was no further business the meeting closed at 5.00pm