



Australian Government

**Fisheries Research and
Development Corporation**

FINAL REPORT

2008/099

**TORRES STRAIT TROPICAL ROCK LOBSTER
FISHERY – TOWARDS A 5 YEAR BUSINESS PLAN**

A report prepared by the Department of Agriculture, Fisheries and Forestry.

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1. Non Technical Summary

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OBJECTIVES:

1. A report presenting an approach agreed to by the Indigenous and non-Indigenous commercial sectors for the development of the Torres Strait Tropical Rock Lobster fishery in the coming five years.
2. This report will then be presented to the Protected Zone Joint Authority to assist in the development of strategic policies and facilitate the implementation of the management plan.

NON TECHNICAL SUMMARY:

2. OUTCOMES ACHIEVED TO DATE

1. The development of the report at Appendix 3 has resulted in a commonly agreed position statement that reflects the views of the two major stakeholder sectors for the tropical rock lobster fishery. This development process has been a catalyst for renewed consultation between the two sectors.
2. The report at Appendix 3 has informed ongoing policy development by the Protected Zone Joint Authority and contributed to the development of a new Torres Strait Regional Authority fisheries development program, which will use the report, and other sources of information to devise and implement a program to increase economic opportunities and capacity building for Indigenous fishers.
3. A draft of the report was provided to the Protected Zone Joint Authority to assist in deliberations on potential strategies for the rock lobster fishery during the second half of the year. The final report will be provided formally for the Protected Zone Joint Authority to note. The report will then be used as the basis for continued consultation with stakeholders about implementing a capacity building program for Indigenous fishers as well implementing modern management arrangements through a management plan for the fishery.

3. Acknowledgements

The consultant and the Protected Zone Joint Authority agencies wish to record their appreciation to all attendees at the numerous stakeholder workshops for their frank and open discussion of their perspectives and desires. The Department of Agriculture, Fisheries and Forestry acknowledges the Torres Strait Regional Authority for coordinating the Indigenous sector workshops, and for contributing to the funding of these workshops. The department also wishes to express appreciation to the Australian Fisheries Management Authority and the Queensland Department of Employment, Economic Development and Innovation for coordinating non-Indigenous workshops and providing data and assistance to the consultants.

4. Background

The Torres Strait is located between the tip of Cape York Peninsula and Papua New Guinea. It consists of over a hundred islands and reefs of which, 18 islands are currently inhabited.

The Torres Strait Treaty (the Treaty) was entered into by Australia and Papua New Guinea in February 1985. It is concerned with sovereignty and maritime boundaries in the area between the two countries and the protection of the way of life and livelihood of Traditional Inhabitants and the marine environment.

The Treaty sets out a framework to guide both countries in providing for the management, conservation and sharing of fisheries resources in and around the Torres Strait Protected Zone. It also sets out guidelines for the enforcement of fisheries legislation.

The principal purpose in establishing the Torres Strait Protected Zone is to acknowledge and protect the traditional way of life and livelihood of the Traditional Inhabitants of the area including their traditional (subsistence) fishing and their traditional right of free movement. The Treaty also requires the Australian and Papua New Guinean Governments to protect and preserve the marine environment and Indigenous fauna and flora of the area.

Commercial fishing is one of the most economically important activities in the Torres Strait Protected Zone and provides a significant opportunity for financial independence for Traditional fishers and communities.

The Protected Zone Joint Authority has a policy of maximising the opportunities for Islander participation in all sectors of the fishing industry in line with the Treaty.

The two most economically important fisheries in the Torres Strait Protected Zone are the Prawn and Tropical Rock Lobster.

In 2008 Protected Zone Joint Authority agencies contributed \$10.7 million to purchase Tropical Rock Lobster licenses through a competitive tender process. This “buyback” was to achieve the twin objectives of purchasing sufficient licenses to

meet the Australian Government's obligations under the Treaty and to increase the level of ownership of this resource to Traditional Inhabitants.

A management plan is to be introduced as part of additional changes to the fishery. The fishery provides access to Indigenous fishers for subsistence harvesting and commercial activities as well as to non-Indigenous commercial fishers. The commercial Indigenous operators fish under Traditional Inhabitant Boat licenses (TIB) and non-Indigenous commercial fishers operate under Transferable Vessel Holder licenses (TVH). Traditional Inhabitants are able to fish for subsistence purposes without the requirement to hold a license.

As part of ongoing negotiations with the non-Indigenous commercial and the Indigenous commercial fishers to introduce a management plan into the Tropical Rock Lobster fishery, both sides expressed their concerns and desires in this fishery. Negotiations between parties, while ongoing, stalled over the differences in opinion of the future operating environment between sectors. An agreed suggestion by both sectors to overcome this stalemate was to develop a "business plan" as a medium term strategic plan to explore each sectors' wants, consolidated into a compromise solution with options on how this could be achieved.

5. Need

The Commonwealth and Queensland governments have to date spent \$10.7 million restructuring the Tropical Rock Lobster fishery. As a result of this restructure, the Indigenous commercial sector holds 53 per cent of the Australian component of the fishery. A plan investigating how to develop the fishery in the medium term would assist in identifying and developing capacity building initiatives that build upon the restructure that has already occurred in the fishery. This plan would greatly enhance the economic and social utility of the fishery and in particular, be of benefit to the Indigenous commercial sector.

This report explored how each sector's desires can be met in an innovative and co-operative approach, as well as incorporating additional factors such as:

- the optimum utilization of resources;
- product development;
- market access opportunities; and
- the sustainability of the fishery.

As part of exploring the sustainability of the fishery, consideration for the introduction of a management plan for the fishery was incorporated into discussions.

Negotiations as part of introducing the management plan for the fishery had stalled due to the non-Indigenous commercial and Indigenous commercial sector's positions being inconsistent with each other. Both sectors agreed to continue negotiations as part of developing this medium term business plan.

Outputs from this report will be used to assist in gaining consensus amongst the sectors to the introduction of the management plan and assist in broader strategic policy planning and business development in the Torres Strait Protected Zone for the benefit of the non-Indigenous commercial and Indigenous commercial sectors of the fishery.

6. Objectives

This report is intended to be a medium term strategic document to explore the aspirations of each sector, including ways to maximize the economic and social utility of the fishery, identify common ground, gain consensus and develop innovative outcomes. The objectives of the research were;

- A report presenting an approach agreed to by the Indigenous and non-Indigenous commercial sectors for the development of the Torres Strait Tropical Rock Lobster fishery in the coming five years.
- This report will then be presented to the Protected Zone Joint Authority to assist in the development of strategic policies and facilitate the implementation of the management plan.

7. Methods

Extensive stakeholder consultation was completed based on a series of seven workshops which included the following:

Workshop 1 - Representatives from the non-Indigenous commercial and marketing agent sectors at a workshop in Cairns (October 2009);

Workshop 2 - Representatives from the Indigenous commercial sector fishers based on Thursday Island (December 2009)

Workshop 3 - Non-Indigenous commercial sector fishers based on Thursday Island (December 2009)

Workshops 4-6 - Indigenous commercial sector fishers – for the Central North Cluster (held at Poruma Island), Western Cluster (Badu Island) and Central South Cluster (Thursday Island).

These workshops were conducted as led group discussions and attendees at workshops 4-6 were also asked to complete a questionnaire to allow them to provide their personal views.

In addition, a project workshop (workshop 7) was held in Brisbane on 17 February 2009 to review the overarching feedback from industry participants. The workshop was attended by officers from the Department of Agriculture, Fisheries and Forestry, the Australian Fisheries Management Authority, the Department of Employment, Economic Development and Innovation and the Torres Strait Regional Authority.

The consultant also used fisheries data provided by the Australian Fisheries Management Authority and economic data from a previous study to undertake an analysis of the Indigenous sector's fishing behaviour.

8. Results/Discussion

The consultants' report highlights the aspirations of both sectors. In the case of the Indigenous sector this is to have a greater percentage of the fishery allocated to them and for the fishery to be a major economic benefit for the Indigenous people in the region. The non-Indigenous sector highlighted the need for predictability in management arrangements and the removal of effort restrictions that in their view were not required for sustainability reasons.

The report discusses the risk of a downturn in production of the fishery if government were to conduct a buyout to transfer allocation to the Indigenous sector and potential mitigations of this risk. The main mitigation proposed is not to reduce non-Indigenous effort in the fishery until Indigenous effort has been shown to have increased. The report also discusses the need for a strategic approach to capacity building and presents some options in relation to capacity building. These observations are based around a classification system introduced by the report that classifies Indigenous commercial fishers according to the amount of fishing they are likely to do and the level of capital investment they might make. There are three tiers in this classification system: semi commercial, semi professional and casual.

9. Benefits and Adoption

The report has been accepted by stakeholders as an accurate reflection of the current situation and their respective aspirations. There is not unanimous support for all recommendations in the report but it is, and will continue to be, a useful document that all stakeholders are willing to accept as a basis for ongoing discussion. The Protected Zone Joint Authority Standing Committee has agreed to endorse the report to the Protected Zone Joint Authority for information, along with a series of options for implementing strategies in response to the report. The Torres Strait Regional Authority Board has agreed to the formation of a Fisheries Development unit that will use the report as a major input to the development and implementation of an Indigenous fisheries capacity building program over three years to 2012-13.

10. Further Development

The report makes several recommendations relating to a future work program including:

- Developing the financial, economic and social criteria for assessing new infrastructure investments and then identify a number of potential projects to implement based on those criteria;
- Develop a schedule of training modules; and identifying key reforms to improve the efficiency of the onshore infrastructure operations.

The report also suggests that Bio-economic modelling, reviewing the need for a flexible harvest strategy, reviewing the nature of marketing businesses and a review of the Indigenous commercial sector motives for fishing would be useful work that could be progressed by Protected Zone Joint Authority agencies. Finally the report recommends that a Torres Strait Fisheries Reform Taskforce could be established to oversee the implementation of the business plan and the above work program. The Protected Zone Joint Authority agencies will consider all of these recommendations and provide advice to the Protected Zone Joint Authority of the

efficacy of conducting this future work in the context of a broad strategy for the fishery.

11. Planned Outcomes

The planned outcomes for this research were:

- Enhance economic opportunities and capacity building for Indigenous fishers;
- Maintain the sustainability of the fishery;
- Provide an agreed path for Indigenous fishers to meet their current ownership aspirations and develop options to self fund future ownership aspirations; and
- Maximise the economic returns of the fishery.

12. Conclusion

The report is a useful document that provides the Protected Zone Joint Authority with an accurate synopsis of the current situation in the fishery and several recommendations to achieve the outcomes noted above. The Protected Zone Joint Authority will now consider the report and use it, along with other sources of information to set a strategic direction for the fishery. The main aim will be ensuring the fishery remains a sustainable source of economic benefit for Indigenous fishers, whilst taking into account the needs of non-Indigenous economic stakeholders.

It recommends a way forward based on a strategic buyout of some non-Indigenous effort for eventual transfer to the Indigenous sector once a capacity building program has been implemented and actual increases in Indigenous fishing effort and capacity have been shown. The report highlights several areas for future development that would underpin such a capacity building program and has already proven useful for the Torres Strait Regional Authority as a basis for the development of a new fisheries development unit in the economic development division.

It is expected that the dialogue that has commenced during the development of the report will provide a foundation for ongoing discussions and negotiation leading to the introduction of modern management arrangements through the implementation of a management plan and a quota system as well as a long term strategy to increase the level of Indigenous economic benefit from the fishery.

13. References

14. Appendix 1: Intellectual Property

There are no intellectual property issues arising from this research.

15. Appendix 2: Staff

- Marsden Jacob Associates
- Shearwater Consulting

- Mr Anthony Cuthbert - Department of Agriculture, Fisheries and Forestry
- Mr Tristan Daly - Department of Agriculture Fisheries, and Forestry
- Mr Paul Pak Poy - Department of Agriculture, Fisheries and Forestry

16. Appendix 3: Final Report, Torres Strait Tropical Rock Lobster - 5 Year Business Plan, prepared by Marsden Jacob Associates.