

Policy

Fisheries Reallocation Policy

Version: 1.0

Contents

1	Introduction	2
2	Scope	2
3	What is Reallocation?	2
4	Principles	3
5	Criteria for deciding reallocation	3
6	Information requirements for reallocation proposals	4
6.1	Data quality	4
6.2	Cost-benefit analysis	4
6.3	Compensation model	5
6.4	Consultation	6
7	Process for reallocation proposals.....	7
7.1	Initial advice from Minister.....	7
7.2	Proponent prepares proposal.....	7
7.3	Pre-lodgement meeting.....	8
7.4	Lodgement of proposal	8
7.5	Consideration by the responsible Minister	8
7.6	Communication of decision	8
7.7	Implementation of decision	9
7.7.1	Compensation	9
7.7.2	Appeal	9
8	Responsibilities and accountabilities	9
9	Definitions	9
10	References.....	10
	Appendix 1 - Data quality control checklist	11
	Appendix 2 - Open Allocation Process flowchart	13

1 Introduction

Access to fisheries resources is complex and challenging. While it would be unreasonable to expect to eliminate all conflicts over access to these resources, adopting a strategic, transparent approach to reallocation decisions will help reduce the frequency of conflict and provide guidance to help resolve them.

Each fishing sector (commercial, recreational including charter, Aboriginal and Torres Strait Islander) accesses a proportion of the total allowable catch or effort in each of Queensland's fisheries. This is referred to as the sectoral allocation. If there is competition between sectors for fisheries resources, allocation of sectoral access should be based on maximising the economic, social and cultural value that Queenslanders receive from the sustainable use of these resources.

The *Sustainable Fisheries Strategy 2017-2027* includes an action to develop a policy to outline how decisions about reallocation of access will be made, including:

- a transparent and repeatable process with clear reasons for decisions
- opportunities for stakeholder input, with a particular requirement to engage those affected
- criteria for when and how to explicitly reallocate fisheries resource access
- a requirement to quantify the value (economic or social) of the fishery and/or resource to Queensland and the proposed benefits of the reallocation
- cost-effective solutions capable of being implemented (regional considerations will be taken into account)
- specific consideration of the Aboriginal and Torres Strait Islander sector allocations

This policy delivers on the action under the Sustainable Fisheries Strategy and outlines the key steps and considerations for reallocation of fishery resources.

2 Scope

This policy is intended (in scope) to guide decisions about reallocation of access to fisheries resources, including:

- Proposals to reallocate access between one or more fishing sector to another fishing sector(s). Proponents may be individuals, groups, or the Queensland Government.
- Requests by individuals or non-government groups to reallocate access from one or more fishing sectors to a non-extractive use.

This policy is *not* intended (out of scope) to guide decisions about the purchase of commercial fishing entitlements by another sector with the intent of reducing commercial fishing. Most commercial fishing authorities are tradable, and private transactions may take place as usual.

3 What is Reallocation?

Proposals are often put to government to reallocate access to fisheries resources from one sector to another. Sectors may include recreational fishers, commercial fishers, indigenous fishers, conservation interests or a level of government on behalf of the community's

interests who may wish to reduce fishing access in favour of other sectors. The table below is an example of a reallocation proposal by recreational fishers.

	Commercial	Recreational	A&TSI
Existing allocation	63.4%	35.2%	1.4%
Proposed reallocation	↓ 42.3% Closure or reduction for certain types of fishing	↑ 56.3% Bag limit retained, but more participants	1.4%

Under the *Fisheries Act 1994* if fishing access of the commercial sector is reduced for the purpose of reallocating them to another sector, then compensation is payable.

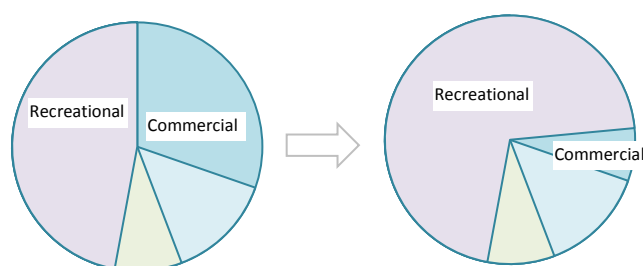


Figure 2: Example of a **proposal** to reallocate access from the commercial sector to the recreational. Commercial access reduces while recreational increases.

4 Principles

The following principles should be applied in the context of reallocation:

- There is a transparent, predictable and repeatable process with clear reasons for decisions and certainty for users.
- The best available data is used, and any limitations on data quality are clearly described.
- There is a clear benefit to Queensland from the proposed reallocation which optimises the economic, social and cultural benefits that Queenslanders receive from the sustainable use of our fisheries resources.
- There are opportunities for stakeholder input, with a particular requirement to engage with those affected.
- Solutions are cost-effective and capable of being implemented.
- Users wishing to increase their access by reallocating access from another sector may need to contribute to monitoring or management.
- Must not impact on sustainability of fisheries stocks.

5 Criteria for deciding reallocation

Reallocation will not be appropriate in all situations. The following criteria must be met for a reallocation proposal to be considered. Applications that do not meet minimum requirements will not be progressed.

<input checked="" type="checkbox"/>	Is the data supporting the proposal of sufficient quality (see 6.1)?
-------------------------------------	--

<input checked="" type="checkbox"/>	Does the cost-benefit analysis demonstrate it will optimise the economic, social and cultural benefits Queenslanders receive from the sustainable use of fisheries resources (see 6.2)?
<input checked="" type="checkbox"/>	Is there a workable plan to fund compensation for loss of access (see 6.3)?
<input checked="" type="checkbox"/>	Has the required consultation been completed (see 6.4)?
<input checked="" type="checkbox"/>	Is there significant community support from the relevant community?
<input checked="" type="checkbox"/>	Is it practical and achievable?
<input checked="" type="checkbox"/>	Is it consistent with relevant policies, the <i>Fisheries Act 1994</i> and relevant harvest strategies?

6 Information requirements for reallocation proposals

The information presented must be of sufficient quality to address the decision-making criteria. The standard of information and consultation must be sufficient to allow the Minister to be confident in making a decision. Fisheries Queensland will be able to provide advice about the sufficiency of information on a case by cases basis.

6.1 Data quality

Information provided in support of the proposal must be based on the best available data. Any limitations on the quality or availability of data used must be clearly described in the data quality control checklist ([Appendix 1](#)).

Limitations on data quality will not necessarily make a proposal invalid, but will be considered in deciding whether or not to reallocate.

Examples of limitations include information that:

- is out of date
- is incomplete or unrepresentative
- fails to take into account relevant factors (eg. droughts, floods, natural background variation, major policy or fishing practice changes over time)
- is not authenticated or peer reviewed.

6.2 Cost-benefit analysis

The intent of the analysis is to determine whether a reallocation will increase (or decrease) the overall value gained from the fishery. This requires estimating the marginal or incremental value derived from additional access to one sector versus the lost or reduced access of another. There should be a clear gain to the community from any reallocation of access.

A cost-benefit analysis will be used as the primary method to quantify the benefits to the community of reallocation proposals. Collection of additional data may be required if existing information is insufficient for such an analysis. In general, analyses will need to be evidence-based and must provide facts to substantiate any claims.

Information supporting the application must be sufficient to enable a cost-benefit analysis. This information may include but not limited to:

- Full details of the proposal including reallocation outcome and implementation plan. Include the probable scale, area, costs and benefits of the proposal.
- Details of the fishery, its sustainability status and existing harvest including target species, fishing methods, areas and timing of operation.
- Details on the existing access arrangements including number and value of existing fishing entitlements, relative catch of each sector. Provide appropriate social and economic data where available (e.g. value of catch, expenditure by participants, flow on impacts, willingness to pay).
- A description and quantification, where possible, of the positive (benefit) and negative (cost) impacts on each potentially affected party including the environment, community, and government. Specify whether the impact is direct or indirect. The types of costs and benefits to consider may include:
 - contribution to the State economy (Gross Value of Product and flow on benefits from fishing activity)
 - contribution to employment including regional employment in fishing and related industries (bait and tackle retail, tourism, processing and marketing)
 - contribution to regional economic development and tourism
 - contribution to wellbeing or lifestyle, including fishing satisfaction
 - impacts on employment, including commercial fishers, seafood processors, retailers etc.
 - impacts on local seafood supplies
 - impacts on local economies.
- The identification and management of risks, including future changes such as changes to economic circumstances and fluctuating fish stock levels. Any proposed reduction of access to a fishing sector must manage the risk of displacement of fishing effort into other areas.
- Demonstrating there is no increase in risk to sustainability of fish stocks and ecosystems. In particular the proposal must not increase the risk to species of conservation interest (SOCl) or threatened, endangered and protected species (TEP).

6.3 Compensation model

Describe how the proposed reallocation will be funded, (including who will pay, who will be eligible, and how the funds will be made available) and where the proposed reallocation is likely to result in demonstrable financial loss.

The following should be considered in relation to compensation when preparing a proposal:

- All funding options must meet any legislative or government requirements for compensation. Section 42J of the *Fisheries Act 1994* provides information on how to calculate the total amount of compensation payable. The proponent may contact the department for advice about calculating the appropriate amount of assistance. However generally it is calculated based on up to three years of previous income for those affected by the decision.

- Proposals based on the government introducing or raising fees, charges, or levies would not be supported.
- Funding options may include in-kind contributions or exchanges, for example, a commercial-only area may be negotiated in exchange for a recreational-only area elsewhere. Such proposals would only be considered if all affected parties are in agreement.
- While compensation under the Act addresses the impacts on individual fishers who are affected by a reallocation from one sector to another, consideration also needs to be given to the potential impacts from transfer of effort into adjacent areas that remain open. This has the potential to cause conflict in other areas and sustainability issues if there are too many fishers operating in a smaller area. For previous closures like the three net free zones introduced in 2015, compensation was paid, but licences were also purchased off the market to reduce the risk of effort transfer. Applicants should consider the scale of the reallocation proposal and whether licence purchase may also be required in addition to compensation.

6.4 Consultation

All applications must be accompanied by evidence of adequate stakeholder consultation, including written feedback from potentially affected stakeholders. Consultation on the proposal including payment of all costs incurred is the responsibility of the proponent.

Proponents must demonstrate how they have:

- Identified all potentially affected stakeholders.
- Provided sufficient information to stakeholders to enable them to make an informed decision.
- Communicated the information (e.g. letter in post, mailbox drop, email / sums to contacts list, web, social media, advertisements in magazines, newspapers, radio, signage, information displays).
- Clearly explained the approvals process and included a disclaimer that the proposal is not government policy
- Provided sufficient timeframes for stakeholder feedback.
- Obtained written feedback from affected stakeholders.

The results of consultation should be summarised in a report. Factors that will be taken into account in the decision-making process include:

- The proportion of affected stakeholders who agree and disagree with the proposal
- The strength of the response (eg. 'slightly disagree' versus 'strongly disagree')
- Common themes that emerge in the feedback from affected stakeholders
- Consistency with other data on stakeholder opinion (eg. whether the report contrasts markedly with similar surveys)
- Potential biases or other valid criticisms of the consultation process.

7 Process for reallocation proposals

Proponents of fisheries reallocation proposals under the *Fisheries Act 1994* may be individuals, groups, or the Queensland Government.

Proponents will be responsible for covering all costs of preparing applications, including stakeholder consultation, data acquisition and a cost-benefit analysis.

Refer to flowchart in [Appendix 2](#) for an overview of the proposal process.

7.1 Initial advice from Minister

Prior to submitting a detailed reallocation proposal, proponents must seek initial advice from the responsible Minister. Evaluation of proposals is potentially expensive and time-consuming for the proponent and Queensland Government. In some cases, related processes (for example, the development of harvest strategies) may have an influence on the timing of reallocation decisions. Therefore the process will only continue if the responsible Minister considers the proposed reallocation to be appropriate for consideration.

Proponents must write to the Minister responsible for fisheries outlining the basic details of the proposal, including at least:

- Who is the applicant(s)?
- Where the subject area?
- Which fishing sector(s) will be affected?
- Who will fund the necessary compensation and how? These costs may need to extend to other actions to prevent a redistribution of fishing effort to other areas/regions.
- What are the expected benefits?
- What are the expected impacts and risks, and how they will be managed?
- What is the proposed timeframe?

Where a basic proposal does not provide sufficient information and/or include a feasible proposal for compensation, the proposal will not be progressed. Proponents will receive a response in writing advising whether or not the proposal can progress to more detailed consideration. Additional information may be requested.

7.2 Proponent prepares proposal

If the responsible Minister advises in writing the proposal can progress to more detailed consideration, the proponent must address the minimum information requirements outlined in Section 6 including the cost benefit analysis, compensation model, and undertake the necessary consultation.

The proposal should also include consideration of how the sector will contribute to management. An example may be contributions to monitoring programs to measure the impacts and benefits of the reallocation.

7.3 Pre-lodgement meeting

The proponent is required to arrange a pre-lodgement meeting with Fisheries Queensland to check the sufficiency of information and the adequacy of consultation. Fisheries Queensland may be contacted for advice by calling the Customer Service Centre on 13 25 23.

The information provided must be sufficient to address the decision-making criteria in Section 5. The standard of information and consultation undertaken by the proponent must be sufficient to allow the responsible Minister to be confident in making a decision.

7.4 Lodgement of proposal

To formally propose a reallocation, the proponent must write a letter that clearly states the intended proposal, accompanied by the supporting information specified above.

Letters may be addressed to: the Deputy Director-General, Fisheries Queensland, Department of Agriculture and Fisheries, GPO Box 46, Brisbane QLD 4001.

Note: Fisheries Queensland will make proposals available to the public upon request.

7.5 Consideration by the responsible Minister

Once the proposal is considered complete, Fisheries Queensland will provide the proposal to the responsible Minister along with advice on its potential impact.

The Minister responsible for fisheries will make a decision on the reallocation proposals.

When considering the proposal, the Minister may seek additional advice from the proponent or other sources such as Fisheries Queensland, the Sustainable Fisheries Expert Panel, relevant local governments, representatives of affected stakeholders, direct input from stakeholders and the general public.

The responsible Minister has the option to establish a reallocation panel to review the reallocation proposal and provide advice to the responsible Minister on the benefit or non-benefit to Queensland. A reallocation panel would be established as required and with terms of reference fit for the specific purpose. A reallocation panel may consist of representatives of the community, independent people or key stakeholders and would be appointed by the Minister.

The responsible Minister will consider all of the advice and decide to:

- reject the proposal
- accept and agree to implement as proposed
- accept and agree to implement with modification
- return with a formal request for more information.
- consult further within government or the community.

7.6 Communication of decision

The outcome of a reallocation decision will be provided to the proponent in writing, and will be communicated to relevant stakeholders by Fisheries Queensland.

The proponent will have an opportunity to reply to the outcome letter and provide additional information. This may or may not result in reconsideration by the Minister. The Minister may conduct a separate consultation process to assist with the decision.

7.7 Implementation of decision

Giving effect to any changes in access may require legislative changes (which would include a period of public consultation), together with a process for managing any associated compensation. Therefore the successful proponent may be asked to work with Fisheries Queensland on an implementation plan, including communication of the reallocation decision.

7.7.1 Compensation

Where a reallocation decision results in a change of access, the affected parties must be compensated (refer to Section 6.3).

Compensation under the *Fisheries Act 1994* does not apply to changes made for sustainability reasons. However, reallocation of fishing access from one sector to another is not made for sustainability reasons but to benefit a particular fishing sector - therefore compensation is payable.

If the government is not the proponent, the proponent must arrange funding to provide assistance to the affected sector(s).

7.7.2 Appeal

The reallocation of sectoral access does not involve a decision about a single authority under the *Fisheries Act 1994*. For this reason reallocation decisions are not appealable.

If a closure is put in place as part of the reallocation, this would be made under the *Fisheries Regulation 2008* and would be a disallowable instrument. This means the closure instrument may be subject to a disallowance motion and may be overturned through the parliamentary process.

8 Responsibilities and accountabilities

Proponents are responsible for drafting and submitting proposals.

The Minister is responsible for considering and balancing all the information, and making a decision (or referring to the government for broader consideration) with the aim to optimise the economic, social and cultural benefits that Queenslanders receive from the sustainable use of fisheries resources.

Fisheries Queensland is responsible for consulting with proponents throughout the process, and providing advice to the responsible minister on the benefits and impact of the proposal. Fisheries Queensland would be responsible for undertaking any legislative reform and communication plans that are an outcome of the reallocation decision.

9 Definitions

Access the opportunity to take or use fisheries resources.

<i>Allocation</i>	the level of access to fisheries resources available to a particular fishing sector or to individuals within a fishing sector.
<i>Sectoral allocation</i>	how much of the available stock is currently accessed by a sector (e.g. 900 tonnes commercial, 500 tonnes recreational, and 20 tonnes Aboriginal and Torres Strait Islander). May be expressed as a proportion of the total allowable catch, proportion of the total allowable effort, or proportion of access to the fishery, which are managed under the <i>Fisheries Act 1994</i> .
<i>Individual allocation</i>	how much of the total allowable commercial catch (or effort) is accessed by an individual fisher. May be expressed as a proportion of the total allowable commercial catch or a unit of quota (e.g. an individual transferable quota).
<i>Reallocation</i>	a change in the sectoral allocation of access to the fishery.

10 References

Fisheries Act 1994

Sustainable Fisheries Strategy 2017-2027

Queensland Harvest Strategy Policy

Guidelines for Implementing the Queensland Harvest Strategy Policy

Document Owner	Title:	Director (Management & Reform)
Endorsed by	Title:	Executive Director (Fisheries)
Approved by	Title:	Deputy Director-General (Fisheries & Forestry)

Revision history	Version no.	Approval date	Comments
	1	26/02/2018	Final Draft for approval

eDOCS reference and/or file name and path to be included

Appendix 1 - Data quality control checklist

<p>Data definition</p> <ul style="list-style-type: none"> What is being measured? Describe in detail the type of data collected 		
<p>Calculation Formula</p> <p>Write out the equation or formula and list the fields that provide the information for the formula, frequency (e.g. a date field) and scope (e.g. segment or region).</p>		
<p>Purpose or rationale</p> <ul style="list-style-type: none"> Use simple language to describe purpose and rationale for the information. What is the information about? What you are trying to show? Include the meaning of any element of the measure that could be open to interpretation. 		
<p>Compilation and risks</p>		
<p>Measure methodology Detail how the report is generated. Include sufficient detail to enable someone unfamiliar with the measure/standard to be able to accurately generate the report.</p>		
<p>How data is collected</p> <p>For example; survey, interrogation of project reports etc. How this collection mechanism will be used, e.g. if a survey - how survey sample will be selected, how survey will be administered, how the results will be interpreted?</p>	<p>Inclusions</p>	<p>Exclusions</p>
<p>How data is turned into performance reporting information.</p> <p>Explain any assumptions that have been made in this methodology. (Note data collection and calculation must be auditable and where possible comparable or able to be benchmarked).</p>		
<p>Data source</p> <p>Detail data sources and data owner/s. For example; supporting systems - nature, integration, dependencies, availability and potential for manual intervention</p>		
<p>Data storage</p> <p>Detail in what form and how data/information used to develop the report is stored. For example; electronic, paper, CD etc. Include URLs for key supporting documents.</p>		
<p>Scope/ Risks and/or Limitations</p> <p>Scope</p> <p>Clearly state:</p> <ul style="list-style-type: none"> <u>What is and isn't included in the scope of this measure/standard?</u> For example; the boundaries that define the data required for 		

<p>the measure (employees with more than 10 years of service, households with more than 2 occupants etc).</p> <ul style="list-style-type: none"> Any <u>classifying variables</u> to segment the values of the measurement e.g. geographic area, industry segment. <p>Limitations/Risks</p> <ul style="list-style-type: none"> To assist with how data is interpreted, clearly explain: any limitations/risks for the measure/standard and the associated data. Are there any data quality issues? What internal or external factors can influence the data collection? How reliable is the data? Any data integrity risks? <p>Are there any potential distortions in the use or presentation of information?</p>			
Reporting and validation			
<p>Collection frequency</p> <p>For example; the timeframe – daily, weekly, monthly, yearly. This frequency should provide capacity to see and interpret natural variations in the outcome that the service standard tracks.</p>		Reporting frequency	
<p>Internal validation process</p> <p>Outline what quality assurance and data validation procedures/processes are in place. Is the data subject to internal or external review or audit?</p>			
<p>Internal and/or external review</p>			

Appendix 2 - Reallocation Process flowchart

