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SOUTH PACIFIC COMMISSION

FOURTEENTH REGIONAL TECHNICAL MEETING ON FISHERIES
(Noumea, New Caledonia, 2-6 August 1982)

COUNTRY STATEMENT - AUSTRALIA

I SUMMARY

1. The Australian fishing industry had another difficult year in 1981. With the exception of abalone, prices of Australian export commodities were weak for most of the year. On the domestic market, Australian fishermen had to compete with increased imports, especially imports from New Zealand joint venture operations. Another important factor restraining fish prices was lower meat prices.

2. Total landings by the Australian fishing fleet increased in 1980/81 thus although costs increased at a faster rate than prices, the value of all landings rose compared to the previous 12-month period.

3. There was a slow down in cost increases during 1981, mainly because fuel price rises at 8% were considerably less than the 30% to 40% increases in the previous two years.

4. Pole-and-live bait operations in the southern bluefin tuna fishery continued to expand with the construction of larger wide-ranging vessels resulting in increases in the southern bluefin tuna catch particularly in South Australia.

5. During 1981 fisheries agreements were re-negotiated between the Australian Government and the Government of Japan and with Taiwanese commercial fishing interests. One feasibility fishing operation was undertaken during the year as part of Australia's resource assessment program.

II GOVERNMENT

(a) Policy

6. Research grants from the Fishing Industry Research Trust Account for the 1982/83 financial year increased by 97% to $1,714,563 over the previous year's allocation. Funds from the Fishing Development Trust Account continued to support a number of research and development projects.

7. Australia's basic policy of developing the resources of the Australian fishing zone (AFZ) to the benefit of Australia and its fishing industry in particular has not changed. Preference is for development by Australian fishermen. However, consideration can be given to joint fishing arrangements between Australians and foreign interests. The Government is willing, in accordance with its international responsibilities, to also consider access to the zone by foreign fishing interests under bilateral arrangements where there are fisheries resources surplus to Australia's harvesting capacity. However, as Australian fishing activities expand the Government requires a phasing out of foreign operations. This policy is reflected in the fisheries agreements negotiated during 1981.

8. The Government announced in September 1980, guidelines for joint fishing arrangements (including joint ventures) which seek to facilitate maximum Australian content at the earliest possible time.

9. The guidelines provide for the replacement of foreign vessels and/or crews and for maximum participation by Australians in the processing and marketing sectors of the operation. In addition the proponents are advised that the Government will require satisfactory arrangements for Australian equity in the venture to be increased to at least 50% within an agreed period.

10. Australia remains committed to assisting Pacific States to develop their fishery resources and continues to provide a 1/3 contribution to the annual budgets of both the South Pacific Commission (SPC) and the Forum Fisheries Agency (FFA). In addition Australia has contributed towards specific projects (including the SPC Skipjack Tuna Tagging Programme) and participated in the Australian/New Zealand Civil Coastal Surveillance Advisory Team (ANZCCAT).

(b) Management

11. Australia has a Federal system of Government and, in respect of fisheries, State legislation controls fishing out to 3 nautical miles and Commonwealth legislation beyond this. New legislation has been enacted in order to give effect to a new agreement on control of offshore resources

- the agreement will enable the States to legally participate in the control of resource exploitation beyond the Territorial Sea;

- in relation to fisheries, the Commonwealth and one or more States will be able to enter formal arrangements to apply either Commonwealth or State law to the management of a particular fishery from low water mark to the limits of the AFZ. Executive powers under that law are either exercised by one of four joint Commonwealth/State Authorities or by the Commonwealth Minister or the State Minister alone outside the joint authority system.

The settlement is expected to come into force during 1982.

12. Work is proceeding on preparation for ratification of the Torres Strait Treaty which Australia and Papua New Guinea signed on 18 December 1978. The main provisions of the Treaty so far as fisheries are concerned are:

- delimitation of jurisdiction in relation to the seabed and waters between the two countries;

- establishment of a Torres Strait Protected Zone to preserve the way of life of traditional inhabitants of both countries living in the zone or adjacent coastal areas;

- principles for the management of commercial fisheries within and in the vicinity of the Protected Zone, including catch sharing, licensing and enforcement. Each country will exercise sovereignty within its jurisdiction in accordance with agreed conservation and management arrangements in respect of particular fisheries.

Ratification of the Treaty is expected during 1982.

13. An agreement providing for maritime boundaries between Australia and France in respect of the continental shelf and 200 nautical mile zones which would otherwise overlap was concluded early in 1982.

14. Maritime boundary delimitation negotiations between official delegations of Indonesia and Australia were held in Jakarta during October 1981. The meeting resulted in a Memorandum of Understanding concerning the implementation of a provisional fisheries surveillance and enforcement arrangement being signed on 29 October 1981. A further meeting to continue discussions on permanent maritime boundaries will be held at a mutually acceptable time.

15. The Australia/Japan Subsidiary Agreement on tuna longline fishing was re-negotiated and operates for one year from 1 November 1981. The Agreement maintains the maximum number of longline vessels to fish in the zone at 350, but the access fee has been reduced from $1.8m to $1.377m in view of a fall in tuna prices over the last year compared with the 1979/80 period and further restrictions on fishing effort and access to the zone. Under the new agreement, the Japanese are permanently excluded from all waters off South Australia, and within 50 miles of Albany, Western Australia. Existing permanent and seasonal closures have also been maintained, and in addition, Japanese vessel numbers in the waters off southern NSW and eastern Victoria have been reduced by half to 22, and their total operational days significantly reduced.

16. Following completion of the report of the Australia/Japan joint working group, agreement was reached during the negotiations for arrangements to facilitate the sale of canning quality fish to Australian commercial interests when sufficient supplies from Australian sources are not available. It was also agreed that the establishment of joint ventures will be facilitated where they provide mutual benefits. However, it is recognised that the sharing of risks and profits of such ventures in accordance with the rights and responsibilities of each side is a matter for commercial interests of both countries to pursue.

17. The agreement with the Kaohsiung Fishing Boat Commercial Guild covering the operations of Taiwanese trawlers and gillnetters off northern Australia was re-negotiated and will operate for a further 12 months from 1 November 1981. Areas open to Taiwanese fishing and the number of vessels licensed remain the same as for 1980/81; however, the trawl fleet quota has been reduced from 27,500 tonnes to 20,000 tonnes due to decreased fishing effort in recent years. The quota available for gillnetters operating under the Agreement has been maintained at 7000 tonnes. Of this amount 4000 tonnes was initially withheld pending the commencement of a prospective joint venture operation . As this operation appears unlikely to commence in the near future, 3000 tonnes of the withheld component of the quota has been released for licensed foreign fishing. The remaining 1000 tonnes may be released at a later date subject to the further development of joint venture proposals and the level of compliance by Taiwanese vessels with Australian laws.

18. During 1981 only one feasibility fishing operation (short term studies designed to obtain the distribution and abundance of stocks of under-developed species and the feasibility of their commercial exploitation) was undertaken on the north west shelf using the dropline fishing method. Preliminary results point to the existence of commercial quantities of demersal fish.

19. Three proposals for joint fishing arrangements to gillnet for pelagic species in waters adjacent to the Northern Territory and north-west Western Australia are under consideration by Commonwealth, State and the Northern Territory Governments. Taiwanese fishing interests are involved in all these proposals.

20. Domestically several fisheries continue to be subject to pressure owing to increased fishing effort. In order to contain this pressure, management measures have been introduced as follows:

- in the northern prawn fishery a comprehensive management scheme is now fully operational. It limits the number of trawlers permitted to operate in specific areas of the fishery, makes provision for increased licence fees on a sliding scale basis, incorporates a vessel replacement policy and provides for an annual (10 weeks closure) of certain banana prawn grounds in order to maximise the size of prawns when captured.

- because of the rapid increase in vessel numbers the Queensland Government has prohibited further entry to the east coast prawn fishery within the three mile territorial sea;

- barramundi fishing, previously uncontrolled, is now being regulated by a closed season strategy in both the Northern Territory and Queensland. A net buy-back scheme was recently introduced by the Northern Territory Government;

- longlining off north Queensland is now prohibited within the established Great Barrier Reef Marine Park;

- CSIRO Division of Fisheries research indicates that stocks of southern bluefine tuna are declining and exploitation rates may be excessive. Consultations between Commonwealth Governments and State and industry are underway to determine management needs;

- area and seasonal closures to trawling have been implemented in Torres Strait to protect tiger prawn nursery areas and the tropical rock lobster breeding migration.

21. Industry views have also been sought on a proposal to "freeze" entry in the "traditional" area of the south eastern Australian trawl fishery.

(c) Aid

22. Grants totalling $1,714,563 for 1982/83 were allocated from the Fishing Industry Research Trust Account for a range of research projects, including biological and scientific research, gear technology, exploratory fishing, education and extension, the tropical disease cigautera and seafood handling and marketing.

23. Exploratory surveys, funded from the Fisheries Development Trust Account, were undertaken during the year. Mesh netting for squid was carried out in the south east with encouraging results in offshore waters.

24. Trawling to 600 metres off western Victoria and the south east of South Australia for deep water prawn species indicated the absence of commercial quantities in this area. An exploratory/experimental gill netting survey was conducted off the north-west of Australia, partly financed by the Western Australian Government.

(d) Taxation

25. A special depreciation allowance of 18% is available for plant used wholly and exclusively in fishing operations. This special 18% prime cost rate is available for new fishing vessels, fishing equipment and shore based plants.

25. An investment allowance up to a maximum of 20% is available for all new plant and equipment used wholly and exclusively in fishing operations.

III PRODUCTION

(a) Fleet

27 In 1977/78 the Australian Bureau of Statistics recorded 10,920 vessels employed in the general fishery. These comprise some 440 company owned boats and a further 2,700 small boats (less than 6 metres) involved in part time fishing.

28. There are, however, a number of new vessels under construction for pole and live bait fishermen anxious to increase their share of the catch in the southern bluefin fishery. A number of new vessels are being built for the prawn fishery in northern and western Australia and for the deep sea trawl fishery off south eastern Australia.

(b) Operations

29. While final figures are not available at this stage the current South Australian season for southern bluefin tuna has reached about 14,000 tonnes, representing a 50% increase on the previous record catch last year. The increases seem to be associated with major upgrading of the size and sophistication of the fleet. The other two States producing southern bluefin tuna, New South Wales and Western Australia, will each contribute about 3,500 tonnes to the 1981/82 production giving an all up Australian catch in excess of 20,000 tonnes. This catch contrasts to production of about 11,000 tonnes during the late 1970's. The Commonwealth and State governments have been discussing the need for and nature of future management of the fishery with industry.

30. The south east demersal trawl fleet continued to operate in deeper waters adjacent to New South Wales, Victoria, South Australia and Tasmania. The main species taken in these waters included gemfish (*Rexea solandri*), king dory (*Cyttus traversi*), blue grenadier (*Macruronus novaezelandiea*), and deep water ling (*Lotella callarias*).

31. Most of these vessels are now equipped with improved electronic equipment and are powered by engines with higher horsepower rating and this has contributed to the increase in demersal trawling effort. Major technical improvements on the fleet include increased use of satellite navigation, Kort nozzles, 3-bridle trawls and CRT sounders and sonars.

(c) Results

32. Total landings by Australian vessels in 1980/81 were estimated at 146,000 tonnes liveweight, valued at $A332m. This is an increase of 11% both in volume and value compared with 1979/80. Production of crustaceans increased 10%, molluscs increased 22% and fish increased 6% in volume.

IV PROCESSING AND MARKETING

(a) Utilisation

33. During the year ending June 1981, 83% of marine produce caught by commercial fishermen was used in fresh and frozen form; 13% was canned, 2% was cured and 2% reduced to meal.

34. In 1981 the fish processing firm South Coast Fish Processors Ltd located at Eden, New South Wales, and chiefly involved in handling gemfish, shut down in June owing to financial difficulties because of a fall off in sales and profitability. A contributing factor was strong competition from imported fish principally from New Zealand.

(b) Demand

35. Fish consumption is provisionally estimated at 7.0kgs per person for the year ending June 1981, about the same as the previous year.

36. Fishermen supplying the local wholesale metropolitan fresh fish markets generally had a poor year in 1981. Although landings of finfish were about the same as the previous year the average annual wholesale price received by them was about $A1.20kg; up only 3%. This small percentage increase masked very significant price declines of species that were competing against imports including gemfish, morwong, reef fish and blue grenadier.

(c) External

37. The value of Australia's imports of marine produce in the year ended June 1981 was a record $A198 million, an increase of 22% over the previous twelve months. Exports were valued at $A250, million a decrease of 2%. The appreciation of the Australian currency played an important role in increasing the value of imports and reducing the value of exports.

38. Whole fresh and frozen fish imports totalled 10,000 tonnes and were valued at $A13 million in 1980-81, an increase of 23% in quantity over the preceding year. New Zealand supplied 67% of these imports followed by South Africa with 13% and Japan with 10%. Imports of chilled and frozen fillets rose by 2,200 tonnes to 22,800 tonnes, the major suppliers being South Africa (24%), Japan (22%), New Zealand (21%) and the United Kingdom (4%). Fish finger imports fell by 44% to 3,500 tonnes with 57% coming from South Africa, 18% from New Zealand, 16% from Norway and 4% from the United Kingdom. Imports of smoked fish declined in 1980-81 by 3% to 3,100 tonnes with South Africa the main supplier.

39. Canned fish imports rose 2,700 tonnes to 17,000 tonnes, the main products being salmon (7,500 tonnes), tuna (2,300 tonnes) and sardines (3,500 tonnes). Salmon was imported mainly from the United States (70%) and Canada (18%) and tuna came mainly from Philippines (26%), Thailand (26%), New Zealand (23%), Japan (18%) and Taiwan (6%). Norway and Canada were the principal source of sardine imports.

40. Australia's main exports in 1980-81 were frozen prawns, 11,600 tonnes valued at $A98 million, frozen rock lobsters, 5,700 tonnes valued at $A72 million, abalone, 3,700 tonnes valued at $A37 million, and scallops, 1,900 tonnes valued at $A13 million. Nearly all prawns, half of the abalone and whole rock lobsters exports went to Japan. The United States took nearly all of the rock lobster tails and about a quarter of the scallops exports. Hong Kong took almost a third of abalone exports and France took about a third of the scallops exported.

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TABLE I

LANDINGS AND VALUES
1979/80 & 1980/81
(Prov.)

Quant: tonnes
Val: $AUST '000

	1979/80		1980/81(a)	
	Quant.	Val.	Quant.	Val.
Total landings (b)	133,141	299,634	145,500	332,100
Fish	66,297	71,418	70,500	78,000
Species				
Tuna	13,647	11,465	17,500	13,800
Whiting	2,896	7,729)		)
Mullet	6,088	4,264)		)
Australian salmon	2,624	1,313)		)
Snapper	2,373	4,928)		)
Morwong	1,649	1,957)	53,000	) 64,000
Flathead	2,141	2,208)		)
Shark (c)	7,882	9,473)		)
All other species (c)	26,997	30,038)		)
Crustaceans	37,650	185,426	41,300	199,800
Species				
Rock lobster	14,728	81,387	16,000	91,100
Prawns, shrimps	21,998	101,349	24,500	105,900
Other	924	2,690	800	2,800
Molluscs	29,194	42,790	33,700	54,300
Species				
Oyster (d)	8,251	17,463	7,300	17,600
Scallops	11,435	7,014	16,700	12,000
Abalone	6,400	15,925	6,700	22,700
Others	3,108	2,388	3,000	2,000

(a) Department of Primary Industry Estimates.

(b) All species including crustaceans and molluscs, and the value includes confidential items such as pearling. Figures for the remaining small proportion of the landings were not available at time of drafting.

(c) Includes fish caught for reduction to fish meal.

(d) Excludes production in Queensland and South Australia.

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TABLE II

UTILISATION OF CATCH

1978/79 & 1979/80

Quant: '000 tonnes (live weight)
%: Percentage of total landings

How marketed	1978/79		1979/80	
	Quant.	%	Quant.	%
Fresh, chilled, frozen	103	80	111	83
Cured (salted, smoked, dried)	2	2	2	2
Canned	17	13	17	13
Reduced to meal and/or oil etc	6	5	3	2
Other	-	-	-	-
Total	128	100	133	100

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TABLE III

EXTERNAL TRADE IN FISH & FISH PRODUCTS

1980 & 1981

Quant: Tonnes (product weight)
Val: $AUST '000 F.O.B.

	IMPORTS				EXPORTS			
	1979/80		1980/81		1979/80		1980/81	
	Quant.	Val.	Quant.	Val.	Quant.	Val.	Quant.	Val.
Total fish and fish products	-	162,656	-	198,064	-	255,788	-	250,041
of which								
Fresh, chilled	1,871	3,769	1,914	4,373	250	301	180	350
Frozen	36,730	60,821	37,036	65,738	8,609	11,069	3,993	8,201
of which								
Frozen fillets	20,099	33,280	22,572	43,025	24	82	16	53
Salted, dried, smoked	4,178	8,699	4,040	9,986	5	48	7	155
Canned	13,871	40,197	16,587	52,642	89	390	137	575
Other	390	1,075	344	1,301	12	50	13	137
Shellfish (live, fresh, chilled, salted, dried and canned) (*)	7,726	38,428	11,341	54,912	30,551	227,941	23,224	220,239
Meal	13,986	5,493	8,031	3,458	134	53	306	145
Oil ('000 litres)	435	436	495	438	2	5	4	12
Other	-	3,735	-	5,213	-	15,931	-	20,227

(*) If not included above.