

# Rural and Regional Adjustment Amendment Regulation (No. 1) 2016

Explanatory notes for SL 2016 No. 125

made under the

*Rural and Regional Adjustment Act 1994*

## General Outline

### Short title

Rural and Regional Adjustment Amendment Regulation (No. 1) 2016

### Authorising law

Sections 10, 11 and 44 of the Rural and Regional Adjustment Act 1994

### Policy objectives and the reasons for them

The Queensland Government's Sustainable Fishing Policy (the Policy) was an election commitment. Part of the Policy was a commitment to establish three net-free fishing zones in north and central Queensland:

- Trinity Bay – Cairns;
- St Helens Beach – Cape Hillsborough, North of Mackay; and
- Yeppoon/Keppel Bay/Fitzroy River, Capricorn Coast.

The Policy also committed the Government to set aside \$10 million to fund a buyout of commercial fishing activity in these areas and meet the compensation needed to establish the three net-free fishing zones. The Queensland Government set a target to purchase a minimum of 46 commercial fishing boat licences as part of the implementation of the zones.

The election commitment was fulfilled in stages. The first stage was implemented by the *Fisheries and Another Regulation Amendment Regulation (No. 1) 2015* which provided for the establishment of the net free fishing zones, the buyback of particular fishing boat licences and payments to commercial fishers affected by the establishment of the zones.

The second stage was implemented by the *Rural and Regional Adjustment Amendment Regulation (No. 3) 2015* which provided for further payments to the commercial fisher licence holders who took fish under a commercial fishing boat licence but who were not themselves a commercial fishing boat licence holder. These fishers were the most affected

by the establishment of the zones and the payments were to assist them to transition their business in response to the establishment of the net free zones.

The result of these two stages was that only 27 licences were purchased from the 78 eligible commercial fishing licence holders. Twenty of the 27 licences were large mesh net licences and seven were small mesh net licences, more commonly known as bait nets.

Subsequently further consultation was undertaken with stakeholders as to whether another round of buybacks should be undertaken. This consultation revealed that the purchase of further licences was warranted because the remaining net fishers were moving either north or south of the net free zones resulting in increased conflict and fishing pressure in those areas.

The policy objective of the subordinate legislation is to reduce the potential for overfishing in areas close to the net free zones by purchasing more commercial fishing licences to meet the government's target number of 46 commercial fishing boat licences purchased.

## **Achievement of policy objectives**

The subordinate legislation will achieve its objective by amendments to the *Rural and Regional Adjustment Regulation 2011*. The reduction of the potential for overfishing in areas outside of the net free zones will be achieved by buying out further commercial fishing boat licences by inserting (as Schedule 29) the *Further commercial fishing licences surrender scheme* as an approved assistance scheme under the *Rural and Regional Adjustment Act 1994*.

The scheme will provide for the buyout of eligible commercial fishing boat licences which are voluntarily offered for surrender on a competitive basis. The scheme will buy eligible commercial fishing boat licences and all attached fishing symbols on those licences from the commercial fishers looking to exit the industry and who submit a surrender offer under the scheme. Applications will be decided on a priority basis to the limit of the available funding. The scheme does not buy out boats, nets or other equipment.

## **Consistency with policy objectives of authorising law**

The subordinate legislation is consistent with the objective of the *Rural and Regional Adjustment Act 1994* which is to establish QRAA primarily to administer assistance schemes that foster the development of a more productive and sustainable rural and regional sector in Queensland.

## **Inconsistency with policy objectives of other legislation**

The subordinate legislation is not inconsistent with the policy objectives of other legislation.

## **Alternative ways of achieving policy objectives**

An alternative to the scheme is to allow market forces to determine the netting effort in areas outside the net free zones. However, the results of consultation showed stakeholders were concerned that an increase in net fishing in areas adjacent to the net

free zones has resulted in increased conflict and fishing pressure. Further buybacks of commercial licences are therefore required to reduce the increased net fishing in adjacent areas.

## **Benefits and costs of implementation**

Social, economic and environmental benefits to the community will include:

- protection of fish population located in areas adjacent to the net free zones;
- increased protection for protected species that can become entangled in commercial fishing nets including dugong, turtles and dolphins;
- sustainability of fisheries; and
- reduced competition for fisheries resources.

Social and economic costs to the community will include:

- reduced commercial harvest of fish, particularly of those species taken by net;
- loss of jobs in the commercial fishing industry; and
- loss of jobs that service the commercial fishing industry.

The costs to Government will be up to \$3.5 million for funding the scheme. Other implementation costs will be met within existing resources.

## **Consistency with fundamental legislative principles**

No fundamental legislative principle issues have been identified in the preparation of the subordinate legislation.

## **Consultation**

Representatives from the Queensland Seafood Industry Association, Fisherman's Portal, Recreational Fishing Alliance, Sunfish, WWF-Australia and Great Barrier Reef Marine Park Authority have been consulted. The consultation with stakeholders indicated there were ongoing issues around displaced fishing effort with remaining net fishers moving either north or south of the net free zones resulting in increased conflict and fishing pressure in these areas. The groups supported the establishment of another assistance scheme to enable more commercial fishing boat licences to be purchased.

The Office of Best Practice Regulation (OBPR) within the Queensland Productivity Commission was consulted as to whether the amendments qualified for an exclusion from the Regulatory Impact Statement (RIS) system. The OBPR advised that no further analysis was required as the proposal appears unlikely to result in significant adverse impacts.