Catch Shares – Australian experience David Galeano

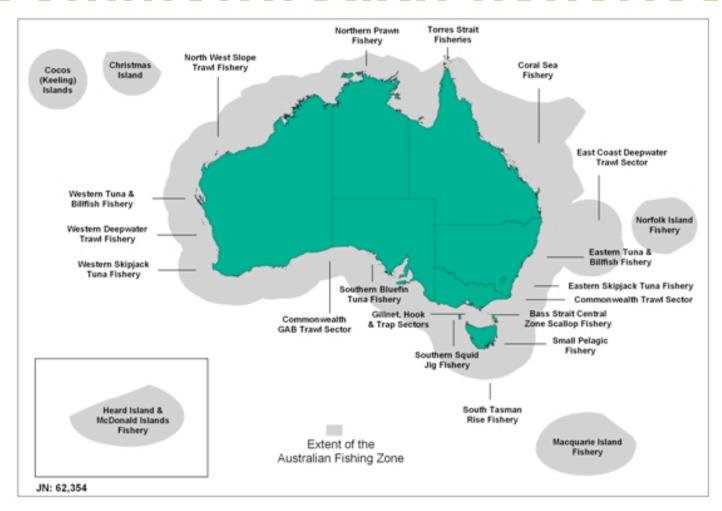
Australia's fisheries

- State managed fisheries
 - Wild catch fisheries
 - Aquaculture
 - Recreational fishing
- Commonwealth managed fisheries
 - Wild catch fisheries

Value of Australian fisheries (2007-08)

- State managed fisheries
 - Wild catch fisheries = \$1.1 billion
 - Aquaculture = \$0.9 billion
 - Recreational fishing
- Commonwealth managed fisheries
 - Wild catch fisheries = \$0.3 billion

Commonwealth fisheries



Legislation - objectives

- Maximise net economic returns
- Meet targets relating to cost recovery
- Accountability to the public
- Efficient and cost effective management
- Sustainability

Government policy

- Individual transferable quota is preferred tool
 - Policy Statement New Directions for Fisheries Management
 - Policy Review in 2003 Looking to the Future
 - Ministerial Direction in 2005

Individual transferable quota

Currently used

- Southern and eastern scalefish and shark
- Southern bluefin tuna
- Heard and McDonald Island
- Macquarie Island
- Bass Strait central zone scallop

Being implemented

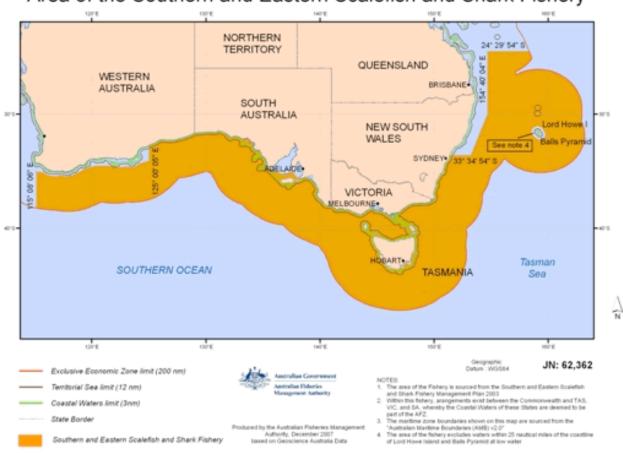
- Eastesrn tuna and billfish
- Southern and western tuna and billfish
- Northern prawn
- Small pelagic

Southern and eastern scalefish and shark fishery (SESSF)

- Harvest (2007-08)
 - Approximately 24000 tonnes
 - Gross value of production \$86.7 million
- Multispecies
- Multimethod
 - Otter trawl
 - Gillnet
 - Demersal longline
 - Danish seine
 - Traps

SESSF

Area of the Southern and Eastern Scalefish and Shark Fishery



SESSF

- ITQs for gemfish in 1989
- Further 15 species by 1992
- Now around 30 species
- Initial allocation grandfathered
- Shares are a proportion of total
 - Not defined in kg

SESSF

- Annual total allowable catch set
- Rights are fully tradeable
 - Annual or permanent
 - Between sectors
- Some input controls remain

Did ITQs work?

- Not really
 - Total allowable catches set too high
 - Many restrictions on trade due to litigation surrounding the allocation
- Buyouts

Are they working now?

- Much better (since 2007)
 - Buyout in 2007
 - Commonwealth Harvest Strategy Policy
 - Maintain fish stocks at the biomass associated with maximum economic yield
 - Hard wired decisions rules
 - Many fish stocks have rebuilt
 - Significant trade in quota

Are they working now?

- Profitability improving
- Less concerns surrounding sustainability of target species
- Less arguments with industry

Challenges remaining

- Determining MEY in a multispecies multimethod fishery
- Impact of fishing on the broader environment
- Review of quota management arrangements

Lessons

- ITQs not a panacea
- Need both a good management tool and stocks at healthy levels
- Some input controls still necessary
- Buyouts will not solve problems

