



DISPLACED EFFORT WORKING GROUP – COMMUNIQUÉ – 19 May 2010

The Displaced Effort Working Group (DEWG) met on 14 April 2010 and 19 May 2010 to finalise its proposals for the compensation models for displaced commercial fishing effort arising from the dedication, zoning and management of South Australia's marine parks.

The following members were present at the ninth meeting of the DEWG held 14 April 2010: Martin Hernen, Justin Phillips, Christian Pyke, Michael Tokley, Peter Welch, Catherine Barnett, Leanne Burch and Chris Thomas.

At the meeting, members noted that compensation is likely to be available under three scenarios:

- Partial displacement – where fishers are required to travel further distances to secure their catch.
- Partial acquisition – where an operator retains the licence, but a portion of quota or an endorsement may be acquired.
- Full acquisition – where an operator's full licence/quota/endorsement is acquired.

The meeting also discussed recent advice provided by two external consultants regarding the proposed compensation model for displaced commercial fishing effort and agreed upon a number of amendments to the proposed compensation formulas.

Following the meeting on 14 April 2010, DEWG members sought further clarity on a number of issues prior to advising the Minister on their recommended model for compensation. A special meeting was held 19 May 2010 to resolve these outstanding issues.

The following members were present at the tenth meeting of the DEWG held 19 May 2010: Justin Phillips, Christian Pyke, Gary Morgan, Peter Welch, Mark Cody, Catherine Barnett, Kelly Crosthwaite (proxy for Martin Smallridge), Leanne Burch and Chris Thomas.

At the tenth meeting:

1. The DEWG discussed outstanding issues and agreed to finalise advice to the Minister on a recommended compensation scheme for affected commercial fishers as soon as practicable.
2. The DEWG agreed to recommend that a case study and explanatory notes be prepared for both a simple and complex fishing business to demonstrate how the acquisition formula could be applied.
3. In regard to the process moving forward, the DEWG advised that:
 - 3.1 Whilst it is anxious to complete the process as soon as possible, it recognises the importance of adequate consultation with industry.
 - 3.2 It would welcome discussion of any amendments to the drafting instructions that the Minister may be contemplating prior to the drafting instructions being considered by Cabinet.
 - 3.3 Peak stakeholder bodies would like to take the draft regulations out to consultation for a period of between 4 - 6 weeks. Peak stakeholder bodies need to ensure that the extraordinary variety in individual circumstances of licence holders is considered.
 - 3.4 DEH would promptly collate feedback on the draft regulations.
 - 3.5 A DEWG meeting could then be promptly convened to determine whether any adjustment is required to the draft regulations so they can be finalised.

- 3.6 Stakeholder bodies as represented at the DEWG table would find it extremely valuable if it were possible to obtain government approval to have the drafting instructions for discussion with their stakeholders beforehand, as this would make the formal consultation period much easier for peak stakeholder bodies and the government. Such action would also engender good faith that the government was proceeding as it has said it would.
4. The DEWG noted that under the terms of the *Marine Parks Act 2007*, all licence holders who are impacted by marine park zones have the right to submit a claim for fair and reasonable compensation.
5. The DEWG resolved to forward its advice to the Minister on its recommended model for compensation for displaced commercial fishing effort.

In addition, the DEWG resolved to seek the Minister's consideration of the following matters:

7. That the Minister consider providing advice received from the DEWG to members of the Marine Parks Council of South Australia to help provide them with a broad understanding of marine parks issues; and
8. That the sunset date of the DEWG be extended until 31 December 2010. Currently, the sunset date is 30 June 2010; however, this date needs to be extended to enable the DEWG to perform its functions as outlined in the DEWG's Terms of Reference, specifically to consider and provide advice to the Minister on draft regulations for displaced commercial fishing effort.