



Australian Government

Australian Fisheries Management Authority

ANNUAL REPORT 2016–17



AFMA Fisheries



3rd LARGEST
FISHING
in the world
8 000 000

North West Slope Trawl
and the Western Deepwater
Trawl Fisheries

Western Tuna and
Billfish Fishery

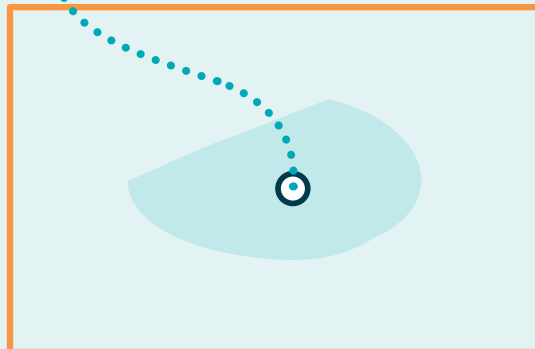
Skipjack Tuna Fishery (West)

Southern Bluefin Tuna Fishery

Heard Island and
McDonald Islands Fishery

Southern Squid Jig Fishery

South Tasman
Rise Fishery





Australian Government

Australian Fisheries Management Authority

Northern Prawn Fishery

Coral Sea Fishery

Norfolk Island Fishery

Eastern Tuna and Billfish Fishery

Skipjack Tuna Fishery (East)

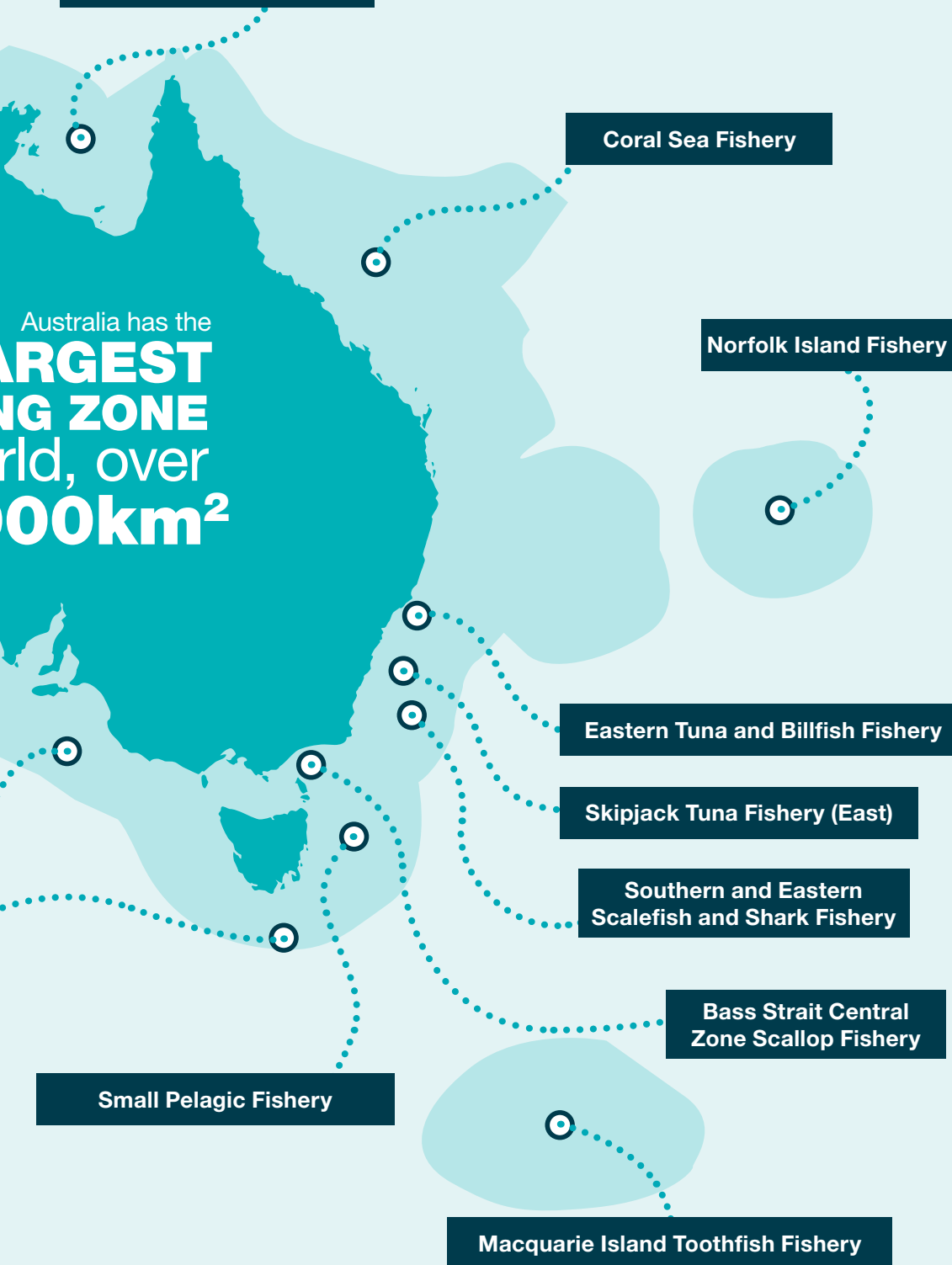
Southern and Eastern
Scalefish and Shark Fishery

Bass Strait Central
Zone Scallop Fishery

Small Pelagic Fishery

Macquarie Island Toothfish Fishery

Australia has the
LARGEST
FISHERY ZONE
in the world, over
10,000,000km²



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Front cover photos: Redfish.
Photo courtesy: AFMA
Fisheries officers, Eastern Tuna and Billfish Fishery.
Photo courtesy: AFMA



Australian Government

Australian Fisheries Management Authority

21 September 2017

Senator the Hon Anne Ruston
Assistant Minister for Agriculture and Water Resources
Parliament House
CANBERRA ACT 2600

Dear Assistant Minister

We have much pleasure in presenting to you the annual report of the Australian Fisheries Management Authority (AFMA) for the financial year ended 30 June 2017. This report also includes AFMA's Annual Performance Statement for 2016–17.

During 2016–17, AFMA continued to efficiently deliver regulatory and management services to Australian fishing operators and the broader community. This has ensured sustainable and profitable Commonwealth fisheries that contributed some \$385 million in gross value of production. At the same time AFMA was minimising the risk of unacceptable impacts of Commonwealth fisheries on marine ecosystems and organisms. AFMA also continued to play a key role in the protection of Australia's marine environment from illegal foreign fishing.

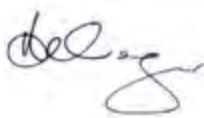
This report has been prepared in accordance with section 87 of the *Fisheries Administration Act 1991* and in accordance with the *Public Governance, Performance and Accountability Amendment (Non-corporate Commonwealth Entity Annual Reporting) Rule 2014*, approved by the Minister for Finance under the *Public Governance, Performance and Accountability Act 2013*.

In addition, and as required under section 10 of the *Public Governance, Performance and Accountability Rule 2014*, we certify that we are satisfied that AFMA has:

- prepared fraud risk assessments and fraud control plans
- in place appropriate fraud prevention, detection, investigation, recording or reporting mechanisms that meet the specific needs of the agency
- taken all reasonable measures to appropriately deal with fraud relating to the agency.

We give the report to you for presentation to Parliament as required under section 46 of the *Public Governance, Performance and Accountability Act 2013*.

Yours sincerely



Helen Kroger
Chairman



Dr James Findlay
Chief Executive Officer



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*Image: Erub Arts Centre Seu Gadin ghost net art major wall piece.
Artists Jimmy Kenny Thaiday, Ellarose Savage, Racy Oui-Pitt, Nancy Naawi,
Lorenzo Ketchell, Lavinia Ketchell, Florence Gutchen, Sarah-Dawn Gela and Ethel Charlie.
Photo courtesy: AFMA*

USER GUIDE

This report provides details of the operations and performance of the Australian Fisheries Management Authority (AFMA) for the financial year ending 30 June 2017, as forecast in the Agriculture and Water Resources Portfolio Budget Statements 2016–17 and the AFMA Corporate Plan 2016–19.

It has been prepared in accordance with Australian Government and legislative requirements, including the *Public Governance, Performance and Accountability Act 2013* (PGPA Act).

The Annual Report is primarily a mechanism of accountability to the Australian Government. It also provides a valuable resource for AFMA's clients, government at all levels, industry and the general community.

Part 1 – Overview

Provides the Chairman's and Chief Executive Officer's review, looking at AFMA's key achievements in 2016–17, an outlook for 2017–18 as well as explaining our functions, services and stakeholders.

Part 2 – Performance

Details AFMA's Annual Performance Statement 2016–17 explaining our major objectives, performance results and an analysis of those results.

Part 3 – Fishery Reports

Describes each fishery's contribution to the performance results for the year, any significant changes to management arrangements and highlights the opportunities and challenges faced in meeting our objectives as described in the Annual Performance Statement.

Part 4 – Management and Accountability

Covers AFMA's governance arrangements and practices, including financial management, human resource management activities, risk management practices and monitoring and review mechanisms.



Part 5 – Financial Statements

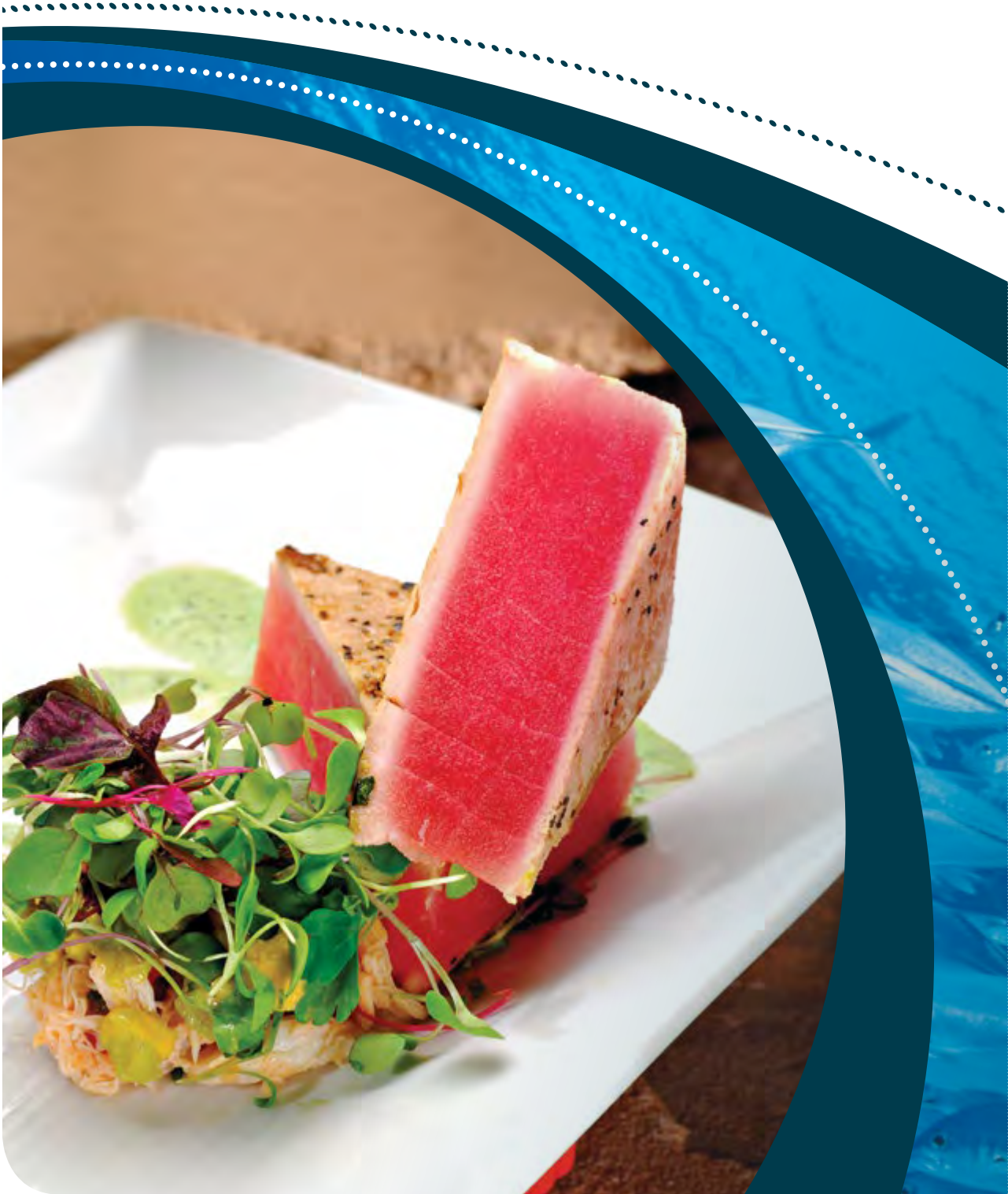
Consists of AFMA's financial statement for the 2016–17 financial year, as independently audited by the Australian National Audit Office. These statements include financial performance, financial position and cash flows during 2016–17.

Part 6 – Appendices

The appendices include reporting requirements such as details of AFMA's Commission, executive and committees, civil litigation outcomes, management advisory committee meetings and membership, freedom of information, ecologically sustainable development and environmental performance, consultancy services, work health and safety, disability reporting, agency resources and payments and a statement of expenses by outcomes.

Part 7 – Glossary and Indexes

Provides a list of requirements as set out in the *Public Governance, Performance and Accountability Amendment (Non-corporate Commonwealth Entity Annual Reporting) Rule 2014* and the Resource Management Guide no 135 'Annual reports for non-corporate Commonwealth entities'. The annual reporting requirements of the *Fisheries Administration Act 1991* are also shown. A glossary and index are included in this section.



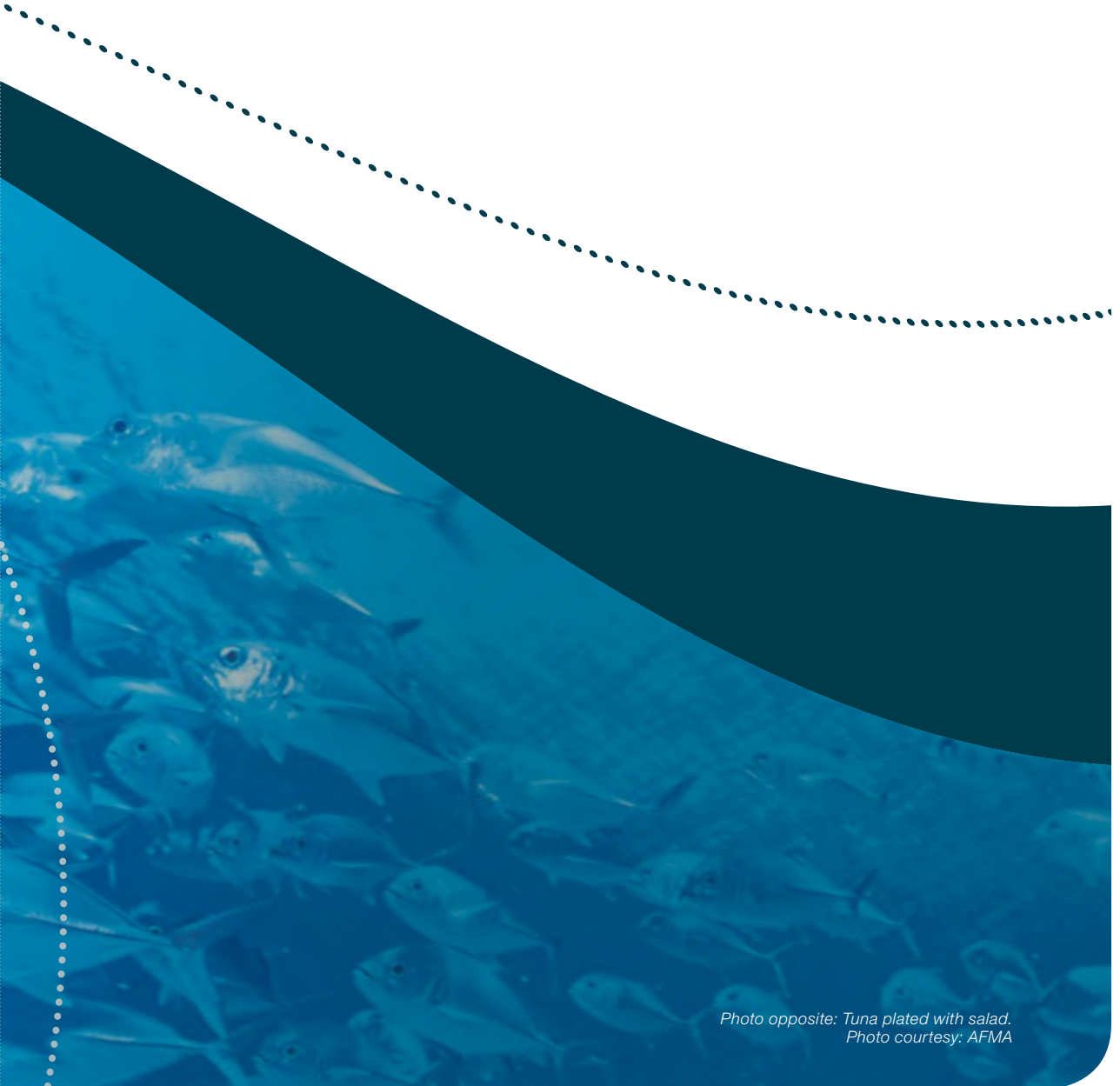


Part 1

Overview

Chairman's and CEO's overview

Our Agency



*Photo opposite: Tuna plated with salad.
Photo courtesy: AFMA*

PART 1 – SNAPSHOT




Australia has the
3rd LARGEST FISHING ZONE
in the world, over
8 000 000km²

SUSTAINABLE FISHERIES




NO STOCKS SUBJECT TO OVERFISHING
in AFMA solely managed fisheries for
4 consecutive YEARS.

\$385,000,000



is the estimated gross value of production for Commonwealth fisheries.

50




INITIATIVES TO CUT RED TAPE
either have been or are being implemented (2015-2017)



INDEPENDENT RECOGNITION
of Australian fisheries management as some of the **most effective** in the world

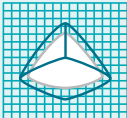


E-monitoring cameras installed on
25% OF COMMONWEALTH FISHING VESSELS



SEABIRD PROTECTION measures capable of a
90% REDUCTION IN SEABIRD STRIKES
in the South East Trawl sector

The **KON'S COVERED FISHEYE** was trialed as a bycatch reduction device in the Northern Prawn Fishery in 2016 with



RESULTS SHOWING A REDUCTION IN BYCATCH OF
>35%



CHAIRMAN'S AND CHIEF EXECUTIVE OFFICER'S REVIEW

In 2016–17 the **Gross Value of Production** for Commonwealth fisheries **was some \$385 million** which included approximately \$20 million from Torres Strait fisheries. The Australian Fisheries Management Authority's (AFMA) overall performance underlines the importance of AFMA continuing to deliver an efficient and responsive regulatory approach that supports a profitable and competitive Commonwealth commercial fishing industry. At the same time, AFMA has effectively pursued the sustainability of Australia's marine environment for the benefit of present and future generations of Australians.

In this report AFMA also presents an Annual Performance Statement in accordance with the requirements of the *Public Governance, Performance and Accountability Act 2013*. The statement (Part 2 of this report) provides details of AFMA's operational objectives, performance results and, together with Part 3 'Fishery Reports', an analysis of those results.

Ecological sustainability

The most recent Fishery Status Reports (released by the Australian Bureau of Agricultural and Resource Economics and Sciences on 29 September 2017) found that, **for the fourth consecutive year, no stocks managed solely by the Commonwealth (AFMA) were subject to overfishing** (a stock that is experiencing too much fishing and the removal rate from the stock is unsustainable). This is a significant achievement and has been reflected in independent recognition of Australian fisheries management as some of the **most effective in the world**.¹ However, seven stocks with shared management remain listed as overfished (a fish stock below the biomass limit reference point) due to historic over harvesting, and AFMA will continue to play its part to pursue management actions to rebuild these stocks. More detail is provided in the individual fishery reports in Part 3 of this report.

This year AFMA reviewed its ecological risk management methodology and drafted an Ecological Risk Management Guide. In April 2017 the Commission approved the methodology and Guide. The identification and treatment of ecological risks are fundamental to protecting the ecological sustainability of

1 *Strong fisheries management and governance positively impact ecosystem status* Fish & Fisheries Volume 18, Issue 3, May 2017 (pages 412–439) Bundy, A. et al, <http://onlinelibrary.wiley.com/doi/10.1111/faf.12184/full>

Commonwealth fisheries. Ecological risk assessments measure the impacts of fishery practices, identify areas of high risk and provide evidence for the determination of arrangements employed by AFMA to regulate fisheries. The Guide provides fishery operators with an understanding of methods used to manage the impact of fishing on the marine environment. A greater understanding allows operators harvesting marine fishery resources in Commonwealth fisheries to behave in a manner that is consistent with the mitigation of risks as identified and assessed by AFMA.

A Commonwealth Fisheries Marine Mammal Working Group was also established to assist in the development of cross fishery management strategies to mitigate impacts on marine mammals. The group progressed the expansion of the Gillnet Hook and Trap dolphin strategy across the whole fishery and considered what preliminary work may need to be done to develop a Protected Species Strategy for seals.

AFMA continued to work closely with industry and scientists in pursuit of reducing impacts of fisheries on the marine environment. During 2016–17 the Northern Prawn Fishery completed scientific trials with the industry-developed **Kon's Covered Fisheye** which can **reduce fish bycatch by more than one third**, a remarkable accomplishment. The Kon's Covered Fisheye was approved for use within the Northern Prawn Fishery in April 2017 and is likely to be implemented in the broader Northern Prawn Fishery fleet during 2017–18.

A significant amount of work was undertaken to install bafflers and sprayers on vessels in the South East Trawl and Great Australian Bight Trawl fisheries resulting in a **90 per cent reduction in seabird strikes**. This is an outstanding result for the fishery and reflected positive cooperation between industry and AFMA.

Efficient fisheries management and compliance

AFMA continued to explore opportunities to streamline fisheries assessment processes under the *Environment Protection and Biodiversity Conservation Act 1999*, working with the Department of Environment and Energy. While there remains significant opportunity for further progress in this area, ten year approvals for the Macquarie Island Toothfish Fishery, the Heard Island and McDonald Islands Fishery, the Bass Strait Central Zone Scallop Fishery, the Southern Squid Jig Fishery and the Eastern and Western Skipjack Fisheries were granted in October 2016.



In implementing the National Compliance and Enforcement Program 2016–17, AFMA conducted 55 port visits with 233 boat and 95 fish receiver inspections. The program saw a high level of compliance, with no breaches or further action needed in 89 per cent of the inspections. AFMA also undertook routine daily assessments and real time Vessel Monitoring System and e-monitoring analysis of the Commonwealth fleet. The **Vessel Monitoring System** compliance rates remained high with an **average of 97.1 per cent of all units being operational** at any time. There was no requirement to order any boats to remain in port for Vessel Monitoring System related issues. Out of the 75 vessels fitted with e-monitoring equipment AFMA only needed to investigate three matters concerning non-compliance.

During the reporting period AFMA developed and published an **updated Bycatch Handling and Treatment Guide 2016–17** to further assist fishers to meet their obligations when dealing with bycatch. Since the implementation of the concession conditions in October 2016 there has been a **38 per cent drop in the average number of bycatch mishandling reports** observed through e-monitoring analysis and reported to the National Intelligence Unit.

Illegal fishing by foreign vessels continues to be a challenge in Australia's north with 15 foreign fishing vessels apprehended between 1 July 2016 and 30 June 2017. This is a decrease over the 20 apprehended for the same period last year and apprehensions are well down on the record 367 apprehensions in one year a decade ago. This continued low level of incursions can be attributed to the direct deterrence provided as a result of AFMA's prosecution of offenders and confiscation of their boats, in-country education and outreach programs, and regional cooperation and capacity building initiatives. AFMA, with its partner government agencies, ensures surveillance continues in high threat areas, including the Coral Sea off far north Queensland where eight Vietnamese beche de mer vessels have been apprehended since 1 July 2016.

AFMA continues to assess implementation options for catch traceability through regional organisations such as the Pacific Islands Forum Fisheries Agency, parties to the Nauru Agreement and the Western and Central Pacific Fisheries Commission. In addition, AFMA works to support Pacific Island countries' fisheries enforcement with the development and delivery of training modules on monitoring, control and surveillance methods.

Effective, cost efficient and transparent management and regulator arrangements

The services that AFMA provides from the levies it collects enable the fisheries to meet the requirements of relevant Commonwealth legislation and policies. With about 39 per cent of AFMA's annual budget cost-recovered from industry, we understand the importance of delivering effective, cost efficient and transparent management and regulator arrangements.

In 2010 AFMA made a commitment to industry that it would keep cost recovery at or below the rate applied in 2005–06 once corrected for Consumer Price Index increases. Since making this undertaking in 2010, AFMA has **out-performed** the cumulative Consumer Price Index **by some \$31.9 million** (as at 2016–17) and will aim to continue to meet this commitment while ensuring legislative objectives are pursued.

In March 2017, the *Fisheries Management Amendment (Compliance and Enforcement) Regulations 2017* came into force. This resulted in increased penalty units associated with Commonwealth Infringement Notices and broadened the scope of offences under the *Fisheries Management Act 1991* to which Commonwealth Infringement Notices can apply. **The increase in penalty units will directly impact those responsible for committing offences and should result in an increase in compliant behaviours.**

To reduce regulatory burden and increase management efficiencies, AFMA continues to pursue red tape reductions to ensure the best possible value for money, although this may not necessarily always reduce every operator's costs. **More than 50 initiatives to cut red tape for Commonwealth fishers have now been, or are being, implemented.** Of particular note are key changes to some Offshore Constitutional Settlement arrangements and joint authority arrangements that are currently being progressed. These will streamline management by, for example, simplifying jurisdictional arrangements between the Commonwealth and NSW for trawl fishing south of Sydney.

AFMA has also worked closely with industry to introduce fully electronic licensing and quota trading services with a greater proportion of industry using them; and promote increased use by fishers of electronic log books in place of paper logs. Such initiatives reduce cost recovered amounts from industry and support operator profitability.



Recognition

During March 2017 a Stakeholder Perceptions Survey was undertaken to measure current perceptions of AFMA's performance as part of our ongoing commitment to service improvement. Overall satisfaction was moderate, with half of respondents either satisfied or very satisfied, and one quarter being either dissatisfied or very dissatisfied. A particular area of strength was the positive perception of AFMA staff as friendly, knowledgeable and responsive. There was room for improvement in the consistency of information provided and expanded communications on reasons behind management decisions.

AFMA will be seeking to expand engagement with stakeholders, particularly individual operators as well as industry associations. To this end e-messaging and more effective port visits are being considered.

Special Thanks

AFMA would like to thank the Hon Norman Moore AM, for his substantial contributions as AFMA Commission Chair during his three year term to 30 June 2017. Mr Moore's leadership, insight and advice have been of great benefit to AFMA and his fellow Commissioners.

We would also like to welcome our new Commission Chairman, Ms Helen Kroger who commenced on 1 July 2017.

Outlook

AFMA's Corporate Plan 2017–20 was approved by the Assistant Minister for Agriculture and Water Resources in May 2017. Over the next four years AFMA will implement fisheries management in pursuit of sustainable and profitable fisheries, simplify regulations to reduce operational and cost burdens for industry, manage ecological and compliance risks, deter illegal, unreported and unregulated fishing, and improve engagement with stakeholders in the responsible management of fisheries. Further information is available from our website afma.gov.au.

During 2016–17 we commenced development of an AFMA specific policy to ensure that fisheries research and scientific information used in our management decision making processes are of a high quality. The policy will provide guidance on what constitutes high quality and reliable scientific information, and best practice. The policy will also align closely to, and reference the key principles and guidelines in, the *Guidelines for Quality Assurance of Australian Fisheries*

*Research and Science Information.*² The draft policy is expected to be considered by the Commission later in 2017 for implementation in 2018.

AFMA will be developing and implementing a new ICT Strategy (over three years) that focuses on the collection, maintenance and management of fisheries related data. This will support sound fisheries management and may reduce service costs for industry in the longer term.

AFMA will also be continuing to pursue a more consistent system for all fishing fleets and boats managed by AFMA. Improved consistency is intended to increase the capacity to respond to changing circumstances (from markets, technology and the environment), maintain sustainable fishing, increase economic returns and enable more effective harvesting of Commonwealth fisheries resources. Extensive consultation with the fishing industry and other stakeholders will be undertaken prior to implementing any significant changes.

At the same time, government policies and legislation for AFMA will be changing.

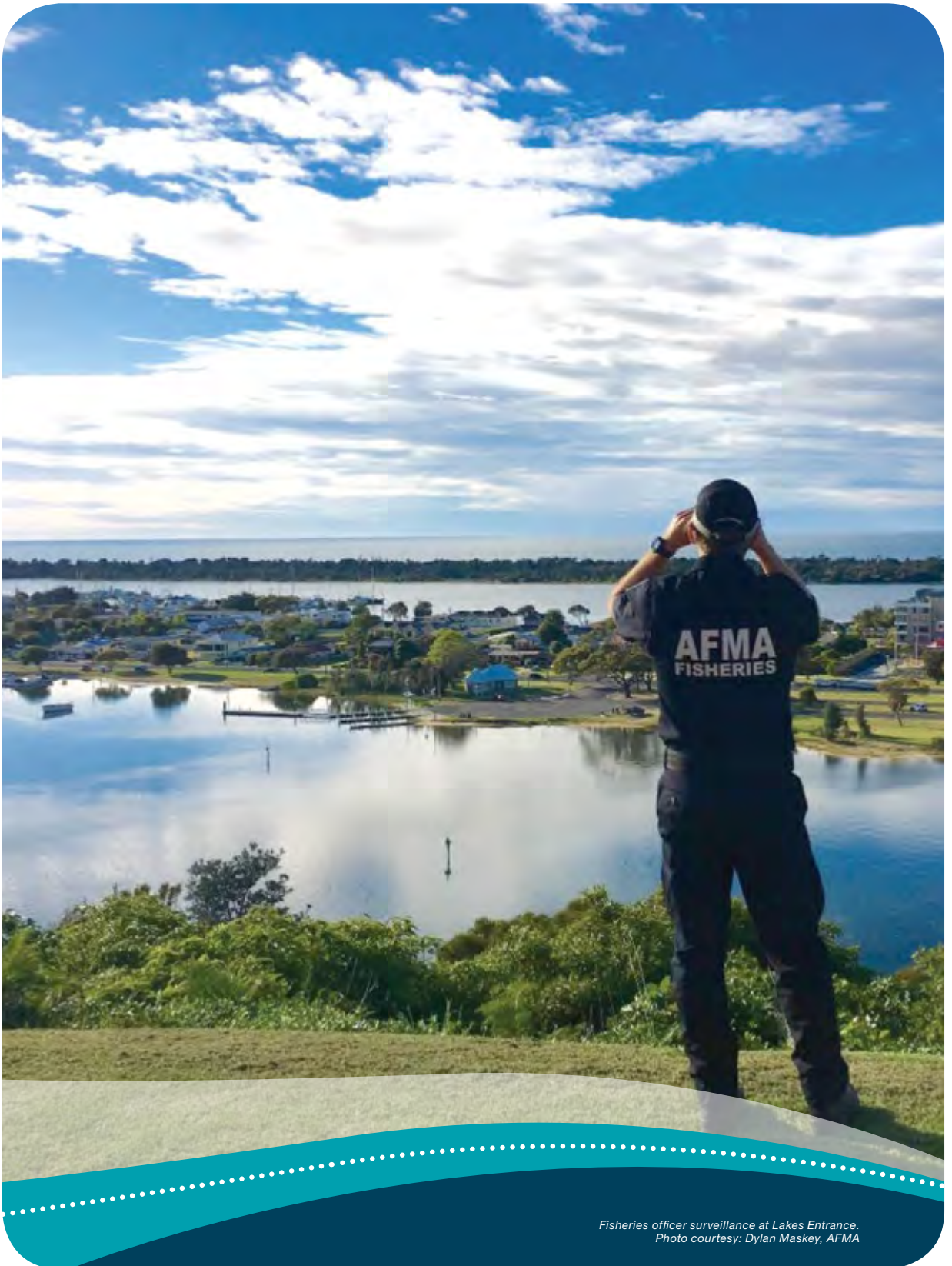
The Department of Agriculture and Water Resources, with the assistance of AFMA and the Department of the Environment and Energy, has developed a draft Commonwealth Fisheries Harvest Strategy Policy and Fisheries Bycatch Policy. The public consultation period has closed and responses are being considered.

Legislative amendments are also expected to be considered by Parliament later in the year. These aim to amend the *Fisheries Management Act 1991* and the *Fisheries Administration Act 1991* to:

- strengthen the engagement of recreational and indigenous fishers in the management of Commonwealth commercial fisheries
- provide an additional objective that AFMA must have regard to ie. that the interests of commercial, recreational and indigenous fishers are taken into account in the context of managing Commonwealth commercial fisheries
- provide for an expanded expertise base for the AFMA Commission regarding recreational and indigenous fisheries.

Successfully adjusting to these developments will ensure AFMA continues to provide world class fisheries management and governance.

² Penney AJ, D. Bromhead, G. Begg, I. Stobutzki, R. Little and T. Saunders (2016) Development of guidelines for quality assurance of Australian fisheries research and science information. FRDC Project 2014-009, 123 pp.



*Fisheries officer surveillance at Lakes Entrance.
Photo courtesy: Dylan Maskey, AFMA*

OUR AGENCY

Authority

AFMA was established under the *Fisheries Administration Act 1991* in February 1992 to manage Australia's Commonwealth fisheries and apply the provisions of the *Fisheries Management Act 1991*. Together, these two Acts created a statutory authority model for the day-to-day management of Commonwealth commercial fisheries.

AFMA's portfolio department, the Department of Agriculture and Water Resources, retains responsibility for strategic fisheries policy advice and leading international negotiations.

The AFMA Commission is responsible for domestic fisheries management, and the Chief Executive Officer (who is also a Commissioner) is responsible for foreign compliance and assisting the Commission to implement its decisions. AFMA is governed by the *Public Governance, Performance and Accountability Act 2013* and the *Public Service Act 1999*.

During the reporting period AFMA's Minister was the Hon Barnaby Joyce MP, the Minister for Agriculture and Water Resources. Senator the Hon Anne Ruston was the Assistant Minister for Agriculture and Water Resources with responsibility for fisheries.

Role and functions

AFMA is the Australian Government agency responsible for the provision of regulatory and other services to ensure efficient and sustainable management of Commonwealth commercial fisheries on behalf of the Australian community. The challenge in delivering these services is to find the right balance between regulating catches of target species and ensuring a profitable and competitive fishing industry while keeping the impacts of commercial fishing on Australia's marine ecosystems within sustainable and acceptable risk levels.

Our fisheries management practices aim to maintain the ecological sustainability of Commonwealth commercial fisheries for Australians both now and into the future. These practices have regard to the impact of fishing on non-target species and the long-term sustainability of the broader marine environment.

AFMA generally manages commercial fisheries from three nautical miles offshore to the boundary of the Australian Fishing Zone (200 nautical miles offshore), as



well as Australian boats fishing on the high seas. State and territory governments generally manage fisheries within their borders and inside three nautical miles from shore, except where Offshore Constitutional Settlement agreements exist for the management of fish species between the Commonwealth and state governments.

The Commonwealth is also responsible for international fisheries matters, including preventing illegal foreign fishing in the Australian Fishing Zone. Since ratifying the United Nations Fish Stocks Agreement in 1999, Australia has been actively involved in negotiating regional arrangements to manage a range of highly migratory, straddling stocks and international stocks that are often targeted by Australian operators. AFMA participates in management, monitoring, control and surveillance activities as well as developing capacity building activities, providing advice and training to countries in our region.

AFMA as a regulator pursues efficient and cost effective fisheries management in a way that accounts for the effects of fishing and ensures ecologically sustainable development. AFMA also regulates the use of fisheries resources with the aim of maximising net economic returns to the Australian community. In doing so AFMA is accountable to the community and the fishing industry.

Australia's Commonwealth commercial fisheries are managed in accordance with the government's cost recovery policy. The commercial fishing industry pays for costs directly attributed to, and recoverable from, the fishing industry, while the government pays for activities that benefit the broader Australian community. During 2016–17 about 39 per cent of total revenue was from cost-recovered activities.

Stakeholders

AFMA's stakeholders include the commercial fishing industry, researchers, environment and conservation organisations, recreational fishers, indigenous communities and other government agencies. We have built a partnership approach with stakeholders and involve them in developing policies and actions and encouraging them to share responsibility for fisheries management (and the associated risks) where appropriate.

AFMA also provides fisheries management services to Joint Authorities of the Commonwealth and state governments, including the Torres Strait Protected Zone Joint Authority under the *Torres Strait Fisheries Act 1984*. The status of these fisheries and AFMA's activities in managing them are reported separately through the Protected Zone Joint Authority annual report and relevant Joint Authority reports between the States/Northern Territory and the Commonwealth.

Our Values

We individually and collectively underpin our service, partnerships and accountability to stakeholders by adhering to the principles of public sector governance.

We are:

- **Impartial** – we are apolitical and provide the government with advice that is frank, honest, timely and based on the best available evidence
- **Committed to service** – we are professional, objective, innovative and efficient, and we work collaboratively to achieve the best results for the Australian community and the government
- **Accountable** – we are open and accountable to the Australian community under the law and within the framework of Ministerial responsibility
- **Respectful** – we respect all people, including their rights and their heritage
- **Ethical** – we demonstrate leadership, are trustworthy, and act with integrity, in all that we do.

AFMA's Client Service Charter also expresses our ongoing commitment to providing stakeholders with quality service. The Client Service Charter is available at afma.gov.au



Organisational structure

Our organisational structure as at 30 June 2017 is presented below.



Where AFMA operates

AFMA has offices at three locations: Canberra, Darwin and Thursday Island. Details of our office locations are provided below.

AFMA office locations		
Canberra office		
Street address	Postal address	Enquiries
Level 6, 73 Northbourne Avenue CANBERRA ACT 2600	PO Box 7051 Canberra Business Centre CANBERRA ACT 2610	Ph: (02) 6225 5555 Fax: (02) 6225 5500 AFMA Direct: 1300 723 621
Darwin office		
Street address	Postal address	Enquiries
Level 6, Jacana House 39-41 Woods Street DARWIN NT 0800	GPO Box 131 DARWIN NT 0801	Ph: (08) 8943 0333 Fax: (08) 8942 2897
Thursday Island office		
Street address	Postal address	Enquiries
Level 2, Pearls Building 38 Victoria Parade THURSDAY ISLAND QLD 4875	PO Box 376 THURSDAY ISLAND QLD 4875	Ph: (07) 4069 1990 Fax: (07) 4069 1277

In addition AFMA has an officer undertaking industry liaison located in Lakes Entrance and observers in various locations around Australia.







Part 2

Performance

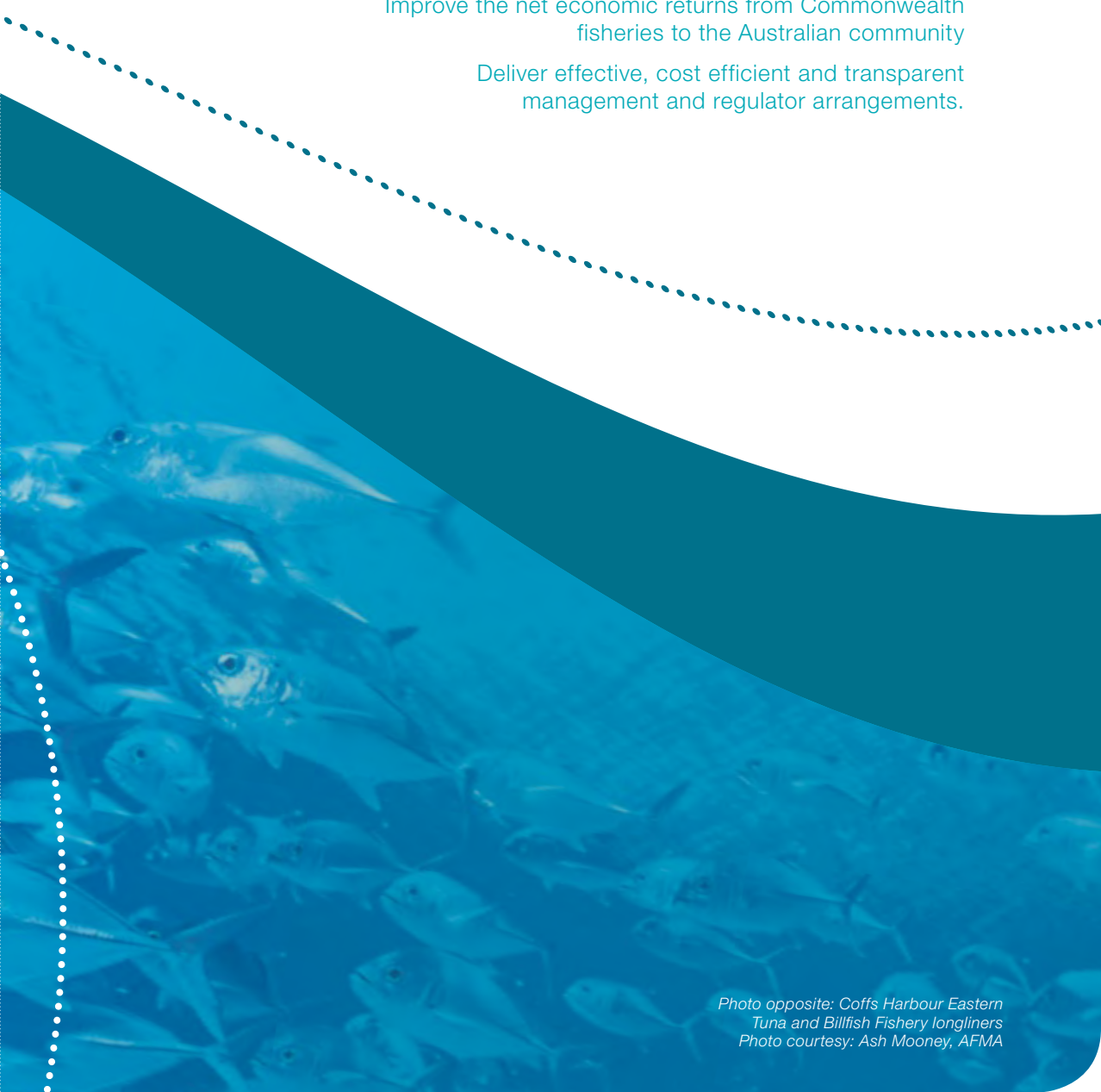
Certification by the Chief Executive Officer

AFMA's Performance Framework

Ensure the ecological sustainability of Commonwealth fisheries for the benefit of present and future generations of Australians

Improve the net economic returns from Commonwealth fisheries to the Australian community

Deliver effective, cost efficient and transparent management and regulator arrangements.



*Photo opposite: Coffs Harbour Eastern Tuna and Billfish Fishery longliners
Photo courtesy: Ash Mooney, AFMA*

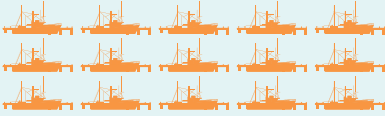
PART 2 – SUMMARY



GENERAL DETERRENCE PROGRAM

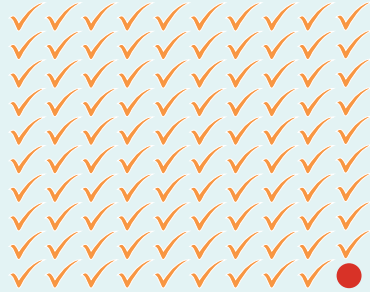
89% of domestic vessel inspections resulted in

NO breaches detected and NO action required



15 illegal foreign fishing vessels were apprehended

ALL BOATS were forfeited to the Commonwealth and were either destroyed or disposed of.

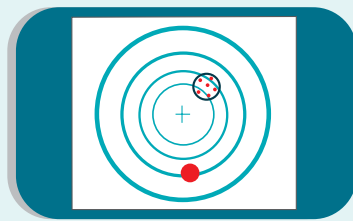


>99%

of AFMA's client service charter obligations were met.



ECOLOGICAL RISK MANAGEMENT GUIDE A KEY PART OF AFMA's broader risk management strategy



97.1%

VESSEL MONITORING SYSTEM

compliance rates in 2016-17



ANNUAL PERFORMANCE STATEMENT

I, James Findlay, as the accountable authority of the Australian Fisheries Management Authority (AFMA), present the 2016–17 annual performance statements of AFMA, as required under paragraph 39(1)(a) of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act) and under paragraph 87 of the *Fisheries Administration Act 1991*. In my opinion, these annual performance statements are based on properly maintained records, accurately reflect the performance of the entity, and comply with subsection 39(2) of the PGPA Act.

Dr James Findlay GAICD
Chief Executive Officer and Accountable Authority of AFMA

ABOUT AFMA'S PERFORMANCE FRAMEWORK

The Australian Fisheries Management Authority (AFMA) operates within the Australian Government's outcome and performance frameworks. The outcome for each agency articulates the government's objectives for the agency and provides a basis for budgeting and reporting the use of funds appropriated by government. The agency's purpose, as stated in its corporate plan sets out why it exists, and identifies the strategic objectives that it intends to pursue.

Outcome and program

AFMA's outcome is:

'Ecologically sustainable and economically efficient Commonwealth fisheries, through understanding and monitoring Australia's marine living resources and regulating and monitoring commercial fishing, including domestic licensing and deterrence of illegal foreign fishing.'

AFMA's objective is to deliver sustainable and efficiently managed fisheries and provide a net economic return to the Australian community. In the Portfolio Budget Statements for 2016–17, AFMA is responsible for a single government program: Program 1.1 Australian Fisheries Management Authority. The performance of this program is measured by a number of deliverables and key performance indicators as outlined in the 2016–19 Corporate Plan. Our performance against these targets, as well as other actions, provides an indication of its success in fulfilling its purpose, and in achieving its outcome for the benefit of the Australian community. These results are provided in AFMA's annual performance statement on page 25.

The Annual Performance Statement is structured to highlight the major elements of AFMA's purposes to:

- 1.** Ensure the ecological sustainability of Commonwealth fisheries for the benefit of present and future generations of Australians
- 2.** Improve the net economic returns from Commonwealth fisheries to the Australian community including:
 - promoting compliance with Australian fishing laws and relevant international fishing obligations and standards using measures that are proportionate to the risk involved
- 3.** Deliver effective, cost efficient and transparent management and regulator arrangements.



Performance summary

For Commonwealth fisheries during 2016–17, AFMA continued to deliver sustainable and efficient management and provide a net economic return to Australia, including through effective deterrence of illegal fishing. All AFMA’s performance targets were either fully or partly met (see performance summary and detailed analysis below):

Results snapshot

	Target met	Target partly met	Target not met
1. Ecological sustainability			
1.1. For economically significant stocks ¹ :			
a) Maximise the number of key commercial stocks with harvest strategy targets based on maximum economic yield or the best available proxy		✓	
b) Improve the number of stocks in (a) assessed as being on target		✓	
c) For those stocks in (a) that are assessed as not on target, improve the numbers that are heading towards their target reference point		✓	
1.2. For Commonwealth fisheries’ stocks managed solely by AFMA:			
a) Number of fish stocks subject to overfishing. ²	✓		
1.3. The number of species assessed as remaining at high risk after mitigation		✓	
1.4. The number of stocks that are assessed as overfished, and, if effectively managed, may lead to the stock to being sustainable	✓		
2. Economic returns			
2.1. Percentage of treatment targets met for all priority domestic compliance risks		✓	
2.2. Percentage disposal rate of apprehended foreign illegal unreported and unregulated vessels and suspected irregular entry vessels	✓		
3. Management			
3.1 Red tape reductions		✓	
3.2 Cost Recovery charges	✓		

1 Not all Commonwealth fish stocks can be managed by MEY, for example, those managed under international regional bodies.
 2 In AFMA managed fisheries, not including jointly and internationally managed fisheries.

Ensure the ecological sustainability of Commonwealth fisheries for the benefit of present and future generations of Australians

Purpose

The Commonwealth Harvest Strategy Policy and Guidelines (2007) provide an essential management framework for AFMA's Commonwealth fisheries. Commonwealth fishery harvest strategies for key commercial stocks guide the setting of total allowable catches and other catch limits. By pursuing targets of maximum economic yield (or proxy), where available, fishing will be more sustainable in the long term (as it requires the same or higher fish stock levels than maximum sustainable yield) and there will be greater returns to the harvesting sector and the Australian community.

At the same time, AFMA pursues the Commonwealth Policy on Fisheries Bycatch to minimise fishing-related impacts on bycatch species in a manner consistent with the principles of ecologically sustainable development and with regard to the structure, productivity, function and biological diversity of the ecosystem. Both these policies are currently under review.

Performance results

Of the top 30 stocks ranked by gross value of production, 14 stocks had a biomass level that equated to the maximum economic yield targets (or proxy) during 2016-17. Of the remaining stocks, 12 are subject to international harvest strategies or treaties and four are not currently suited to maximum economic yield for biological or other reasons, so are managed using other sustainability measures.

The Australian Bureau of Agricultural and Resource Economics and Sciences *Fishery Status Reports 2017* reported the number of fish stocks solely managed by AFMA subject to overfishing (a stock that is experiencing too much fishing and the removal rate from the stock is unsustainable) remained at zero (for the fourth consecutive year). The sustainability performance of 93 fish stocks was assessed across 21 fisheries. Sixty-five stocks were assessed across nine fisheries that are managed solely by AFMA on behalf of the Australian Government, and 28 stocks were assessed across 12 fisheries that are managed jointly with other Australian jurisdictions or other countries.

Seven stocks continued to have biomass levels remaining low enough to pose an unacceptable risk to the stock (referred to as overfished). This is the result of historic over harvesting and these stocks are subject to stock rebuilding plans. AFMA spent 2016-17 completing its review of the ecological risk assessment framework which will be implemented in 2017-18. The framework will assist AFMA in pursuing its legislative and corporate objectives related to ecological sustainability. It forms a key part of our broader risk management strategy.



In October 2016 the Commission endorsed AFMA's approach to development of the Ecological Risk Management Guide and to its future implementation. Following consultation with management advisory committees, resource assessment groups and the Ecological Risk Assessment Technical Working Group, the Commission approved the final Ecological Risk Management Guide at its April 2017 meeting.

We also developed an Ecological Risk Management Policy which explains why the Ecological Risk Management Guide was developed and how it is to be used. The Commission approved the Ecological Risk Management Policy at its June 2017 meeting.

As part of the update of AFMA's ecological risk management system, ecological risk assessments have been undertaken for the Eastern Tuna and Billfish Fishery and the Small Pelagic Fishery under the revised methodology. These ecological risk assessments will be completed during 2017–18 and those of other fisheries will follow in future years.

Performance criteria	2016–17 Target ³	2016–17 Actual ⁴
Criterion source: The performance criteria below are recorded in AFMA's chapter in the Agriculture and Water Resources Portfolio Budget Statements 2016–17 p. 200 and in AFMA's Corporate Plan for 2016–19 p. 11.		
1.1 For economically significant stocks ⁵ :		
a) Maximise the number of key commercial stocks with harvest strategy targets based on maximum economic yield or the best available proxy. ^{6,7}	18	14
b) Improve the number of stocks in (a) assessed as being on target. ³	6	4
c) For those stocks in (a) that are assessed as not on target, improve the numbers that are heading towards their target reference point. ⁷	5	4
1.2 For Commonwealth fisheries' stocks managed solely by AFMA:		
a) Number of fish stocks subject to overfishing. ⁸	0	0
1.3 The number of species assessed as remaining at high risk after mitigation. ⁹	64	72
1.4 The number of stocks that are assessed as overfished, and, if effectively managed, may lead to the stock to being sustainable	7	7

* Patterson, H, Noriega, R, Georgeson, L, Larcombe, J and Curtotti, R 2017. Fishery status reports 2017, Australian Bureau of Agricultural and Resource Economics and Sciences, Canberra. CC BY 4.0.

- 3 The forecast of indicators for 2016-17 targets are based on fishery managers' expertise and available stock assessment information. Stocks may be above or below these targets.
- 4 The actual performance indicators for 2016-17 are calculated based on the methodology recommended by Australian Bureau of Agricultural and Resource Economics and Sciences in their 2015 review of AFMA's economic performance indicators.
- 5 Not all Commonwealth fish stocks can be managed by MEY, for example, those managed under international regional bodies.
- 6 Where higher and lower value species are caught together, different targets for the lower value species may maximise net economic returns over all.
- 7 Assessment methodologies are being reviewed. This means projections may vary.
- 8 In AFMA managed fisheries, not including jointly and internationally managed fisheries.
- 9 Ecological risk assessments for Commonwealth managed fisheries and sub-fisheries have been completed. Species considered to be potentially at high risk are the subject of mitigation measures and further assessment. This may mean that projections of numbers of high risk species may vary from year to year. In addition, AFMA is in the process of reviewing its environmental risk assessment methodology and fishery assessments which may lead to changes in reported values in the future.

Assessment of performance against the purpose

In 2016–17 no fish stocks solely managed by AFMA were subject to overfishing – a strong reflection of effective fisheries management. However, while our performance in relation to ecological sustainability remained on target, the number of economically significant stocks with harvest strategy targets based on maximum economic yield or the best available proxy (14) was lower than the target of 18. This, in large part, reflected variability of catch rates with the stocks making up ‘economically significant stocks’, that is, AFMA’s top 30 stocks by value, changing. As a result, four stocks that were managed to maximum economic yield targets dropped out of the top 30 commercial stocks and four stocks not managed to maximum economic yield targets moved into the top 30 commercial stocks.

While we were completing work on the environmental risk assessment and risk management framework, we maintained existing actions and programs resulting in the same number of species actually or potentially at high risk following mitigation in 2016–17 – refer table below. Please note that this includes protected species which are considered high risk bycatch regardless of the actual level of threat.

Figure 1: Species at potential or actual high risk in 2016–17 after mitigation

Species	
Sharks/rays	22
Invertebrates	9
Marine reptiles	1
Bony fish	5
Marine birds	1
Marine mammals*	34
Total	72

* 29 Whales/dolphins, 5 seals/sea lions



Analysis of performance against the purpose

Status of fish stocks

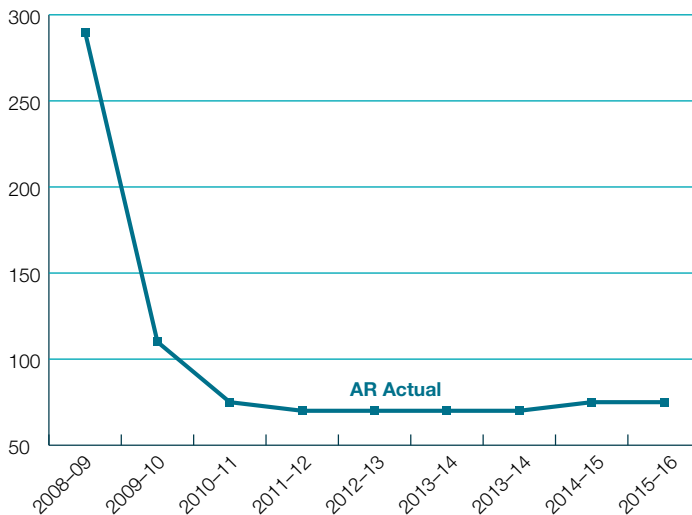
The most recent fisheries stock status report issued by the Australian Bureau of Agricultural and Resource Economics and Sciences shows:

- For the fourth year there are no fish stocks in fisheries solely managed by AFMA where the harvesting level is likely to result in the stock becoming overfished, or prevent the stock from rebuilding from an overfished state.
- There are seven stocks where biomass levels remain low enough to pose an unacceptable risk to the stock. However, the rebuilding of such fish stocks can be a long term exercise, often taking decades to complete. For example, it is only since 2015 that AFMA has been able to re-open the orange roughy fishery off eastern Tasmania following 10 years of closure and monitoring of stock recovery.

Bycatch species at high risk after mitigation

During 2016–17 AFMA continued to apply existing actions and programs to ensure the number of species actually or potentially at high risk following mitigation did not increase (refer figure 2). AFMA's finalisation of its framework on environmental risk assessment and risk management, together with input into the Commonwealth Policy reviews (see below), should support decreased risks for bycatch species in the future.

Figure 2: Number of species at potential or actual high risk (after mitigation action)



Commonwealth Harvest Strategy Policy and Fisheries Bycatch Policy

The purpose of the Commonwealth Harvest Strategy Policy is to ensure that key commercial fish species are managed for long-term biological sustainability and economic profitability, both of which are central priorities for AFMA. Similarly, the Bycatch Policy's primary objective is to minimise fishing-related impacts on bycatch species in a manner consistent with the principles of ecologically sustainable development and with regard to the structure, productivity, function and biological diversity of the ecosystem. We continued to work with the Department of Agriculture and Water Resources to pursue these policies and their Guidelines, to ensure that they are practical and cost-effectively implemented. Both policies are currently under review. The public consultation period for comment on the new draft policies has closed and release of the finalised policies is expected in 2017-18.

Improve the net economic returns from Commonwealth fisheries to the Australian community

Purpose

Non-compliance with AFMA's management rules and regulations undermines the value of fishing concessions which ultimately affects the value and viability of Australia's fishing industry. Non-compliance can also ultimately lead to the closure of areas and/or fisheries as a result of significant environmental impacts such as depletion of fish stocks.

Performance results

Performance criteria	2016-17 Target	2016-17 Actual
2.1 Percentage of treatments targets met for all priority domestic compliance risks.	90%	85%
2.2 Percentage disposal rate of apprehended foreign illegal unreported and unregulated vessels and suspected irregular entry vessels.	100%	100%*

* Two of the 15 foreign boats apprehended (one Vietnamese and one Indonesian) sank at sea post apprehension. All 13 boats delivered to AFMA were disposed of.

Assessment of performance against the purpose

AFMA's performance targets for its domestic and foreign compliance operations were generally met. Maintaining focused actions and high visibility amongst operators are key contributors as we continue to encourage voluntary compliance rather than have to always take enforcement action against conscious non-compliance.

Analysis of performance against the purpose

National (domestic) compliance

AFMA's National Compliance Operations and Enforcement Policy aims to effectively deter illegal fishing in Commonwealth fisheries and the Australian Fishing Zone. In order to achieve this aim AFMA continues to use a risk based compliance and enforcement program that consists of four major components:

- communication and education;
- general deterrence;
- targeted risks; and
- maintenance.



*AFMA domestic compliance officer conducting surveillance activity Lakes Entrance
Photo courtesy: AFMA*

Communication and education

AFMA has included education and communication programs for stakeholders within its overall 2016–17 program. These included infield education through fisheries officers, monthly compliance articles and feature stories on AFMA's website.

In particular, in order to assist operators in improving their by-catch handling practices, we developed and provided fishers with a guide to assist in defining the acceptable treatment of bycatch species to ensure the chances of survival. Bycatch species may include fish, crustaceans, sharks, molluscs, marine mammals, reptiles and birds. Bycatch also includes listed protected species under the *Environment and Biodiversity Conservation Act 1999*. The guide was distributed to all Commonwealth operators and is available on our website.

www.afma.gov.au/sustainability-environment/bycatch-discarding/bycatch-reports-publications-id-guides/

Since the implementation of the fishing concession bycatch conditions in October 2016 there has been a 38 per cent drop in the average number of bycatch mishandling reports observed through e-monitoring analysis and reported to the National Intelligence Unit.

General Deterrence Program

As part of our general domestic deterrence program during 2016–17, AFMA fisheries officers undertook 55 port visits, five sea patrols and ten aerial surveillance flights and conducted 233 boat inspections and 95 fish receiver inspections. The program saw a high level of compliance, with no breaches or further action required in 89 per cent of the inspections. While this was marginally below the program 'target threshold' for voluntary compliance of 90–95 per cent, we did undertake 19 per cent more boat inspections and fish receiver premises inspections during 2016–17. This would suggest a positive impact on operators by the General Deterrence Program.



*AFMA fisheries officers undertaking boarding vessels at sea training
Photo courtesy: AFMA*

Targeted Risk Programs

Compliance with AFMA's satellite based Vessel Monitoring System and/or e-monitoring system, quota evasion and bycatch mishandling were identified as risk areas for the 2016–17 domestic compliance program. A rate of 98 per cent of boats fully compliant with the Vessel Monitoring System was set as the compliance target.

The Vessel Monitoring System compliance rates remained high with an average of 97.1 per cent (a small increase on 2015–16) of all units being operational at any time. There was no requirement to order any boats to remain in port for Vessel Monitoring System related issues. Out of the 75 vessels fitted with e-monitoring equipment AFMA investigated three matters concerning non-compliance. These included one incident involving equipment being tampered with (resulting in a prosecution), one for fishing without an e-monitoring fitted (caution issued) and one for failing to operate/maintain the e-monitoring system (warning issued).

FEATURE STORY

Improving Bycatch Handling



AFMA collects visual information from fishing vessels via observers and e-monitoring (cameras). As a result of this monitoring, we became aware of instances of inappropriate handling of fish bycatch. Instances of inappropriate handling include failure to promptly remove and discard bycatch species. For example, leaving bycatch on the deck for extended periods or failure to return bycatch to its natural environment promptly is considered mistreatment. Where bycatch is not discarded immediately due to operational or safety reasons, this is not considered as mistreatment.

As part of our role in ensuring sustainable fisheries AFMA and industry are now increasing measures to reduce the amount of fish bycatch in Commonwealth fisheries. Handling of remaining fish bycatch can significantly affect the chances of the fish's survival and the sustainability of bycatch species.

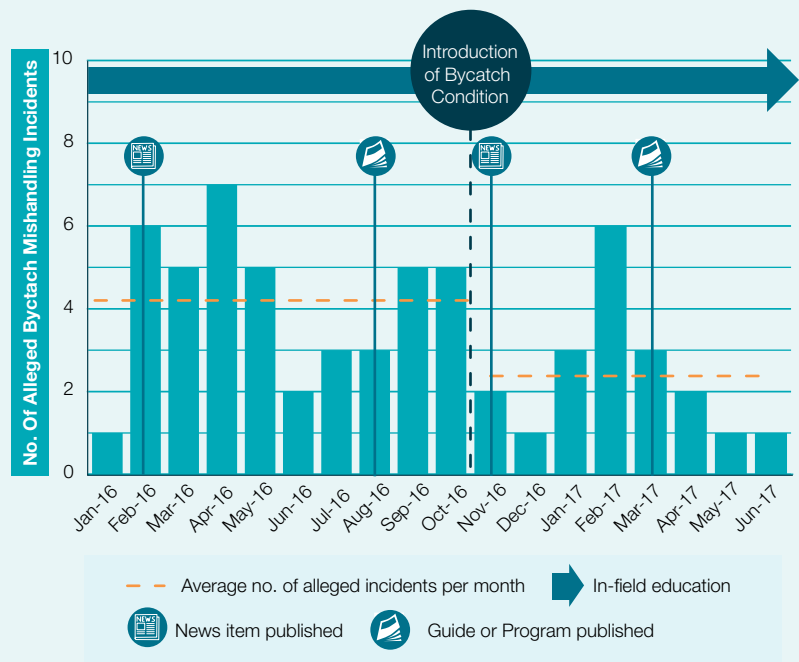
As a result of AFMA identifying the risk posed by the inappropriate handling of bycatch, the National Compliance Strategy Section formed a dedicated Compliance Risk Management Team to look at ways of addressing the issue to reduce or eliminate instances of bycatch mishandling. The Compliance Risk Management Team identified a range of approaches to address the issue including:

- Consultation with industry and stakeholders.
- Education and communication including news items and infield education through fisheries officers and AFMA Bycatch staff.
- Development and publication of a Bycatch Handling and Treatment Guide 2016-17.
- Introduction of conditions to all fishing concessions relating to the handling and treatment of bycatch.



Whilst the program is in its relative infancy it appears that, as a result of the introduction of the Bycatch Handling Condition in October 2016, the rate of alleged incidents of bycatch mishandling has dropped by 23 per cent (see Figure 3 below). The Bycatch Mishandling treatment program, including education programs, will continue in 2017–18 and it is hoped that the reduction in incident rates will continue.

Figure 3: Impact of Bycatch Mishandling treatment program



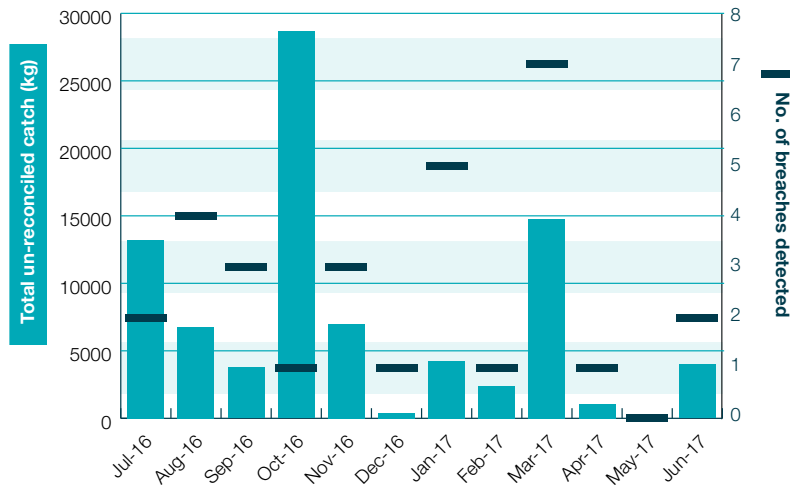
Maintenance Programs

AFMA implemented a number of maintenance programs to monitor risks which had been targeted in previous years but require ongoing treatment.

These risks include failing to reconcile quota, fishing in closed areas, failing to fit and use bycatch reduction devices to prevent or reduce interactions with threatened, endangered and protected species.

Quota reconciliation non-compliance rates fluctuated during 2016-17 (figure 4). Thirty operators were detected in breach in total.

Figure 4: 28 Quota Reconciliation program results as at 30 June 2017

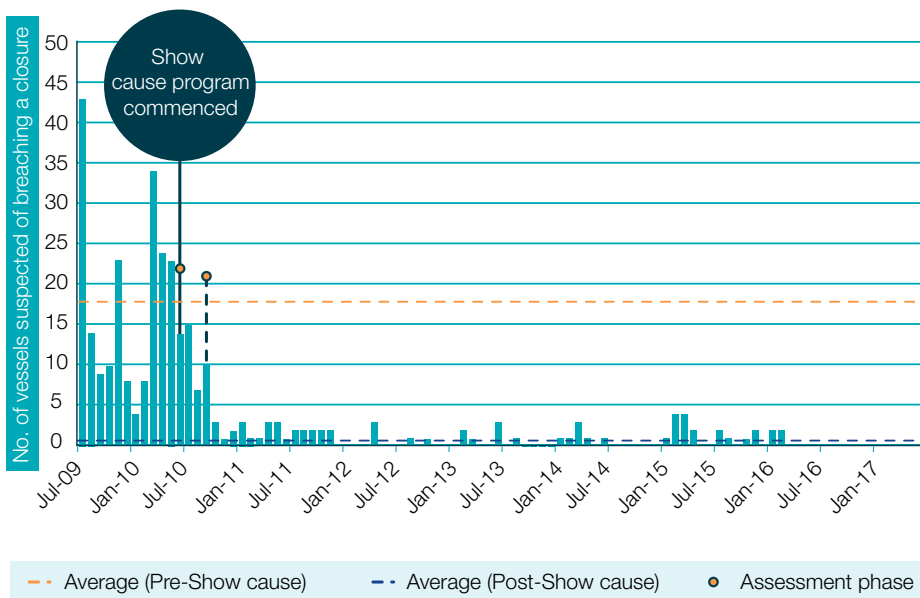


The quota reconciliation program has significantly reduced the seriousness of these matters with all operators immediately reconciling once notified by fisheries officers and without the need for further enforcement action.

Fisheries closure monitoring was implemented in July 2010 to address fishing closure compliance. This process continued to be very effective during 2016-17 with the level of non-compliance continuing to remain at all-time lows, with no incidents occurring during 2016-17 (figure 5) as compared with 2015-16 when 10 breaches were detected.



Figure 5: Results of 2016–17 closure reports



AFMA domestic prosecutions for 2016–17

During 2016–17, we finalised three prosecution matters resulting in a total of \$4500 in fines handed down for three convictions. Offences included quota evasion, failing to report an interaction with a dolphin and tampering with e-monitoring equipment. Sustainability of fish stocks can be significantly impacted by quota evasion. As in 2015–16 AFMA continued to target the issue through the use of data analysis including the use of evasion detection tools to assist in the identification of possible quota evasion. The National Investigations Taskforce continued to work with a range of agencies to investigate possible quota evasion and target systemic cases and/or large scale cases of fraud against the quota system.

Foreign compliance

AFMA’s foreign compliance activities ensure that Australia’s fish stocks and the marine environment are not adversely affected by illegal foreign fishing. In conjunction with other Australian Government agencies we applied a multi-faceted approach to combating illegal, unreported and unregulated fishing that includes on-the-water surveillance and enforcement, in-country education, capacity building and diplomatic representations to flag States and States with links to nationals on board illegal, unreported and unregulated vessels.

AFMA works closely with other Australian Government agencies in detecting and responding to incidents of illegal foreign fishing within Australian waters and in engaging with other countries in developing regional strategies for combatting illegal, unreported and unregulated fishing. Our engagement with Regional Fisheries Management Organisations and other international fora ensures that Australia's fisheries management is consistent with actions taken regionally and internationally, particularly in relation to straddling or migratory stocks and in areas adjacent to the Australian Fishing Zone.

AFMA's participation in the work of these regional fishing bodies includes collaborating with other members to develop regional compliance and management measures and providing annual reports on the implementation of those measures. We also chair working groups, share information on fisheries management and compliance approaches, develop proposals and take action to deter illegal, unreported and unregulated fishing.

FEATURE STORY

AFMA across the World



AFMA is well known for international engagement and collaboration with countries in the region, and in February 2017 AFMA stepped up another level in this area. Two officers were deployed on board the French Marine Nationale Frigate *Nivôse* to patrol both the French and Australian exclusive economic zones and territorial seas in the Southern Ocean.

In addition, two AFMA officers were working with the Pacific Islands Forum Fisheries Agency in Suva, Fiji assisting in conducting practical assessments on the Certificate IV – Fisheries Enforcement and Compliance Foundation Officers Course. Two AFMA officers were also embarked on the United States Coast Guard Cutter 'Sequoia' targeting illegal, unreported and unregulated fishing in the Exclusive Economic Zone of the Federated States of Micronesia. They were accompanied by an officer from Federated States of Micronesia's National Police, a Mandarin interpreter from the United States Marine Corp and a Vessel Monitoring System analyst from the United States Coast Guard. This was the fourth United States Coast Guard-AFMA patrol of its kind in the past twelve months.

These activities continue to build on the strong relationships that AFMA has with our regional partners, and our officers continue to share their expertise and support other nations to combat illegal, unreported and unregulated fishing in the region.

*AFMA officer (first on left) on board US Coast Guard Sequoia in Guam
Photo courtesy: AFMA*

Northern waters

AFMA supports the Maritime Border Command through the provision of specialist fisheries officers both in the Australian Maritime Border Operations Centre in Canberra and on board Australian Border Force and Royal Australian Navy patrol boats. Our efforts focused on high risk areas for incursions by illegal fishers and deterred fishers operating in close proximity to the Australian Fishing Zone from conducting illegal fishing operations.

During 2016–17, 15 illegal foreign fishing vessels were apprehended in the Australian Fishing Zone. Eight vessels were from Vietnam, six from Indonesia and one from Papua New Guinea. Following investigation and prosecution by AFMA, the penalties against convicted fishers included fines up to \$110 000 for an individual, suspended jail sentences up to nine months and actual jail sentences up to six months. All boats were forfeited to the Commonwealth and were either destroyed or disposed of.

The 15 foreign fishing vessels apprehended in 2016–17 is a decrease from the 20 apprehended in 2015–16 and maintains the downward trend of foreign incursions from the 367 in one year a decade ago. This low level of incursions can be attributed to the direct deterrence provided as a result of the prosecution of offenders and confiscation of their boats; in country education and outreach programs delivered by AFMA along with regional cooperation; and capacity building initiatives directed towards assisting our neighbours in strengthening their fisheries compliance frameworks.

The eight Vietnamese vessels apprehended in 2016–17 is a slight increase over the six apprehended in 2015–16. All were apprehended in the Coral Sea off northern Queensland and were targeting beche de mer or sea cucumber. Vietnamese vessels have also been apprehended by New Caledonia, Papua New Guinea, Federated States of Micronesia and the Solomon Islands. The increase in activity can be attributed to number of factors including:

- favourable prices for target species
- the depletion of local fisheries and the relative abundance of fish stocks in Australian waters
- the displacement of the illegal vessels from other countries as they tighten their own fisheries enforcement regimes.

AFMA and other Australian agencies are working collaboratively with Vietnam to deter their fishers from embarking on illegal fishing forays.

FEATURE STORY

Engagement with Vietnam



Over the past few years Australia and Pacific Island nations have been experiencing increasing incidents of illegal fishing by Vietnamese vessels. These vessels travel great distances to target reefs for harvesting sea cucumber, highly prized in Chinese markets, in foreign waters. One trip can fetch the fishermen hundreds of thousands of dollars in profit.

Australia maintains a strong stance on illegal fishing in Australian waters through the detection, apprehension and prosecution of illegal fishers along with the destruction of their vessels. Alternative approaches are also important and in the past, when dealing with illegal fishing vessels from Indonesia, AFMA rolled out a series of Public Information Campaigns to prevent fishers from embarking on illegal forays.

The Public Information Campaigns targeted multiple fishing villages in Indonesia and directly engaged fishermen to outline the implications of fishing illegally in Australia. Now AFMA is developing a similar strategy for working with the Vietnamese Government. Officers from AFMA, who specialise in international engagement, have been travelling to Vietnam to work with members of Vietnam's Provincial and Central Authorities (Ministry of Agriculture and Rural Development – Directorate of Fisheries).

This collaboration will result in the delivery of educational seminars and workshops in multiple coastal towns across Vietnam on the potential risks and implications of fishing illegally in foreign nation waters. The program is strongly supported by Vietnam's Ministry of Agriculture and Rural Development, and with the recent Prime Ministerial Order against illegal fishing by Vietnamese nationals, significant reductions in illegal fishing activity by Vietnamese fishing vessels can be expected.

*AFMA Officer with apprehended Vietnamese boat in tow.
Photo courtesy: AFMA*

Southern ocean

Illegal, unreported and unregulated fishing in the Southern Ocean remains a key area of focus for AFMA. Nearly all known illegal, unreported and unregulated vessels remain out of action as a result of effective regional cooperation involving relevant port States, flag States and States with nationals that control and benefit from the activities of these vessels. We continue to cooperate with our partners and commend those countries that continue to play their part in the fight against illegal, unreported and unregulated fishing.

During 2016–17, the *FV Sea Breeze* was included on the Commission for the Conservation of Antarctic Marine Living Resources Non-Contracting Party illegal, unreported and unregulated Vessel List for unauthorised fishing for toothfish in the Southern Ocean. This vessel was sighted by an Australian surveillance aircraft west of Christmas Island in April 2017, transiting north and possibly looking to offload southern ocean catch. Australia notified our regional partners in South East Asia of the sighting (all parties to the Regional Plan of Action – illegal, unreported and unregulated, as well as Korea and China) and alerted them to close their ports to this vessel. No further information on the location of the vessel was forthcoming and AFMA continues to monitor the situation.

AFMA continues to cooperate closely with New Zealand, France, Spain, INTERPOL and our international partners in investigating the activity of illegal, unreported and unregulated vessels and in supporting surveillance operations in the Southern Ocean within Australia's exclusive economic zones and the Commission for the Conservation of Antarctic Marine Living Resources Area.



Capacity building

AFMA's regional cooperation and capacity building initiatives aim to build collaborative relationships and assist our regional partners in strengthening their fisheries frameworks. This year has seen compliance training delivered throughout the Pacific and South East Asia under the Regional Plan of Action to promote responsible fishing practices including combatting illegal, unreported and unregulated fishing, the Food and Agriculture Organisation of the United Nations' Port State Measures Agreement and other international agreements.

We also delivered initiatives under the framework of the Department of Foreign Affairs and Trade's Government Partnerships for Development program, including collaborating with the Vietnamese Government to address the increasing trend of illegal Vietnamese fishing throughout the Pacific. A key focus for 2016–17 was supporting the South Pacific Forum Fisheries Agency in working with Pacific Island countries to implement the Niue Treaty Subsidiary Agreement. The Niue Treaty Subsidiary Agreement is a multilateral cooperative agreement that seeks to enhance the effectiveness of surveillance and enforcement activity in the Pacific in targeting illegal, unreported and unregulated fishing and other law enforcement activities.

Multilateral patrols/operations

During 2016–17, AFMA participated in 12 operations, comprising five multilateral operations, three United States Coast Guard patrols and bilateral patrols with France, Vanuatu and Indonesia, to detect and deter illegal, unreported and unregulated fishing in the Pacific. Over 27 international vessels were boarded and inspected by AFMA fisheries officers with several boats found to be in breach of licence conditions and international obligations. AFMA officers were able to use their language skills and subject matter expertise to assist our international partners in achieving significant outcomes.

FEATURE STORY

China takes tough stance on fishing vessel in the Western and Central Pacific Fisheries Commission

On the high seas, most fisheries are managed cooperatively through Regional Fisheries Management Organisations. The Western and Central Pacific Fisheries Commission regulates the taking of tuna and tuna like species in the Pacific Ocean through Conservation and Management Measures. AFMA works closely with our regional partners to combat illegal, unreported and unregulated fishing.

In September 2016, at the request of AFMA, an Australian Border Force vessel with an AFMA officer on board intercepted the Chinese flagged longliner *Yuan Da 19* as it transited the Australian Exclusive Economic Zone. The vessel was known to have operated on the high seas off the Australian east coast.

After an extensive investigation, and confirmation through DNA sampling, it was determined that the *Yuan Da 19* was not recording catch of Southern Bluefin Tuna and other by-product species correctly. False reports are a serious violation under the Western and Central Pacific Fisheries Commission Conservation and Management Measures. AFMA provided detailed evidence to China, and requested further investigation of the allegation.

In June 2017 the Chinese authorities advised AFMA that upon receiving the information, the vessel *Yuan Da 19* was ordered to return to its home port of Dalian, China and an investigation was conducted. The Chinese authorities took the following actions:

- Permanently disqualified the company, and the vessel owner to engage in any deep sea fishing activities.
- Cancelled the fishing licence of all the company's fishing vessels.
- Permanently revoked the Captain's Certificate for *Yuan Da 19*.
- Imposed a monetary penalty equivalent to USD\$300 000.
- Prohibited the manager(s) of the company responsible for this vessel from engaging in and/or working for any business relating to distant water fishing activities.

AFMA welcomes the decisive actions taken by China as they demonstrate the importance of international cooperation in combating illegal, unreported and unregulated fishing, particularly on the High Seas. It also provides another example of how AFMA's efforts deter these fishing activities.



Increasing economic returns

Complementing this deterrence of domestic and foreign illegal fishing, AFMA has been increasing its capacity to analyse quota market economics and support operators in maximising returns.

To improve the net economic returns from Commonwealth fisheries to the Australian community in 2016–17, AFMA made progress:

- in collecting and using economic information including trading prices of quota and gear statutory fishing rights
- in assessing the feasibility and cost effectiveness of individual accounting for discards of quota species from individuals' quota holdings
- in reviewing overcatch and undercatch provisions in the Quota Administration Policy
- in reviewing management of catch of quota species in overlapping and adjacent fisheries.

Quota and gear statutory fishing rights prices, in combination with other pricing and fishery information, will assist us in assessing the economic impacts on fishing operators of AFMA management decisions.

AFMA is undertaking a cost benefit analysis to assess if it is cost-effective to individually account for discards of quota species from individuals' quota holdings. Individual accountability for discards of quota species may improve net economic returns of Commonwealth fisheries through:

- reduced and/or avoided discards by individual fishers
- better stock assessment leading to more accurate total allowable catches
- higher asset values of the operators as a result of better management of discards leading to higher capital inflow in the industry
- encouraging trading of statutory fishing rights.

During 2016–17 AFMA continued its review of undercatch and overcatch provisions in AFMA's Quota Administration Policy. These provisions provide fishers with flexibility to account for fluctuations in stock availability and form a component of how AFMA manages quota. These provisions allow quota holders to carry-over a proportion of unused quota entitlement (undercatch) or above-quota catch (overcatch) from one season to the next. The review of undercatch and overcatch arrangements is expected to be finalised in 2017–18.

Our Quota Administration Policy recognises that fishers incidentally catch quota species managed under separate plans of management in overlapping fisheries.

During 2016–17 AFMA reviewed these arrangements with the intention that all catches of quota stocks in overlapping fisheries should be covered by quota. However, the extent of the implementation will depend on outcomes from cost benefit analysis due to be completed in 2017–18.

Deliver effective, cost efficient and transparent management and regulator arrangements

Purpose

Reducing cost pressures on fishing operators through efficient and effective fisheries management and providing greater insights and accountability for stakeholders into AFMA decisions are key aspects of delivering on this objective and related corporate goals.

Performance results

Performance criteria	2016–17 Target	2016–17 Actual
Criterion source: The performance measures described below are taken from commitments made to the Minister or other stakeholders in support of the above objectives		
3.1 Red tape reduction initiatives completed	13	6
<i>Performance measure measurement method: The red tape reduction register as at 30 June 2017 records estimated completion dates. Note: Since the program's inception 33 red tape initiatives have been completed, one initiative has been closed. A further 17 initiatives are currently in progress. The Minister may endorse further initiatives in future.</i>		
3.2 Cost recovery charges do not exceed the levels derived by increasing the 2005–06 recoveries by the Consumer Price Index each year	\$18.1m	\$31.9m
<i>Performance measure measurement method: Calculated using 2005–06 total cost recoveries and adding CPI adjustment based on CPI data. Forecasted CPI estimates are based on Reserve Bank of Australia data: 2.1% (average estimates for 2016–17), 2.5% (Outyear estimates)</i>		

Assessment of performance against the purpose

AFMA delivered effective and cost efficient management and regulator arrangements by introducing innovations, removing inefficient practices and ensuring operational costs were within budget. These activities enabled AFMA to continue to meet its cost recovery commitment to operators with AFMA out-performing the cumulative Consumer Price Index by some \$31.9 million (as at 2016–17).

While not all red tape initiatives were completed to intended timelines, they continue to be substantively progressed in support of operator profitability.



The undertaking of a Stakeholder Perceptions Survey in 2017 (to be repeated every two to three years), together with growing communications capabilities, expanded AFMA's engagement with stakeholders. This will promote information sharing and sourcing of advice from stakeholders to improve our operations and the regulatory arrangements applying to fisheries.

Analysis of performance against the purpose

Red tape reduction initiatives

AFMA is committed to minimising the amount and complexity of regulation through its red tape reduction agenda, while maintaining effective fisheries management. Our red tape reduction agenda provides opportunities for improvement to our systems and services to ultimately benefit our stakeholders. AFMA has worked closely with industry, scientists and state and territory regulators to streamline processes and remove unnecessary fisheries regulations with 50 initiatives that have been or are being implemented since 2015.

Some of the key red tape reductions AFMA has achieved during 2016–17 include:

Removing net length restrictions

The gillnet sector of the Southern and Eastern Scalefish and Shark Fishery limits catches by setting a cap on the amount of commercial fish that can be taken, known as a quota. Another way to control fishing effort is to place controls on the fishing gear that is used. As the existing quota controls are effectively limiting the total catch of commercial species permitted by each fisher, the additional effort controls are unnecessary for sustainable management and so the length restrictions placed on gillnets have been removed from the fishery. The removal of net length restrictions allows each fisher to choose the amount of net they use to maximise their efficiency.

Removing trip limits on mahi mahi

Under the previous Memorandum of Understanding with Western Australia, Commonwealth operators in the Western Tuna and Billfish Fishery were limited to 10 mahi mahi per trip. Mahi mahi are a valuable non-target commercial species when fishing for tuna in the Western Tuna and Billfish Fishery. Fishers often catch more than 10 mahi mahi in a trip and most of these fish are dead at the time of landing so this results in discarding of otherwise saleable fish. Following consultation with fishers and with agreement of the Western Australian Minister, the trip limit has been increased to 200 mahi mahi, thereby removing instances of discarding of valuable table fish.

Allowing fishers to add and remove agents online

AFMA has added new functionality to our online licensing portal, GoFish, to allow our clients to better manage their fishing business. This new functionality allows fishers to authorise people to act as an agent on their behalf using the online portal. This change removes the need for fishers to submit paper forms to AFMA thereby allowing fishers to conduct their business more efficiently.

Co-management arrangements

Co-management arrangements to encourage greater industry responsibility for fisheries impacts are another approach by AFMA to promote transparent engagement with industry. We are currently reviewing existing co-management arrangements with the Great Australian Bight Fishing Industry Association to maximise the benefits of co-management and to make improvements appropriate given staffing changes at the Great Australian Bight Fishing Industry Association.

The Northern Prawn Fishery industry works closely with AFMA and cooperates through co-management arrangements to assist us with a range of key management functions. For example, the industry manages the collection and provision of catch and effort information, the quality control of the information and its dissemination to all users.

AFMA also developed co-management arrangements with the South East Trawl Fishing Industry Association. A trawl industry advisory group is being established to provide advice to AFMA and the Commission on trawl specific management issues such as research priorities, by-catch, discards, cost recovered levies, species specific area-based management and promotion of industry compliance.

Electronic monitoring (e-monitoring)

For two years AFMA has been running a fulltime e-monitoring program in four fisheries: the Eastern Tuna and Billfish Fishery, the Western Tuna and Billfish Fishery, the Small Pelagic Fishery (midwater trawl sector) and the Gillnet Hook and Trap sector of the Southern and Eastern Scalefish and Shark Fishery. This program follows more than a decade of trials and complements AFMA's observer program and with the use of feedback reports, has assisted skippers in improving the data AFMA receives from logbooks. The e-monitoring program has also provided an effective and cost efficient means to ensure fishing regulations are being adhered to.

The e-monitoring program has allowed us to continue to implement an individual accountability approach to management in these fisheries. AFMA will continue to apply the most cost efficient monitoring programs to meet regulatory needs.



Evaluating the cost effectiveness of outsourcing observer program (observer market testing)

AFMA's observer program places observers (independent of the fishing industry) on fishing vessels to provide reliable and verified information on fishing catch, effort, and practices. The program also monitors the impact of fishing on the broader marine environment including protected species.

AFMA reviews the program from time to time to ensure it pursues its legislative objective of sustainable fishing in a cost effective way. While widely recognised for the quality of its service, the cost of the program has changed over the years for a number of reasons including coverage levels, more fisheries requiring the service and changes to the way costs are calculated. The program now makes up approximately 25 per cent of our cost recovered budget, recouped mainly through levies or fee for service on the fishing industry.

Consistent with pursuing cost-effective fishery management, we have decided to test the market. The purpose of testing the market is to see whether an external provider could operate the observer program more cost effectively than AFMA, whilst still ensuring that the quality of the program is not compromised and our ability to pursue its legislative requirements continues. AFMA's review is in its final stages with a decision anticipated in 2017–18.

Legislative review of penalty provisions

The existing offence and penalty regime has been the subject of both internal and external reviews as part of the *Review of Commonwealth Fisheries: Legislation, Policy and Management*. These reviews recommended the development of a wider range of enforcement tools, the strengthening of existing powers and increase in penalty provisions.

AFMA and the Department of Agriculture and Water Resources adopted a phased approach to amending the legislation and regulations to take into account the recommendations.

Phase one was finalised during 2016–17 and saw increases in penalty units for offences to a level that is consistent with other Commonwealth departments and agencies. This will provide a more effective deterrent to individuals seeking to exploit our fisheries' resources.

Phase two to modernise the penalty provisions in the *Fisheries Management Act 1991* by adopting the *Regulatory Powers (Standard Powers) Act 2014* is now underway.

Stakeholder engagement

AFMA engages with a wide variety of stakeholders before making decisions on the management of Commonwealth fisheries, including scientists, commercial fishers and fishing associations, researchers, environment and conservation organisations, recreational fishers and indigenous fishers.

During 2016–17 we achieved successful engagement through a variety of channels, including:

- Management Advisory Committees
- Resource Assessment Groups
- meetings with the Commonwealth Fisheries Association
- port visits and public meetings
- sector/issue specific meetings such as recreational fishing and the Commonwealth Marine Mammal Working Group
- our online systems such as GoFish and the Vessel Monitoring System
- SMS messaging
- our website (including news stories) and social media
- media releases
- direct mail across all major Commonwealth fisheries.

Management Advisory Committees and Resource Assessment Groups are the major source of advice to AFMA and the Commission, reflecting the experience and expertise of the range of stakeholders with interest in the fishery or fisheries. As such they play a vital role in helping us fulfil our legislative functions and effectively pursue its objectives. Regular meetings of these committees and groups were held during 2016–17. Around 80 per cent of management advisory committee recommendations are accepted by the Commission.

As part of AFMA's ongoing commitment to service improvement, a market research agency was commissioned to conduct research with our stakeholders to measure current perceptions of our performance in a number of domains. The survey was undertaken in March 2017 and involved an online survey of stakeholders identified by AFMA – a total of 124 stakeholders responded to the survey invitation. Overall satisfaction was moderate, with half of respondents either satisfied or very satisfied, and one quarter being either dissatisfied or very dissatisfied. A particular area of strength was the positive perception of AFMA officers as friendly, knowledgeable and responsive. There was room for improvement in the consistency of information provided and expanded communications on reasons behind management decisions.



AFMA intends to expand engagement with stakeholders, particularly individual operators as well as industry associations. Electronic messaging and more port visits are being considered.

Client service charter

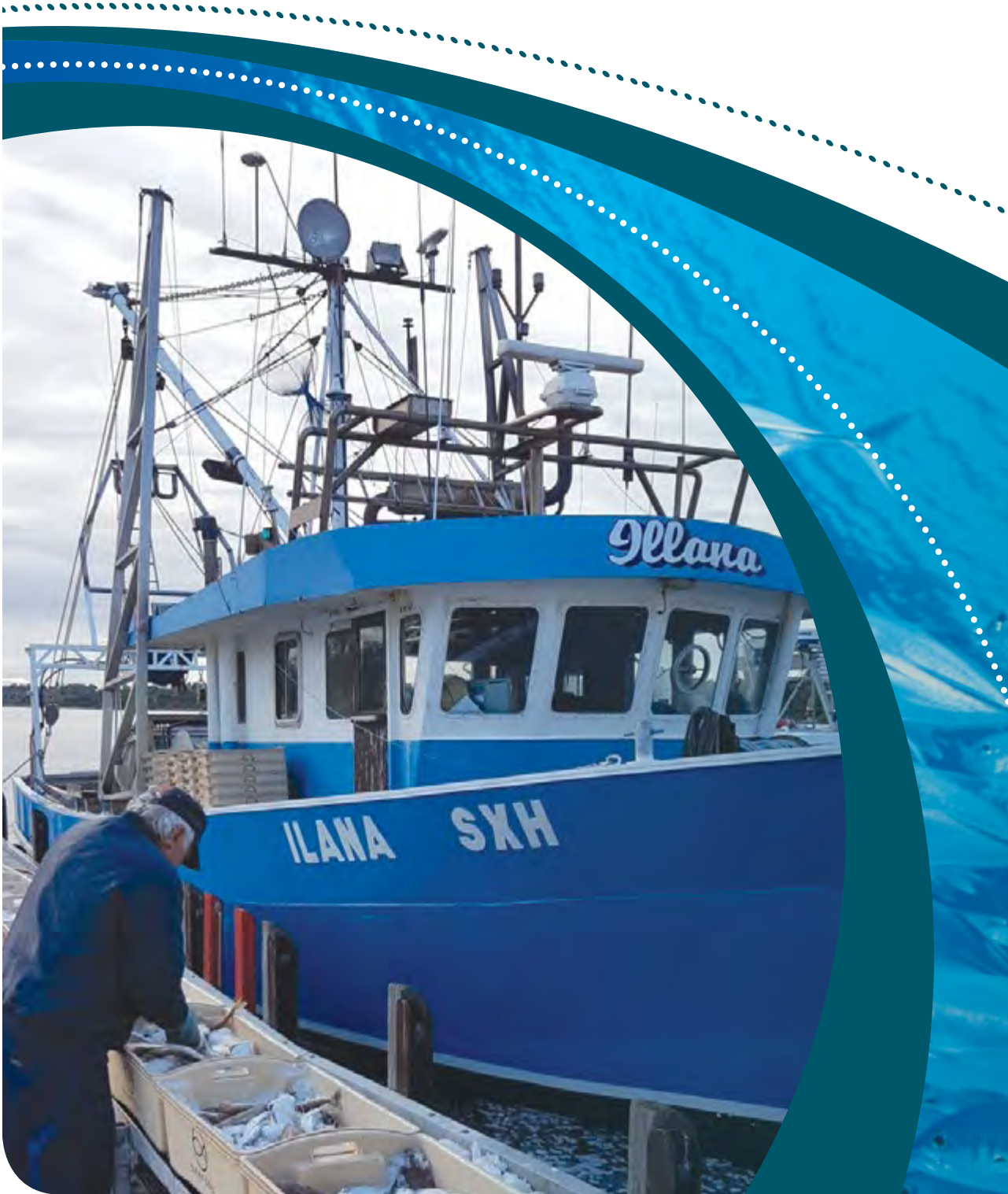
Our Client Service Charter sets out the services and standards that all clients or stakeholders can expect from AFMA. It applies to all of our fisheries administration and corporate services functions, including our licensing function. Our service charter is available on our website afma.gov.au.

We use our licensing system, GoFish, to record the timeliness of responses for licensing transactions. During 2016–17 more than 99 per cent of licensing correspondence and transactions submitted by concession holders were dealt with in accordance with our Client Service Charter.

During 2016–17 AFMA received one written complaint. As the complaint required consultation with other agencies and review of historical files, we were not able to progress consideration within Client Service Charter timelines. However, this extensive analysis did enable the complaint to be well considered and a written response to be provided to the complainant.



*Handlining for yellowfin tuna.
Photo courtesy: Georgia Langdon, AFMA*





Part 3

Fishery Reports

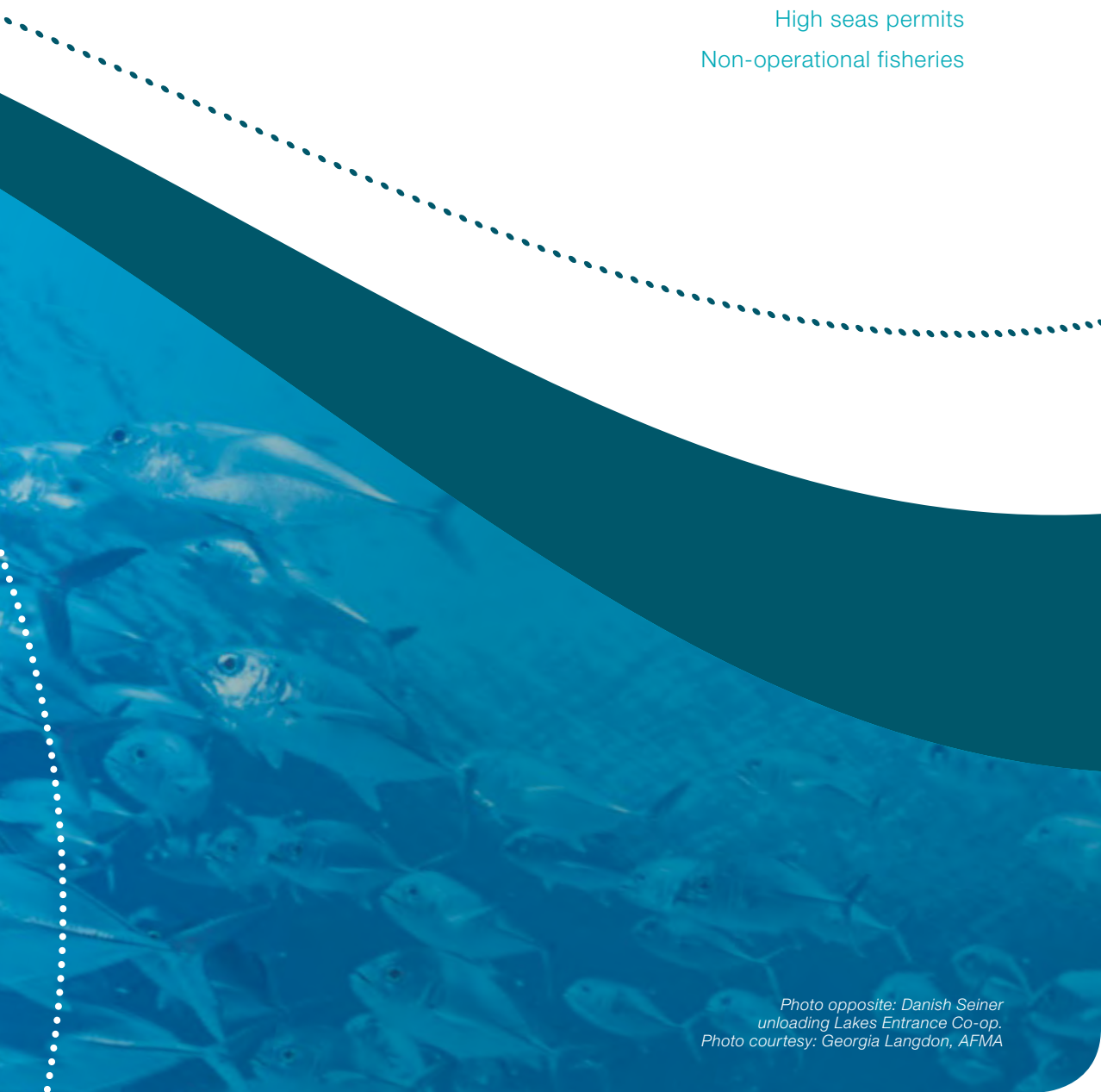
Introduction

AFMA managed fisheries

Jointly managed fisheries

High seas permits

Non-operational fisheries



*Photo opposite: Danish Seiner
unloading Lakes Entrance Co-op.
Photo courtesy: Georgia Langdon, AFMA*

PART 3 – SUMMARY

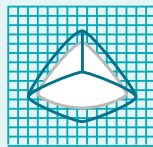


FISHERIES MANAGEMENT PLANS
ALL for Commonwealth fisheries managed
under statutory Fishery Management Plans
PERFORMANCE CRITERIA WERE MET IN 2016-17



E-monitoring
cameras
installed on
25%
OF COMMONWEALTH
**FISHING
VESSELS**

The **KON'S COVERED FISHEYE** was
triallyed as a bycatch reduction device in
the Northern Prawn Fishery in 2016 with



**RESULTS SHOWING A
REDUCTION IN BYCATCH OF
>35%**

SUSTAINABLE FISHERIES



**NO STOCKS SUBJECT
TO OVERFISHING**
in AFMA solely managed fisheries for
4 consecutive
YEARS.



**BIRD BAFFLERS, SEABIRD MITIGATION,
GOVERNMENT/SCIENCE/INDUSTRY PARTNERSHIPS**
can deliver real conservation solutions



INTRODUCTION

Individual Commonwealth fisheries are generally in good shape being both sustainably fished and enabling operators to make a profit.

For the fourth year in a row, no stocks managed solely by AFMA have been classified as subject to overfishing (see Australian Bureau of Agricultural and Resource Economics and Sciences Fishery Status Reports 2017). However some species remain under fishing pressure and AFMA has continued to adjust, as appropriate, total allowable catches and operational controls. For example, two key species in the Southern and Eastern Scalefish and Shark Fishery, flathead and gummy shark, had their total allowable catches reduced for 2017, while the total allowable catch for scallops in the Bass Strait Central Zone Scallop Fishery was able to be fished at a maximum level of 4880 tonnes, given biomass levels. For those stocks classified as overfished (generally reflecting past unsustainable fishing practices), AFMA is continuing to pursue recovery to a sustainable biomass that will support fishing operations. A workshop on declining or non-recovering stocks was facilitated by AFMA in 2016 and as a result a research proposal to further mitigate the reason for declining or non-recovering stocks was approved for funding by the Fisheries Research and Development Corporation.

The formation of a new industry body, Tuna Australia, which is working with AFMA on issues in the Eastern and Western Tuna and Billfish Fisheries, will help to improve industry advice on the operational appropriateness of our management. Broader AFMA fisheries administration should also be more cost effective following approval of a new Cost Recovery Implementation Statement by the Deputy Prime Minister and Minister for Agriculture and Water Resources, the Hon Barnaby Joyce MP, in December 2016.

In regard to minimising fisheries' impacts on the marine environment, AFMA and the fishing industry have made significant progress with implementing measures to reduce unintended interactions with marine protected species. There was a particular focus on seabirds and dolphins during 2016–17. New mitigation measures in the South East Trawl Sector are aimed at reducing interactions of deepwater trawlers with seabirds by more than 90 per cent.

Dolphin mitigation strategies introduced in the midwater trawl sector of the Small Pelagic Fishery and the Gillnet, Hook and Trap sector of the Southern and Eastern Scalefish and Shark Fishery seek to minimise all dolphin interactions. The strategies require fishers to take action after even a single non-lethal interaction and establish escalating responses by AFMA to any further

interactions. This includes a maximum interaction rate for the midwater trawl sector of the Small Pelagic Fishery of one dolphin interaction per 50 trawl gear sets. Our confidence in accurate reporting is very high due to the presence of electronic monitoring equipment (boat based cameras) on all fishing vessels in these fishing sectors.

The Northern Prawn Fishery also completed scientific trials with the Kon's Covered Fisheye, which indicated reduced fish bycatch of more than one third. The Kon's Covered Fisheye was approved for use within the Northern Prawn Fishery in April 2017 and will be taken up by some operators in the fishery during 2017–18 with some further experimental trials taking place.

AFMA's new Ecological Risk Assessment and Ecological Risk Management framework for Commonwealth fisheries was also approved by the AFMA Commission in 2017. The effective identification and management of the risks posed by fishing to the environment are central to AFMA pursuing its ecologically sustainable development and other objectives. Not dealing with these risks effectively would be detrimental to the health of the marine environment and the economic viability of the fishing industry.

For 2017–18, we will be looking to further increase positive fisheries sustainability and economic outcomes. Priority work is expected to include implementation of the *Fisheries Legislation Amendment (Representation) Bill 2017* which, if passed by Parliament, requires AFMA to have regard to accounting for the interests of commercial, recreational and indigenous fishing sectors in managing Australian fisheries. The reviews of the Commonwealth's Harvest Strategy Policy and Bycatch Policy are likely to be finalised by the end of 2017. These may impact on AFMA's Ecological Risk Assessment and Ecological Risk Management framework. Other strategic work will establish Commonwealth fishery economic performance indicators and continue to implement more cost-effective and efficient management.

Gross Value of Production

The gross value of production is an indication of the economic value of fisheries. The estimated gross value of production for all Commonwealth fisheries is approximately \$385 million for 2016–17.



Performance results discussed in fishery reports

Estimated catch totals for 2016–17

Estimated catch totals are taken from data compiled by AFMA from catch and effort logs and Catch Disposal Records sourced from fishers in Commonwealth managed or jointly managed fisheries. These catch totals represent 'trunked' (processed) weight for the financial year July 2016 to June 2017.

Performance results

The sources of information presented in the fishery performance results shown are:

- Maximum economic yield data presented in the reports are based on Australian Bureau of Agricultural and Resource Economics and Sciences' gross value of production data for Commonwealth fisheries and AFMA stock assessments.
- Data on fishing mortality and biomass are taken from *Fishery Status Reports 2017* prepared by the Australian Bureau of Agricultural and Resource Economics and Sciences.

LIST OF FISHERY REPORTS

AFMA managed fisheries:	Joint managed fisheries:
Bass Strait Central Zone Scallop Fishery	Eastern Tuna and Billfish Fishery
Coral Sea Fishery	Southern Bluefin Tuna Fishery
Northern Prawn Fishery	Western Tuna and Billfish Fishery
North West Slope Trawl and Western Deepwater Trawl Fisheries	Heard Island and McDonald Islands Fishery
Small Pelagic Fishery	Macquarie Island Toothfish Fishery
Southern and Eastern Scalegfish and Shark Fishery	High seas permits
Southern Squid Jig Fishery	Non-operational fisheries:
	Norfolk Island Fishery
	Skipjack Tuna Fishery
	South Tasman Rise Fishery



*Bigeye Tuna Bermagui.
Photo courtesy: Clayton McCloud, AFMA*

Bass Strait Central Zone Scallop Fishery



Estimated catch 2016–17
2,998 tonnes

Performance results

Performance criteria (AFMA Corporate Plan 2016–19)	2016–17 Target	2016–17 Actual
Number of fish stocks subject to overfishing <i>(The number of stocks where the level of catches by fishery operators is likely to result in stock becoming overfished)</i>	0	0
The number of stocks that are assessed as overfished and, unless effectively managed, may lead to the stock not being sustainable	n/a	0

Stock status of target species

Common name (<i>scientific name</i>)	Latest available status assessment			
	2015		2016	
	Fishing mortality	Biomass	Fishing mortality	Biomass
Commercial Scallop (<i>Pecten fumatus</i>)	Yellow	Yellow	Green	Green

■ **Biomass** Not overfished
■ **Fishing Mortality** Not subject to overfishing
 ■ Uncertain
 ■ **Biomass** Overfished
■ **Fishing Mortality** Subject to overfishing

Source: Patterson, H, Noriega, R, Georgeson, L, Larcombe, J and Curtotti, R 2017. *Fishery status reports 2017*, Australian Bureau of Agricultural and Resource Economics and Sciences, Canberra. CC BY 4.0

Management Plans/Arrangements

The Bass Strait Central Zone Scallop Fishery continues to be managed in accordance with the *Bass Strait Central Zone Scallop Fishery Management Plan 2002*. The Bass Strait Central Zone Scallop Fishery is managed through open and closed seasons, area closures, catch limits and size limits. Fishers must hold statutory fishing rights to fish in this fishery. The Bass Strait Central Zone Scallop Fishery is exclusively a commercial fishery with no recreational or indigenous catches recorded.

The performance criteria detailed in the fishery management plan were all met in 2016–17. A requirement for fishers to accurately weigh scallops at the point of unload before transporting them to an authorised fish receiver was introduced for the 2016 season to support the maintenance of an effective quota management system.

Analysis of performance

Status of fish stocks

Due to intermittent recruitment and naturally sporadic and fluctuating availability, commercial scallops are not managed to a specific biomass target.

A 2016 pre-season survey identified a large biomass of scallops of suitable density to support spawning for future seasons as well as the highest total allowable catch (a maximum of 5000 tonnes) in six years. The season lived up to expectations with operators enjoying good catches of high quality scallops.

The pre-season survey undertaken during May and June 2017 indicated that good catches are likely to continue for the 2017 season with biomass estimates and bed densities similar to those identified in the 2016 survey, albeit in different areas. A Total Allowable Catch of a maximum of 4880 tonnes was again set for 2017.

Economic returns

The Bass Strait Central Zone Scallop Fishery Harvest Strategy focuses on ensuring the sustainability of the stock by protecting areas of spawning biomass each season, thereby staying above the limit reference point proxy. This approach allows industry flexibility to catch scallops from various different beds, thereby improving economic returns while ensuring continued ecological sustainability.

The catch for the 2016–17 season was the highest in more than a decade and on par with that from 2010 when a third more boats were operating. The lower boat numbers should result in increased returns from fishing as remaining operators are able to increase catch per unit effort.

Coral Sea Fishery



Estimated catch 2016–17
53 tonnes



Performance results

Performance criteria (AFMA Corporate Plan 2016–19)	2016–17 Target	2016–17 Actual
Number of fish stocks subject to overfishing <i>(The number of stocks where the level of catches by fishery operators is likely to result in stock becoming overfished)</i>	0	0
The number of stocks that are assessed as overfished and, unless effectively managed, may lead to the stock not being sustainable	n/a	0

Stock status of target species

Common name (<i>scientific name</i>)	Latest available status assessment			
	2015		2016	
	Fishing mortality	Biomass	Fishing mortality	Biomass
Sea cucumber sector:				
Black teatfish (<i>Holothuria whitmael</i>)	Green	Green	Green	Green
Prickly redfish (<i>Thelenota ananas</i>)	Green	Green	Green	Green
Surf redfish (<i>Actinopyga mauritiana</i>)	Green	Green	Green	Green
White teatfish (<i>Holothuria fuscogilva</i>)	Yellow	Yellow	Yellow	Yellow
Sea cucumber sector:	Green	Yellow	Green	Yellow
Other sea cucumber species (11 spp.)	Green	Yellow	Green	Yellow
Aquarium sector:				
Multiple species	Green	Green	Green	Green
Lobster and Trochus sector:				
Tropical rock lobster (<i>Panulirus ornatus</i>) possibly other species	Green	Green	Green	Green
Line and Trap sector:				
Mixed reef fish and sharks	Green	Yellow	Green	Yellow
Trawl and trap sector:				
(Numerous fish, shark and crustacean species)	Green	Yellow	Green	Yellow

■ Biomass Not overfished	■ Uncertain	■ Biomass Overfished
■ Fishing Mortality Not subject to overfishing		■ Fishing Mortality Subject to overfishing

Source: Patterson, H, Noriega, R, Georgeson, L, Larcombe, J and Curtotti, R 2017. Fishery status reports 2017, Australian Bureau of Agricultural and Resource Economics and Sciences, Canberra. CC BY 4.0

Management Plans/Arrangements

There is no statutory management plan for the Coral Sea Fishery. The fishery has five sectors:

- Sea cucumber
- Aquarium
- Lobster and trochus
- Line and trap
- Trawl and trap.

These are managed through input and output controls including limited entry, catch limits, spatial closures, move-on provisions, size limits and catch and effort triggers that are used to initiate further analysis and assessment. Fishers must hold permits to fish in this fishery.

There were no changes to management arrangements during 2016–17.

Analysis of performance

There has been little activity in the Coral Sea Fishery in 2016–17. To ensure the ecological sustainability of the fishery, AFMA continues to monitor limits in the Coral Sea Fishery. The limits, described in the Coral Sea Fishery Harvest Strategy, were reviewed by an expert panel meeting in September 2016. The Line, Trap and Trawl Sectors Harvest Strategy will be updated during 2017–18 to take into account outcomes from the review.

The successful detection of a number of illegal Vietnamese fishing vessels during the year should also help to avoid pressures on fish stocks – refer Feature Story on page 41.

Northern Prawn Fishery



Estimated catch 2016–17
7,524 tonnes



Performance results

Performance criteria (AFMA Corporate Plan 2016–19)	2016–17 Target ¹	2016–17 Actual
For economically significant stocks managed solely by AFMA:		
a. Number of key commercial stocks with harvest strategy targets based on maximum economic yield or the best available proxy ²	3	3
b. improve the number of stocks in (a) assessed as being on target	1	1
c. for those stocks in (a) that are assessed as not on target, improve the number that are heading towards their target reference point.	0	1
Number of fish stocks subject to overfishing ³ <i>(The number of stocks where the level of catches by fishery operators is likely to result in stock becoming overfished)</i>	0	0
The number of stocks that are assessed as overfished and, unless effectively managed, may lead to the stock not being sustainable	n/a	0

Stock status of target species

Common name (<i>scientific name</i>)	Latest available status assessment			
	2015		2016	
	Fishing mortality	Biomass	Fishing mortality	Biomass
White banana prawn (<i>Fenneropenaeus merguensis</i>)	Green	Green	Green	Green
Brown tiger prawn (<i>Penaeus esculentus</i>)	Green	Green	Green	Green
Grooved tiger prawn (<i>Penaeus semisulcatus</i>)	Green	Green	Green	Green
Blue endeavour prawn (<i>Metapenaeus endeavouri</i>)	Green	Green	Green	Green
Red endeavour prawn (<i>Metapenaeus ensis</i>)	Green	Green	Green	Yellow
Red-legged banana prawn (<i>Fenneropenaeus indicus</i>)	Yellow	Yellow	Yellow	Yellow

■ Biomass Not overfished	■ Uncertain	■ Biomass Overfished
■ Fishing Mortality Not subject to overfishing		■ Fishing Mortality Subject to overfishing

Source: Patterson, H, Noriega, R, Georgeson, L, Larcombe, J and Curtotti, R 2017. Fishery status reports 2017, Australian Bureau of Agricultural and Resource Economics and Sciences, Canberra. CC BY 4.0

- 1 2016–17 Agriculture Portfolio Budget Statements p. 200
- 2 Where higher and lower value species are caught together, different targets for the lower value species may maximise net economic returns over all.
- 3 In AFMA managed fisheries, not including jointly and internationally managed fisheries.

Management Plans/Arrangements

The principal legal framework for the management of the fishery is specified in the *Northern Prawn Fishery Management Plan 1995*. The Northern Prawn Fishery is a multi-species fishery managed through input controls including limited entry, season length and individual transferable effort units – based on fishing gear size. The fishery relies on a size and sex-based stock assessment model for brown and grooved tiger prawns; a biomass dynamic assessment model for blue endeavour prawns; and a quarterly age-based biological stock assessment model for red-legged banana prawns. There is currently no formal stock assessment for the white banana prawn fishery as the species is short lived and its abundance is driven by environmental factors, principally rainfall. This level of variability means no clear stock-recruitment relationship can be developed and reliance on catch rate as an index of abundance is questionable. The operational objective of the white banana prawn harvest strategy is to allow sufficient escapement to ensure an adequate spawning biomass of banana prawns (based on historical data), and to achieve the maximum economic yield from the fishery.

Analysis of performance

Performance – status of fish stocks

In 2016 the stock abundance levels for grooved and brown tiger prawns were slightly less than the previous year ranging from 151 per cent to 185 per cent of the spawning stock capable of generating maximum sustainable yield. All 52 boat statutory fishing rights were utilised during the 2016 tiger prawn season. Decision rules were applied during the season with average catch rates not meeting the required trigger points for the fishery to remain open for the maximum 17 week season and the fishery was closed on 20 November 2016.

As with the tiger prawn fishery, all 52 boat statutory fishing rights were utilised during the 2017 banana prawn season (1 April to 15 June 2017). Total catch in the 2017 banana fishery was higher than 2016 increasing to 4 756 tonnes.

During 2016, fishing catch and effort in the red-legged banana prawn fishery was similar to the previous year. The catch and effort levels in 2015 and 2016 were well below that of previous years, with catches in 2016 being the lowest on record since the early 1980s. The most plausible reason for this was that alternative fishing options were again more attractive in 2016 – in particular, the consistent, unusually high catch rates of tiger prawns elsewhere in the Northern Prawn Fishery. The low effort level (79 boat days) was less than



the trigger amount used in the harvest strategy and provided insufficient data for an indication of abundance. As this is the second year in a row where there has been insufficient data, the red-legged banana prawn harvest strategy is being reviewed to account for years when there is less than 100 boat days fishing effort.

Performance – status of bycatch

The reduction of bycatch in the Northern Prawn Fishery has remained the focus for industry and AFMA during 2016–17 with significant progress being made toward achieving the objectives of the Northern Prawn Fishery Bycatch Strategy 2015–18. The Kon's Covered Fisheye was trialled as a bycatch reduction device in 2016 with results showing a reduction in bycatch of over 35 per cent. At the beginning of 2017, the Kon's Covered Fisheye was added to the list of approved bycatch reduction devices and industry is on track to achieving a 30 per cent reduction in bycatch by July 2018.

Performance – economic returns

In the 2016 calendar year the Northern Prawn Fishery was the highest valued Commonwealth managed fishery with a total value of \$98 million. This was around 10 per cent lower than the previous year, which is attributed to the drop in the first season banana prawn catch for 2016.

The fishery broadly (across the two key species groups – banana and tiger prawns) is managed to pursue maximum economic yield. Effort limits in the fishery have been set on the result of outputs from the bio-economic model for tiger and endeavour prawns and season length is controlled by catch-rate triggers in the banana prawn fishery to keep the fleet profitable. Recent assessments of economic performance by the Australian Bureau of Agricultural and Resource Economics and Sciences indicates that the level of fishing effort in the fishery is close to maximum economic yield targets. Net economic returns have been positive and improving since 2012–13 from around \$5m to over \$12m in 2014–15. This trend has continued into 2015–16 with higher catches of both tiger and banana prawns and favourable economic conditions. Economic conditions have remained favourable for 2016–17, including lower diesel costs and strong prawn prices. However, overall prawn catches in 2016–17 were lower than in 2015–16. Tiger prawn catch in 2016 was around 34 per cent lower and banana prawn catch in 2017 was around 58 per cent higher than in 2016.



*Tiger prawns.
Photo courtesy: AFMA*

Innovations

The Northern Prawn Fishery industry works closely with AFMA and cooperates through co-management arrangements to assist us with a range of key management functions. For example, the industry manages the collection and provision of catch and effort information, the quality control of the information and its dissemination to all users.

As part of these co-management arrangements, the industry undertakes additional crew-based observations of interactions with protected species and provides these records directly to the Commonwealth Scientific and Industrial Research Organisation for assessment. The industry also assists in facilitating annual, independent scientific monitoring of the fishery by Commonwealth Scientific and Industrial Research Organisation scientists.

These co-management measures add value to the management of the fishery and are cost effective for industry and AFMA. They increase stewardship outcomes in the fishery and provide valuable information which will enhance future management decisions.



There has also been some progress towards the development of indicators to show trends in the fishery that can forewarn the fishing industry and AFMA of an impending need for autonomous adjustment.

We have continued to focus on reducing red tape in the Northern Prawn Fishery by developing specifications for turtle exclusion devices to achieve consistency with adjoining fisheries while maintaining accreditation standards. New turtle excluder device specifications implemented in 2017 now allow the same device to be used across multiple fisheries in Commonwealth and Queensland fishery jurisdictions.

External reviews

The Northern Prawn Fishery remains accredited under Part 13 and is approved as a wildlife trade operation under Part 13A of the *Environment Protection and Biodiversity Conservation Act 1999*. The fishery is also certified as a sustainable fishery by the Marine Stewardship Council, which is an independent global certifier of sustainable fisheries. In January 2017, reassessment began to evaluate the fishery's compliance with the Marine Stewardship Council's standard for well-managed and sustainable fisheries. The reassessment is now in its final stages of completion.

In July 2016, officers from the US National Oceanic and Atmospheric Administration visited Australia to conduct inspections of Australia's turtle excluder devices. AFMA and industry collaborated to design a device that adheres to US standards and in early 2017 the Northern Prawn Fishery was again certified as meeting the world class standards in turtle excluder device design.

FEATURE STORY

AFMA Bycatch and Discard Program – working with industry to make a difference (part one)



The 2016–17 financial year saw the AFMA bycatch program undertake a number of key projects across the Northern Prawn, South East Trawl and Great Australian Bight trawl fisheries as well as working on overarching bycatch and protected species strategies for all fisheries.

In the Northern Prawn Fishery, AFMA collaborated with the Northern Prawn Fishery Industry Pty Ltd (NPMI), Commonwealth Scientific and Industrial Research Organisation, A. Raptis and Sons Pty Ltd. and Tropic Ocean Prawns to undertake what was one of the largest and most successful Bycatch Reduction Device trials in the Northern Prawn Fishery since the development of turtle excluder devices in the 1990s. The trials, part of the NPMI voluntary Bycatch Reduction Strategy 2015–2018, tested the industry-designed Kon's Covered Fisheye against the most commonly used square mesh panel Bycatch Reduction Device while targeting tiger prawns in the Gulf of Carpentaria.

The Kon's Covered Fisheye is a revised version of the existing fisheye Bycatch Reduction Device, with the main difference being the Kon's Covered Fisheye incorporates a 'cone' inside the fisheye frame. The cone has greatly enhanced the design of the traditional fisheye, allowing bycatch to escape without prawn loss. One of the key advantages to the revised design is that it can be placed far closer to the end of the net (codend), where the catch accumulates, and where a square mesh panel could not be used. This has contributed to a far greater reduction in fish bycatch.

Results from the trial indicated a reduction in bycatch of approximately 36 per cent with no prawn loss. The total data-set included just under 70 trawl shots with the contents of each net cod-end being weighed individually. As prawn trawlers in the Northern Prawn Fishery primarily tow quad-rigged gear (four nets), this equated to the contents of almost 280 codends being analysed. AFMA Bycatch officers and observers spent approximately 1200 hours in the field on this project whilst on-board the industry trawlers.

It is anticipated that further trialling will be undertaken during the 2017 tiger prawn season to determine the optimal position in the codend for the Kon's Covered Fisheye and other potential operational improvements.

The final report on the work undertaken during 2017 trialling the Kon's Covered Fisheye is available here: http://www.afma.gov.au/wp-content/uploads/2017/05/Kons-Covered-Fisheyes-BRD-Trial-Report-Northern-Prawn-Fishery-2016_FINAL.pdf

*Kon's Covered Fisheye's stitched into net prior to trialling.
Photo courtesy: AFMA*

North West Slope and the Western Deepwater Trawl Fisheries



Estimated catch 2016–17

Confidential

Performance results

Performance criteria (AFMA Corporate Plan 2016–19)	2016–17 Target	2016–17 Actual
Number of fish stocks subject to overfishing (The number of stocks where the level of catches by fishery operators is likely to result in stock becoming overfished)	0	0
The number of stocks that are assessed as overfished and, unless effectively managed, may lead to the stock not being sustainable	n/a	

Stock status of target species

Common name (<i>scientific name</i>)	Latest available status assessment			
	2015		2016	
	Fishing mortality	Biomass	Fishing mortality	Biomass
North West Slope Trawl Fishery				
Scampi (<i>Metanephrops australiensis</i> , <i>M. boschmai</i> , <i>M. velutinus</i>)	Green	Green	Green	Green
Western Deepwater Trawl Fishery				
Bugs (<i>Ibacus spp.</i>)	Green	Yellow	Green	Yellow
Ruby snapper (<i>Etelis carbunculus</i>)	Green	Yellow	Green	Yellow

■ Biomass Not overfished	■ Uncertain	■ Biomass Overfished
■ Fishing Mortality Not subject to overfishing		■ Fishing Mortality Subject to overfishing

Source: Patterson, H, Noriega, R, Georgeson, L, Larcombe, J and Curtotti, R 2017. Fishery status reports 2017, Australian Bureau of Agricultural and Resource Economics and Sciences, Canberra. CC BY 4.0

Management Plans/Arrangements

There is no formal management plan for the North West Slope Trawl or the Western Deepwater Trawl Fisheries. The Fisheries are managed by granting a limited number of fishing permits consistent with the provisions provided by the *Fisheries Management Act 1991* and the *Fisheries Management Regulations 1992*.

There are 11 permits allowed in the Western Deepwater Trawl Fishery and seven in the North West Slope Trawl Fishery, all of which are valid for a maximum of five years. Fishers must adhere to a number of permit conditions aimed at protecting stocks and ecosystems. The permit conditions include specific gear limitations to reduce bycatch and move on provisions if fishing gear interacts with sponges or corals.

Analysis of performance

During the past five years, North West Slope Trawl and Western Deepwater Trawl have experienced little, but stable levels of fishing effort. This trend continued in the 2016–2017 season. The limited levels of effort are due in part to permit holders accessing more lucrative fisheries that are adjacent to the North West Slope Trawl or Western Deepwater Trawl fishery areas (eg. Northern Prawn Fishery to the north or the Southern and Eastern Scalefish and Shark Fishery in the south).

In November 2016 the North West Slope Trawl and the Western Deepwater Trawl Fisheries applied for reassessment under the *Environment Protection and Biodiversity Conservation Act 1999*. The assessment is ongoing and is expected to be released in late October 2017.

In early 2017 the boundaries of the North West Slope Trawl and Western Deepwater Trawl Fisheries were amended to better reflect updated bathymetric information. This change was enacted by amending the existing Offshore Constitutional Settlement agreement between the Commonwealth and Western Australia. These amendments are viewed as good progress for the fisheries and collaboration between the Commonwealth and Western Australia.

Under the existing harvest strategy, analysis of catch and effort data is conducted annually to assist in the management of the fisheries. The recent boundary changes and the forthcoming release of the new Commonwealth Harvest Strategy Policy have delayed a planned review of the harvest strategy for the fisheries. Instead, the North West Slope Trawl and Western Deepwater Trawl Fisheries will undergo re-evaluation under AFMA's new Ecological Risk Assessment and Ecological Risk Management Framework in 2017–2018. The results will be used to inform a review of the harvest strategies for these fisheries.

Small Pelagic Fishery



Estimated catch 2016–17
6,096 tonnes



Performance results

Performance criteria (AFMA Corporate Plan 2016–19)	2016–17 Target ⁴	2016–17 Actual
Number of fish stocks subject to overfishing ⁵ <i>(The number of stocks where the level of catches by fishery operators is likely to result in stock becoming overfished)</i>	0	0
The number of stocks that are assessed as overfished and, unless effectively managed, may lead to the stock not being sustainable	n/a	0

Stock status of target species

Common name (<i>scientific name</i>)	Latest available status assessment			
	2015		2016	
	Fishing mortality	Biomass	Fishing mortality	Biomass
Australian sardine (<i>Sardinops sagax</i>)				
Blue mackerel, east/west (<i>Scomber australasicus</i>)				
Jack mackerel, east/west (<i>Trachurus declivis</i>)				
Redbait, east/west (<i>Emmelichthys nitidus</i>)				

■ **Biomass** Not overfished
■ **Fishing Mortality** Not subject to overfishing
 ■ Uncertain
 ■ **Biomass** Overfished
■ **Fishing Mortality** Subject to overfishing

Source: Patterson, H, Noriega, R, Georgeson, L, Larcombe, J and Curtotti, R 2017. Fishery status reports 2017, Australian Bureau of Agricultural and Resource Economics and Sciences, Canberra. CC BY 4.0

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5 In AFMA managed fisheries, not including jointly and internationally managed fisheries.

Management Plans/Arrangements

Management Plan

The fishery continues to be managed in accordance with the *Small Pelagic Fishery Management Plan 2009*. The management arrangements include the allocation of statutory fishing rights, rules governing gear that may be used and catch limits. There were no changes to the *Small Pelagic Fishery Management Plan 2009* in 2016–17.

The performance criteria detailed in the fishery management plan were all met in 2016–17.

Analysis of performance

Harvest Strategy

Under the harvest strategy, analysis of catch and effort data is conducted annually to inform the setting of catch limits for commercially caught species in the fishery.

The Small Pelagic Fishery Harvest Strategy was updated in 2017 following additional testing undertaken during 2016. Consultation on the revised harvest strategy occurred during 2016 and 2017 with the Small Pelagic Fishery Scientific Panel, key stakeholders and the South East Management Advisory Committee. All aspects of the harvest strategy have now been tested and the reference points and harvest rates have been found to meet the biological, ecological and economic requirements of the fishery.

Performance – sustainability and economic returns

The recently completed surveys for blue mackerel east and Australian sardine moved these stocks into the highest tier of the harvest strategy with the updated biomass estimates informing the total allowable catches for the 2017–18 season. A survey was undertaken for western jack mackerel in 2016–17 with the results expected to become available in 2017–18.

The total allowable catches for 2016–17 of some 39,000 tonnes for the seven target species were largely uncaught (only some 21 per cent) due to limited fishing effort.

In December 2016, AFMA received an application to pair trawl in the Small Pelagic Fishery, a method not automatically permitted under the fishery management plan. In early 2017 the independent AFMA Commission



approved the determination of mid-water pair trawling as an approved fishing method in the Small Pelagic Fishery until October 2018, subject to conditions and review. The Commission's decision took into consideration the best available science and advice from the South East Management Advisory Committee, the Small Pelagic Fishery Scientific Panel, seabird and marine mammal experts, key stakeholders and the public.

Like all fishing operations in Commonwealth managed fisheries, any mid-water pair trawling operation will be subject to strict rules and conditions, including protected species mitigation, monitoring and reporting requirements. Within this framework, this decision provides fishers with the ability to determine when and how they fish their quota.

Performance – status of bycatch

In May 2017 AFMA implemented the Small Pelagic Fishery Dolphin Mitigation Strategy which aims to minimise dolphin interactions in the trawl sector of the fishery by creating incentives for fishers to innovate and adopt best practice to minimise interactions. This individual responsibility approach recognises that those who do not catch dolphins should be able to continue to fish, while those who do catch dolphins receive increased management action.

In 2016–17 AFMA and the Commonwealth Scientific Industrial Research Organisation updated the methodology for conducting ecological risk assessments for Commonwealth fisheries. The ecological risk assessment for the Small Pelagic Fishery was updated under the revised methodology with results expected to be published in 2017–18.

External reviews

On 13 September 2016 the Senate agreed to re-adopt the Senate Standing Committee on Environment and Communication's inquiry *'Environmental, social and economic impacts of large-capacity fishing vessels commonly known as 'super trawlers' operating in Australia's marine jurisdiction'*. In November 2016 AFMA presented updated information to the Committee. The Committee released its findings and final recommendations in November 2016. A Coalition Senators' dissenting report and Labor Senators' additional comments were also published.

The government is preparing a response to the inquiry report.

Southern and Eastern Scalefish and Shark Fishery



Estimated catch 2016–17
16,657 tonnes

Southern and Eastern Scalefish and Shark Fishery Sectors:

- Commonwealth South East Trawl Sector
- East Coast Deepwater Trawl Sector
- Great Australian Bight Trawl Sector
- Gillnet Hook and Trap sector
 - Shark Gillnet Sector
 - Trap Sector
 - Scalefish Hook Sector
 - Shark Hook Sector

Performance results

Performance criteria (AFMA Corporate Plan 2016–19)	2016–17 Target ⁶	2016–17 Actual ⁷
For economically significant stocks managed solely by AFMA: <i>Number of key commercial stocks with harvest strategy targets based on maximum economic yield or the best available proxy⁸</i>	14	10
improve the number of stocks in (a) assessed as being on target	4	2
for those stocks in (a) that are assessed as not on target, improve the number that are heading towards their target reference point.	5	4
Number of fish stocks subject to overfishing ⁹ <i>(The number of stocks where the level of catches by fishery operators is likely to result in stock becoming overfished)</i>	0	0
The number of stocks that are assessed as overfished and, unless effectively managed, may lead to the stock not being sustainable	n/a	7

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7 The reason the 2016–17 actual number of stocks dropped to 10 from target 14 in SESSF is that four stocks that are managed to maximum economic yield targets have dropped off from the top 30 commercial stocks and four non-SESSF stocks that are not managed to maximum economic yield targets have moved into the top 30 commercial stocks.

8 Where higher and lower value species are caught together, different targets for the lower value species may maximise net economic returns over all.

9 In AFMA managed fisheries, not including jointly and internationally managed fisheries.



Stock status of target species

Common name (scientific name)	Latest available status assessment			
	2015	2016	2017	2018
	Fishing mortality	Biomass	Fishing mortality	Biomass
Commonwealth Trawl and Scalefish Hook sectors				
Blue grenadier (<i>Macruronus novaezelandiae</i>)	Green	Green	Green	Green
Eastern school whiting (<i>Sillago flindersi</i>)	Green	Green	Green	Green
Gemfish, western zone (<i>Rexea solandri</i>)	Green	Green	Green	Green
Jackass morwong (<i>Nemadactylus macropterus</i>)	Green	Green	Green	Green
Ribaldo (<i>Mora moro</i>)	Green	Green	Green	Green
Commonwealth Trawl Sector				
Flathead (<i>Neoplatycephalus richardsoni</i> and 4 other spp.)	Green	Green	Green	Green
John dory (<i>Zeus faber</i>)	Green	Green	Green	Green
Mirror dory (<i>Zenopsis nebulosa</i>)	Green	Green	Green	Green
Ocean jacket, eastern zone (<i>Nelusetta ayraud</i>)	Green	Green	Green	Green
Orange roughy, Cascade Plateau (<i>Hoplostethus atlanticus</i>)	Green	Green	Green	Green
Oreodory: 5 spp.	Green	Green	Green	Green
Royal red prawn (<i>Haliporoides sibogae</i>)	Green	Green	Green	Green
Silver trevally (<i>Pseudocaranx georgianus</i>)	Green	Green	Green	Green
Silver warehou (<i>Seriolella punctata</i>)	Green	Green	Green	Green
East Coast Deepwater Trawl Sector				
Alfonsino (<i>Beryx splendens</i>)	Green	Green	Green	Green
Great Australian Bight Trawl Sector				
Bight redfish (<i>Centroberyx gerrardi</i>)	Green	Green	Green	Green
Deepwater flathead (<i>Neoplatycephalus conatus</i>)	Green	Green	Green	Green
Ocean jacket, west (<i>Nelusetta ayraud</i>)	Green	Green	Green	Green
Shark Gillnet and Shark Hook sectors				
Elephantfish (<i>Callorhynchus milii</i>)	Green	Green	Green	Green
Gummy shark (<i>Mustelus antarcticus</i>)	Green	Green	Green	Green
Sawshark (<i>Pristiophorus cirratus</i> , <i>P. nudipinnis</i>)	Green	Green	Green	Green
Commonwealth Trawl and Scalefish Hook sectors				
Blue-eye trevalla (<i>Hyperoglyphe antarctica</i>)	Green	Green	Yellow	Green
Ocean perch (<i>Helicolenus barathri</i> , <i>H. percoides</i>)	Yellow	Yellow	Yellow	Green
Commonwealth Trawl Sector				
Orange roughy, eastern zone (<i>Hoplostethus atlanticus</i>)	Green	Yellow	Green	Green

Commonwealth Trawl Sector				
Orange roughy, southern & western zones (<i>Hoplostethus atlanticus</i>)	Green	Red	Green	Red
Redfish, eastern (<i>Centroberyx affinis</i>)	Green	Yellow	Yellow	Red
Commonwealth Trawl and Scalefish Hook sectors				
Gemfish, eastern zone (<i>Rexea solandri</i>)	Red	Red	Yellow	Red
Blue warehou (<i>Seriola lalandi</i>)	Yellow	Red	Yellow	Red
Gulper sharks (<i>Centrophorus harrissoni</i> , <i>C. moluccensis</i> , <i>C. zeehaani</i>)	Yellow	Red	Yellow	Red
Shark Gillnet and Shark Hook sectors				
School shark (<i>Galeorhinus galeus</i>)	Green	Yellow	Green	Yellow
Commonwealth Trawl Sector				
Deepwater sharks, eastern & western zones (18 spp.)	Green	Yellow	Green	Yellow
Great Australian Bight Trawl Sector				
Orange roughy (<i>Hoplostethus atlanticus</i>)	Green	Yellow	Green	Yellow
Commonwealth Trawl and Scalefish Hook sectors				
Pink ling (<i>Genypterus blacodes</i>)	Yellow	Green	Yellow	Green

■ Biomass Not overfished	■ Uncertain	■ Biomass Overfished
■ Fishing Mortality Not subject to overfishing		■ Fishing Mortality Subject to overfishing

Source: Patterson, H, Noriega, R, Georgeson, L, Lacombe, J and Curtotti, R 2017. Fishery status reports 2017, Australian Bureau of Agricultural and Resource Economics and Sciences, Canberra. CC BY 4.0

Management Plans/Arrangements

The principal legal framework for the management of the fishery is specified in the *Fisheries Management Act 1991* and the *Fisheries Management Regulations 1992*. The Southern and Eastern Scalefish and Shark Fishery has seven sectors that are managed through input and output controls including limited entry, catch limits, spatial closures, size limits and catch-and-effort triggers that are used to initiate further analysis and assessment. Fishers must hold a valid fishing concession to fish in this fishery.

The fishery continues to be managed in accordance with the *Southern and Eastern Scalefish and Shark Fishery Management Plan 2003*. The management arrangements include the allocation of statutory fishing rights, catch limits and rules governing gear that may be used.

The performance criteria in the *Southern and Eastern Scalefish and Shark Fishery Management Plan 2003* were met noting that, where reference points have been determined for fish stocks relevant to the Southern and Eastern



Scalefish and Shark Fishery, all stocks are either above the target reference point or have management arrangements in place to return stocks to target levels.

Analysis of performance

Performance – status of fish stocks

All quota species in the Southern and Eastern Scalefish and Shark Fishery are managed to a biological target reference point, or a proxy thereof, based on either maximum economic yield or maximum sustainable yield.

During 2016–17 AFMA implemented the Redfish Stock Rebuilding Strategy. Redfish was assessed in 2014 as being at 11 per cent of its unfished biomass. The objective of the strategy is to rebuild the species to above its limit reference point of 20 per cent within 27 years from 2015, or approximately 2042. To support rebuilding of the stock, an incidental bycatch total allowable catch of 100 tonnes has been implemented. Approximately 40 tonnes was caught during the 2016–17 season.

Rebuilding strategies are also in place for blue warehou, eastern gemfish, school shark and orange roughy. Each of these strategies implements incidental catch total allowable catches in addition to management arrangements such as gear requirements, limited entry to the fishery, and independent research to better inform the status and recovery of the stocks.

Performance – economic returns

For the purposes of reporting economic key performance indicators, AFMA considers its key commercial stocks as the top 30 by value. In 2016–17, 10 of the top 30 species were Southern and Eastern Scalefish and Shark Fishery quota species, all of which have maximum economic yield based targets. The economic performance of those species is measured based on the five year average stock biomass relevant to the maximum economic yield target. Three of those species, deepwater flathead, eastern school whiting and tiger flathead are assessed as being 'on target' or within 20 per cent of their target biomass on average over the past five years. Three stocks, while above their target biomass, are considered underutilised – bight redfish, blue grenadier and pink ling west. Two stocks – blue-eye trevalla and pink ling east – while between the limit reference point and target reference point, are considered over utilised. However they are both assessed as 'heading towards the target' at a rate that is consistent with the Commonwealth Harvest Strategy Policy 2007. School shark is on a recovery

program and is assessed as below the limit reference point, noting that a new assessment based on 'close-kin' genetics is due to be completed in 2017-18.

Furthermore, several total allowable catches for species in the Southern and Eastern Scalefish and Shark Fishery remain significantly undercaught. AFMA and the Fisheries Research and Development Corporation have recently agreed on a research project to better understand the reasons for the undercatch.

Performance – reliability of information

Vessel specific discard reporting performance of Southern and Eastern Scalefish and Shark Fishery vessels continued to be monitored in 2016-17 through comparison of logbook reported discards against electronic monitoring reviews or estimated discards from the Southern and Eastern Scalefish and Shark Fishery Integrated Scientific Monitoring Program.



*Mirror Dory and Royal Red Prawn.
Photo courtesy: AFMA*



Performance – status of bycatch

AFMA implemented the Gillnet Dolphin Mitigation Strategy in May 2017 to minimise dolphin interactions with gillnets in the shark gillnet sector. The strategy adopts an individual responsibility approach to create incentives for fishers to innovate and adopt best practices. Under the individual responsibility approach, fishers are responsible for their actions to minimise interactions and stay within defined performance criteria. The performance criteria and management responses ensure that a fisher cannot continue fishing unchecked if they continue to have dolphin interactions. For each dolphin interaction there is an associated management response that escalates to the point where an individual fisher cannot continue fishing with gillnets in the fishery.

Also in May 2017, AFMA implemented new management arrangements for seabirds for trawl fisheries. The arrangements focus on ‘bird bafflers’ which is a curtain like device which has been designed to deter seabirds from foraging in between the stern of the vessel and where the warps enter the water – see feature story overleaf.

External reviews

Monitoring and assessment in the Southern and Eastern Scalefish and Shark Fishery required to meet the objectives of fisheries management, including those in the Commonwealth Harvest Strategy Policy 2007 and Policy on Fisheries Bycatch 2000 were reviewed in 2016–17. The main objective of the project, named the Southern and Eastern Scalefish and Shark Fishery Strategic Monitoring and Assessment Review Project, was to identify and evaluate the most cost-effective monitoring and assessment options that meet the requisite policy needs. The outcomes of the project are expected to be published in 2017–18 with implementation to begin in 2018–19.

FEATURE STORY

AFMA Bycatch and Discard Program – working with industry to make a difference (part two)



In 2016–17 the AFMA bycatch program undertook a number of key projects across the Northern Prawn, South East Trawl and Great Australian Bight trawl fisheries as well as working on overarching bycatch and protected species strategies for all fisheries.

The bycatch program also undertook an extensive project, in close collaboration with industry, in the South East Trawl and Great Australian Bight Trawl fisheries, with the implementation of 'bird bafflers'. A bird baffle is a system of droppers arranged off a rigid frame to create a curtain around the area where trawl warp wires enter the water. This area is identified as the danger zone for seabirds foraging for bits of food at the back of trawl boats.

Trials undertaken during 2014 demonstrated that the bird baffle and the seabird sprayer (a similar system to the bird baffle, but the 'curtain' is created by spraying jets of water around the trawl warps) both drastically reduced seabird interactions with trawl warp wires when compared to the existing mitigation device used (600mm warp deflector, known as a 'pinkie'). Pinkies had also caused some workplace health and safety concerns for a number of operators as attaching the buoy onto the warps is far easier on some vessels than others.

On the back of the success of these sea trials, the South East Trawl Fishing Industry Association asked AFMA to strengthen seabird bycatch mitigation measures in the southern trawl fisheries to demonstrate that industry was serious about reducing seabird bycatch. AFMA subsequently mandated that, from the commencement of the 2017 fishing season, all vessels must install bird bafflers or seabird sprayers, or have demonstrated to AFMA that they can fish using pinkies without discarding offal whilst trawl gear was under tow.

Of the three mitigation options, 30 vessels fitted bafflers, one vessel fitted a sprayer system and one vessel is operating with pinkies under an offal retention regime.

Image top: FV Explorer S with bafflers stowed in port.



The AFMA bycatch program undertook extensive consultation with industry, which included the development of an instructional video on how to construct bird bafflers, and in excess of 20 port visits and over 250 phone calls were made.

AFMA would like to congratulate industry for the significant amount of work undertaken to install bafflers and sprayers on vessels in the South East Trawl and Great Australian Bight Trawl fisheries. This is an outstanding result for the fishery and demonstrates industry's willingness to address interactions with seabirds. The project was also an excellent example of how government/science/industry partnerships can deliver real conservation solutions.

The AFMA Bycatch and Discards team also recently developed Fishery Management Paper Number 15 – AFMA Bycatch Strategy. The Bycatch Strategy has been developed to guide consistency in the management of bycatch across all Commonwealth fisheries. The strategy is based on a set of principles that link our operational environment with government and legislative requirements. The strategy also aims to achieve more transparency and practicality to bycatch management along with improved monitoring and reporting of bycatch interactions in Commonwealth fisheries. The document sets out our commitment and approach to minimising and reducing bycatch in Commonwealth managed fisheries.

Leading on from the strategy, a number of Protected Species strategies are being developed to operationalise the principles of the bycatch strategy. These will include strategies for a number of key Threatened, Endangered and Protected species such as seabirds, seals and dolphins.

Image top-left: FV Western Alliance with bafflers deployed whilst fishing.

Image top-right: Light-mantled Sooty Albatross.

Photo courtesy: Alex Inwood, observer

Southern Squid Jig Fishery



Estimated catch 2016–17
205 tonnes

Performance results

Performance criteria (AFMA Corporate Plan 2016–19)	2016–17 Target	2016–17 Actual
Number of fish stocks subject to overfishing <i>(The number of stocks where the level of catches by fishery operators is likely to result in stock becoming overfished)</i>	0	0
The number of stocks that are assessed as overfished and, unless effectively managed, may lead to the stock not being sustainable	n/a	0

Stock status of target species

Common name <i>(scientific name)</i>	Latest available status assessment			
	2015		2016	
	Fishing mortality	Biomass	Fishing mortality	Biomass
Gould's squid (<i>Nototodarus gouldi</i>)				

■ **Biomass** Not overfished
■ **Fishing Mortality** Not subject to overfishing
 ■ Uncertain
 ■ **Biomass** Overfished
■ **Fishing Mortality** Subject to overfishing

Source: Patterson, H, Noriega, R, Georgeson, L, Larcombe, J and Curtotti, R 2017. Fishery status reports 2017, Australian Bureau of Agricultural and Resource Economics and Sciences, Canberra. CC BY 4.0

Management Plans/Arrangements

The Southern Squid Jig Fishery continues to be managed in accordance with the *Southern Squid Jig Fishery Management Plan 2005* and the Arrow Squid Fishery Harvest Strategy. The management arrangements include restricting how many boats can fish in the fishery and regulating the type and amount of fishing gear they can use. There were no changes to the *Southern Squid Jig Fishery Management Plan 2005* in 2016–17.



The performance criteria detailed in the fishery management plan were all met in 2016–17 noting that a bycatch action plan is not in place for the Southern Squid Jig Fishery. This reflects the low incidence of bycatch in the fishery and the ecological risk assessment finding of no bycatch species at high or moderate risk. We anticipate updating the ecological risk assessment for the Southern Squid Jig Fishery in 2017–18 which will identify any bycatch issues. AFMA will develop and implement an appropriate management response to reduce the risk to an acceptable level.

Analysis of performance

Gould's squid (also known as arrow squid) is a highly productive and relatively short lived species. This species is not managed to a target reference point but rather the harvest strategy is based on a series of catch and effort triggers which, if reached, will trigger further analyses and management responses.

Effort and catch in the fishery varies between seasons and has been relatively low in recent years resulting in no catch or effort trigger being reached.

The research project 'Improving the location and targeting of economically viable aggregations of squid available to the squid jigging method and the fleet's ability to catch squid' started in 2016–17 aimed at improving industry's ability to locate and target squid aggregations. This project is due to be completed in 2017–18, and with a better understanding of how to locate squid, it is hoped that it will result in more profitable fishing, more consistent supply (to both domestic and overseas markets) and new/previous fishers entering the underexploited squid fishery.

Eastern Tuna and Billfish Fishery



Estimated catch 2016–17
4,537 tonnes



Performance results

Performance criteria (AFMA Corporate Plan 2016–19)	2016–17 Target ¹⁰	2016–17 Actual
For economically significant stocks managed solely by AFMA:		
a. number of key commercial stocks with harvest strategy targets based on maximum economic yield or the best available proxy ¹¹	1	1
b. improve the number of stocks in (a) assessed as being on target	1	1
c. for those stocks in (a) that are assessed as not on target, improve the number that are heading towards their target reference point	0	0
Number of fish stocks subject to overfishing <i>(The number of stocks where the level of catches by fishery operators is likely to result in stock becoming overfished)</i>	0	0
The number of stocks that are assessed as overfished and, unless effectively managed, may lead to the stock not being sustainable	n/a	1

Stock status of target species

Common name <i>(scientific name)</i>	Latest available status assessment			
	2015		2016	
	Fishing mortality	Biomass	Fishing mortality	Biomass
Striped marlin (<i>Tetrapturus audax</i>)	Green	Green	Green	Green
Albacore (<i>Thunnus alalunga</i>)	Green	Green	Green	Green
Yellowfin tuna (<i>Thunnus albacares</i>)	Green	Green	Green	Green
Bigeye tuna (<i>Thunnus obesus</i>)	Red	Red	Red	Red
Swordfish (<i>Xiphias gladius</i>)	Green	Yellow	Green	Yellow

■ **Biomass** Not overfished
■ **Fishing Mortality** Not subject to overfishing
 ■ Uncertain
 ■ **Biomass** Overfished
■ **Fishing Mortality** Subject to overfishing

Source: Patterson, H, Noriega, R, Georgeson, L, Larcombe, J and Curtotti, R 2017. Fishery status reports 2017, Australian Bureau of Agricultural and Resource Economics and Sciences, Canberra. CC BY 4.0

¹⁰ 2016–17 Agriculture Portfolio Budget Statements p. 200

¹¹ Where higher and lower value species are caught together, different targets for the lower value species may maximise net economic returns over all.



Management Plans/Arrangements

The fishery continues to be managed in accordance with the *Eastern Tuna and Billfish Fishery Management Plan 2010*, and conservation and management measures mandated by the Western and Central Pacific Fisheries Commission of which Australia is a member.

The performance criteria detailed in the fishery management plan were all met in 2016–17.

Analysis of performance

Status of stocks

Overall, Eastern Tuna and Billfish Fishery catches were lower in the 2016–17 season relative to the previous season, largely due to significantly reduced catches of yellowfin tuna and to a lesser degree, broadbill swordfish. At the end of the 2016–17 season, the Eastern Tuna and Billfish Fishery had taken close to 70 per cent of the total allowable commercial catch of each of yellowfin tuna (down from 99 per cent in 2015–16), broadbill swordfish, striped marlin and bigeye tuna.

The reduction in yellowfin tuna catch is thought to be related to a reduced availability of yellowfin in the fishery area, possibly due to regional oceanographic processes. There is currently genetic research underway to assess connectivity between target species in the Eastern Tuna and Billfish Fishery and the broader Pacific Ocean. We are also seeking to investigate oceanographic impacts on the fishery to better understand inter-annual variations in catches. Finally, while the fishery caught only 39 per cent of the albacore tuna total allowable commercial catch, this represented the highest catch of albacore tuna in more than five years.

Domestically, the total allowable commercial catches of all the key commercial species are currently considered to be appropriate and of no concern to the regional status of these regional stocks. A recent downturn in broadbill swordfish catch rates (which resulted in a reduction in the total allowable commercial catch for the 2017–18 season) will continue to be monitored and managed by us under the Eastern Tuna and Billfish Fishery Harvest Strategy.

However, as the Eastern Tuna and Billfish Fishery target species are also managed internationally there are concerns regarding the stock status of bigeye tuna in particular, as it is currently assessed to be overfished and subject to overfishing within the Western and Central Pacific Ocean. Updated stock assessments for both bigeye tuna and yellowfin tuna in the Western and Central Pacific Ocean and broadbill swordfish in the South Pacific are due later in 2017.

Fishery management arrangements

In July 2015 a major management change in the Eastern Tuna and Billfish Fishery was the implementation of e-monitoring and this program continued through the 2016–17 season. All full-time (fish for more than 30 days per season) active boats in the Eastern Tuna and Billfish Fishery now have a system of cameras and sensors installed to monitor all fishing operations. Footage is recorded when fishing operations are occurring to verify the logbook records. All fishing operations on full-time boats are now monitored, with 10 per cent of all longline shots (minimum of one shot per boat, per month) reviewed and compared to the logbook reports. Regular feedback reports are provided back to Eastern Tuna and Billfish Fishery operators to inform them of their reporting performance. Since the implementation of e-monitoring, preliminary analysis has indicated an improvement in logbook reporting.

During May to November 2016, AFMA also implemented the annual southern bluefin tuna zone in the fishery to ensure that any southern bluefin tuna caught was covered by quota. To enter the zone, Eastern Tuna and Billfish Fishery operators were required to hold a minimum amount of southern bluefin tuna quota and meet a certain level of observer coverage. The southern bluefin tuna zone location was updated weekly using sea surface temperature maps and industry catch information.

In 2016–17 we started the process of reviewing and updating the Eastern Tuna and Billfish Fishery Harvest Strategy. A revision of the ecological risk assessment and development of an integrated Fisheries Management Strategy will combine existing fishery strategies and action plans into a single strategy to operationalise the Eastern Tuna and Billfish Fishery Management Plan. It is expected these processes will be finalised during the 2017–18 season.

In relation to protected species, an increase in seabird interactions in the Eastern Tuna and Billfish Fishery was reported in the 2016–17 summer season and AFMA is currently responding to that increase as required under the *Seabird Threat Abatement Plan 2014*. We also investigate any Eastern Tuna and Billfish Fishery interactions with marine mammals, although these are uncommon.

External reviews

Compliance by the Eastern Tuna and Billfish Fishery with Conservation and Management Measures of the Western and Central Pacific Fisheries Commission is reviewed on an annual basis under the Western and Central Pacific Fisheries Commission Compliance Monitoring Scheme. In 2016–17, as in previous years, Eastern Tuna and Billfish Fishery management arrangements were consistent with Western and Central Pacific Fisheries Commission measures.

Southern Bluefin Tuna Fishery



Estimated catch 2016–17
5,511 tonnes



Performance results

Performance criteria (AFMA Corporate Plan 2016–19)	2016–17 Target	2016–17 Actual
Number of fish stocks subject to overfishing <i>(The number of stocks where the level of catches by fishery operators is likely to result in stock becoming overfished)</i>	n/a	n/a
The number of stocks that are assessed as overfished and, unless effectively managed, may lead to the stock not being sustainable	1	1

Stock status of target species

Common name (<i>scientific name</i>)	Latest available status assessment			
	2015		2016	
	Fishing mortality	Biomass	Fishing mortality	Biomass
Southern Bluefin tuna (<i>Thunnus maccoyii</i>)	Yellow	Red	Yellow	Red

■ Biomass Not overfished	■ Uncertain	■ Biomass Overfished
■ Fishing Mortality Not subject to overfishing		■ Fishing Mortality Subject to overfishing

Source: Patterson, H, Noriega, R, Georgeson, L, Larcombe, J and Curtotti, R 2017. Fishery status reports 2017, Australian Bureau of Agricultural and Resource Economics and Sciences, Canberra. CC BY 4.0

Management Plans/Arrangements

The fishery continues to be managed in accordance with the *Southern Bluefin Tuna Fishery Management Plan 1995*. The fishery is managed through a system of output controls in the form of individually transferrable quotas which are allocated as statutory fishing rights under the fishery management plan. The performance criteria detailed in the fishery management plan were all met in 2016–17.

Prior to the commencement of each season (1 December to 30 November), AFMA determines a total allowable catch of southern bluefin tuna for the domestic fishery based upon Australia's national allocation from the Commission for the Conservation of Southern Bluefin Tuna. Each statutory fishing right entitles the holder to receive an equal portion of the total allowable catch set by AFMA for this period.

Analysis of performance

Performance – quota setting

The domestic total allowable catch for the 2015–16 Southern Bluefin Tuna fishing season was 5665 tonnes.

The total catch in the fishery, for the 2015–16 fishing season, was 5636 tonnes. Concession holders in the ranching sector of the fishery took approximately 89 per cent of the catch. The remaining catch was taken by longline.

Performance – status of fish stocks

The Commission for the Conservation of Southern Bluefin Tuna management procedure specified that a full quantitative stock assessment should be undertaken every three years. The first full assessment since the 2011 adoption of the management procedure was in 2014.

The 2014 stock assessment suggested that the southern bluefin tuna stock remains at a very low level of biomass, estimated to be nine per cent of the initial spawning stock biomass, and below the level to produce maximum sustainable yield (33 000 tonnes). However there has been some improvement since the 2011 stock assessment and fishing mortality is below the level associated with maximum sustainable yield. There are indicators of higher recruitment in recent years. This suggests that some relatively strong cohorts are moving through the fishery, though have yet to contribute to the spawning stock.

There still remains a level of uncertainty around unaccounted mortality and its impact on the recovery of the stock. This will be further investigated in the next full stock assessment that will be conducted later in 2017.

Performance – economic returns

The majority of the southern bluefin tuna total allowable catch continues to be taken by the purse seine sector in the Great Australian Bight for subsequent grow out by the ranching sector. However, in recent years an increasing amount has been taken by pelagic longline vessels operating in the Eastern Tuna and Billfish Fishery. The longline catch of southern bluefin tuna in 2015–16 was approximately 731 tonnes, up from 580 tonnes the previous season. The amount taken by longliners on the east coast depends primarily on access to available quota from the ranching sector and the seasonal availability of fish.

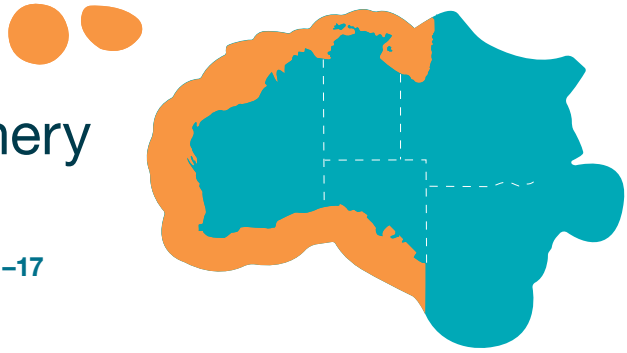


External reviews

Environmental Assessment of the Southern Bluefin Tuna Fishery

In late 2016 the Department of the Environment and Energy assessed the operation of the Southern Bluefin Tuna Fishery for the purposes of Parts 13 and 13A of the *Environment Protection and Biodiversity Conservation Act 1999*. The Department declared the fishery an approved wildlife trade operation until 13 December 2019. Conditions placed on the export approval include increasing confidence in the estimates of purse-seine catches, and for management arrangements to start accounting for Australia’s attributable catch, including recreational and indigenous catch, by 2018.

Western Tuna and Billfish Fishery



Estimated catch 2016-17
344 tonnes

Performance results

Performance criteria (AFMA Corporate Plan 2016-19)	2016-17 Target	2016-17 Actual
Number of fish stocks subject to overfishing <small>(The number of stocks where the level of catches by fishery operators is likely to result in stock becoming overfished)</small>	n/a	0
The number of stocks that are assessed as overfished and, unless effectively managed, may lead to the stock not being sustainable	n/a	0

Stock status of target species

Common name <i>(scientific name)</i>	Latest available status assessment			
	2015		2016	
	Fishing mortality	Biomass	Fishing mortality	Biomass
Albacore (<i>Thunnus alalunga</i>)	Green	Green	Green	Green
Yellowfin tuna (<i>Thunnus albacares</i>)	Red	Green	Red	Green
Bigeye tuna (<i>Thunnus obesus</i>)	Green	Green	Green	Green
Swordfish (<i>Xiphias gladius</i>)	Green	Green	Green	Green
Striped marlin (<i>Tetrapturus audax</i>)	Red	Green	Red	Green

■ **Biomass** Not overfished
■ **Fishing Mortality** Not subject to overfishing
■ Uncertain
■ **Biomass** Overfished
■ **Fishing Mortality** Subject to overfishing

Source: Patterson, H, Noriega, R, Georgeson, L, Larcombe, J and Curtotti, R 2017. Fishery status reports 2017, Australian Bureau of Agricultural and Resource Economics and Sciences, Canberra. CC BY 4.0



Management Plans/Arrangements

The fishery continued to be managed in accordance with the *Western Tuna and Billfish Fishery Management Plan 2005* and resolutions mandated by the Indian Ocean Tuna Commission of which Australia is a member.

The performance criteria detailed in the fishery management plan were all met in 2016–17.

Analysis of performance

Status of fish stocks

The Western Tuna and Billfish Fishery has continued to operate at low levels of effort, largely due to economic conditions. In 2016–17, catch levels for each of the four main target species were slightly lower than in 2015–16 but were consistent with average levels.

Domestically, the total allowable commercial catches for all the key commercial species are currently considered to be appropriate and of no concern to the regional stock status. However, as the Western Tuna and Billfish Fishery target species are managed internationally, there are concerns regarding the stock status of striped marlin and yellowfin tuna. Both are considered to be subject to overfishing within the wider Indian Ocean. Updated stock assessments for both striped marlin and yellowfin tuna are due to be completed in 2018.



Albacore tuna.
Photo courtesy: AFMA

Fishery management arrangements

In July 2015 a major management change in the Western Tuna and Billfish Fishery was the implementation of e-monitoring and this continued through 2016–17. All full-time (fish for more than 30 days per season) active boats in the Western Tuna and Billfish Fishery now have a system of cameras and sensors installed to monitor all fishing operations. Footage is recorded when fishing operations are occurring to verify logbook records. All fishing operations on full-time boats are now monitored, with 10 per cent of all longline shots (minimum of one shot per boat, per month) reviewed and compared to the logbook reports. Regular feedback reports are provided back to Western Tuna and Billfish Fishery operators to inform them of their reporting performance. Since the implementation of e-monitoring, preliminary analysis has indicated an improvement in logbook reporting.

AFMA continues to monitor protected species interactions in the fishery. In the 2016–17 summer season, an increase in seabird interactions was reported in the Western Tuna and Billfish Fishery and AFMA is responding to that increase as required under the *Seabird Threat Abatement Plan 2014*.

Heard Island and McDonald Islands Fishery



Estimated catch 2016–17
3,632 tonnes



Performance results

Performance criteria (AFMA Corporate Plan 2016–19)	2016–17 Target	2016–17 Actual
Number of fish stocks subject to overfishing <i>(The number of stocks where the level of catches by fishery operators is likely to result in stock becoming overfished)</i>	0	0
The number of stocks that are assessed as overfished and, unless effectively managed, may lead to the stock not being sustainable	n/a	0

Stock status of target species

Common name <i>(scientific name)</i>	Latest available status assessment			
	2015		2016	
	Fishing mortality	Biomass	Fishing mortality	Biomass
Mackerel icefish (<i>Champsocephalus gunnari</i>)				
Patagonian toothfish (<i>Dissostichus eleginoides</i>)				

■ Biomass Not overfished	■ Uncertain	■ Biomass Overfished
■ Fishing Mortality Not subject to overfishing		■ Fishing Mortality Subject to overfishing

Source: Patterson, H, Noriega, R, Georgeson, L, Larcombe, J and Curtotti, R 2017. Fishery status reports 2017, Australian Bureau of Agricultural and Resource Economics and Sciences, Canberra. CC BY 4.0

Management Plans/Arrangements

The Heard Island and McDonald Islands Fishery is managed in accordance with the *Heard Island and McDonald Islands Fishery Management Plan 2002* and the conservation measures mandated by the Commission for the Conservation of Antarctic Marine Living Resources. All operations conducted in the fishery were in compliance with the performance criteria outlined in the management plan. Four vessels operated in the fishery during 2016–17. Three vessels were longliners and one vessel was a trawler/longliner.

There were no changes to the *Heard Island and McDonald Islands Fishery Management Plan 2002* during the 2016–17 period.

Analysis of performance

Performance – status of fish stocks

In November 2016, the AFMA Commission set the Heard Island and McDonald Islands Fishery total allowable catches at 3405 tonnes for patagonian toothfish and 561 tonnes for mackerel icefish for the 2016–17 fishing year. While recognising that there had been a drop in recent catch rates that was raising some concerns, Commissioners also recognised that the current total allowable catch level set by the Commission for the Conservation of Antarctic Marine Living Resources (to which Australia is a member country), should not unreasonably impact on long term sustainability of patagonian toothfish stocks.

The Sub-Antarctic Resource Assessment Group and Sub-Antarctic Management Advisory Committee supported the Heard Island and McDonald Islands Fishery total allowable catches for the 2016–17 fishing year.

Performance – status of bycatch

To allow vessels access to more fishing time, the 2016–17 Heard Island and McDonald Islands Fishery longline fishing season was extended under a trial arrangement. The core longline fishing season extends from 1 May to 14 September. Under the trial, longlining can occur from 1 April 2017 to 30 November 2017 for approved vessels. Strict rules are in place around interactions with seabirds during the autumn and spring extension periods, when seabird activity increases around Heard Island and McDonald Islands. If three or more seabirds are caught and killed by fishing gear during the trial extension periods, that vessel can no longer fish by longline in the extension periods.



External reviews

Management of the Heard Island and McDonald Islands Fishery is reviewed internationally by the Commission for the Conservation of Antarctic Marine Living Resources. The Heard Island and McDonald Islands Fishery lies within the area of Conservation of Antarctic Marine Living Resources. The Commission for the Conservation of Antarctic Marine Living Resources meets each year and, among other things, considers catch limits and bycatch management for the Heard Island and McDonald Islands Fishery.

The Heard Island and McDonald Islands Fishery stock assessment for patagonian toothfish is considered and endorsed by the Commission for the Conservation of Antarctic Marine Living Resources.

During 2016–17 the patagonian toothfish assessment also underwent an independent scientific review conducted by Dr Tony Smith. A number of recommendations from this review will be implemented in 2017–18 and beyond to improve the stock assessment.



*Iceberg off Heard Island in the southern ocean.
Photo courtesy: Alex Inwood, observer*

Macquarie Island Toothfish Fishery



Estimated catch 2016–17
316 tonnes

Performance results

Performance criteria (AFMA Corporate Plan 2016–19)	2016–17 Target	2016–17 Actual
Number of fish stocks subject to overfishing <i>(The number of stocks where the level of catches by fishery operators is likely to result in stock becoming overfished)</i>	0	0
The number of stocks that are assessed as overfished and, unless effectively managed, may lead to the stock not being sustainable	n/a	0

Stock status of target species

Common name <i>(scientific name)</i>	Latest available status assessment			
	2015		2016	
	Fishing mortality	Biomass	Fishing mortality	Biomass
Patagonian toothfish (<i>Dissostichus eleginoides</i>)				

■ **Biomass** Not overfished
■ **Fishing Mortality** Not subject to overfishing
 ■ Uncertain
 ■ **Biomass** Overfished
■ **Fishing Mortality** Subject to overfishing

Source: Patterson, H, Noriega, R, Georgeson, L, Lacombe, J and Curtotti, R 2017. Fishery status reports 2017, Australian Bureau of Agricultural and Resource Economics and Sciences, Canberra. CC BY 4.0

Management Plans/Arrangements

The Macquarie Island Toothfish Fishery is managed in accordance with the *Macquarie Island Toothfish Fishery Management Plan 2006*. All operations conducted in the fishery were in compliance with the performance criteria outlined in the management plan. As at June 2017, one vessel had operated in the fishery during 2016–17 fishing season.

There were no changes to the *Macquarie Island Toothfish Fishery Management Plan 2006* during the 2016–17 period.



Analysis of performance

Performance status of fish stocks

In March 2016, the AFMA Commission set the Macquarie Island Toothfish Fishery total allowable catch for patagonian toothfish at 450 tonnes. Catch limits for bycatch species were set at 50 tonnes for each other species, consistent with previous years.

The Macquarie Island Toothfish Fishery has been divided into three regions, noting that toothfish within these three regions are considered to be a single stock. Industry agreed to, as far as possible, adopt a fishing strategy endorsed by the Sub-Antarctic Fisheries Resource Assessment Group which spreads fishing effort across the three regions. The voluntary strategy allows more tags to be deployed in the Northern Macquarie Region where the Sub-Antarctic Fisheries Resource Assessment Group agreed tagging would be most useful in improving scientific knowledge and reducing uncertainty in the stock assessment.

External reviews

There has been no external review of the fishery in 2016–17.



*Patagonian Toothfish.
Photo courtesy: AFMA*

High Seas Permits



Estimated catch 2016-17

264 tonnes

Major species:

- Orange roughy
- Alfonsino
- Blue-eye trevalla
- Jackass morwong
- Yellowtail kingfish
- Smooth oreodory
- Spikey oreodory
- Redthroat emperor
- Boarfish
- Cardinal fish
- Rubyfish.

Insufficient information is available to enable the fishery-wide determination of stock status for any of the high-seas demersal fish stocks in the South Pacific Regional Fisheries Management Organisation and the Southern Indian Ocean Fisheries Agreement areas of competence.

Management Plans/Arrangements

High seas permits continue to be managed consistent with conservation and management measures applying under the South Pacific Regional Fisheries Management Organisation and the Southern Indian Ocean Fisheries Agreement. AFMA implemented new conservation and management measures (see paragraph below) applying under the Southern Indian Ocean Fisheries Agreement in 2016. Operational requirements are implemented through conditions on high seas permits.

High seas permits allow Australian flagged vessels to fish for non-highly migratory species outside the Australian Fishing Zone in the Southern Indian and South Pacific Oceans. The fishing areas are designated through the Southern Indian Ocean Fisheries Agreement and the South Pacific Regional Fisheries Management Organisation, to both of which the Australian Government is a party.



Analysis of performance

New conservation and management measures relating to the prohibition of deepwater gillnets and large-scale pelagic driftnets, the management of bottom fishing and data standards were adopted by the Southern Indian Ocean Fisheries Agreement meeting of the parties in July 2016. These measures are important to ensure the ecological sustainability of fisheries in this area and have been implemented through High Seas Permits.

Australia hosted the 2017 South Pacific Regional Fisheries Management Organisation Commission in Adelaide in January 2017, preceded by a meeting of the Compliance and Technical Committee. A key outcome from this meeting was progressing the establishment of a Vessel Monitoring System as a critical tool to ensure compliance with conservation and management measures and in combating illegal, unreported and unregulated fishing in the convention area.

Non-operational fisheries

Commercial operators were not working in the following Commonwealth fisheries during 2016-17.

Norfolk Island Fishery

The Norfolk Island Fishery has no formal management plan and there are currently no commercial fishing concessions in this fishery. The fishery is managed by the Norfolk Island Regional Council in accordance with the Norfolk Island Inshore Fishery Policy 2009. The associated Memorandum of Understanding has enabled AFMA to provide management expertise and guidance to the Norfolk Island Regional Council and the Norfolk Island Fishing Association as required.

We are working with the Norfolk Island Fishing Association and other government agencies on future management arrangements following the reforms to the governance of Norfolk Island in 2015.

No stock assessments or biomass estimates for species taken within the Norfolk Island Fishery have been made. No stock status classifications have been given to this fishery as there are no defined stocks for management purposes.

Skipjack Tuna Fishery

Stock status of target species

Common name <i>(scientific name)</i>	Latest available status assessment			
	2015		2016	
	Fishing mortality	Biomass	Fishing mortality	Biomass
Indian Ocean skipjack tuna <i>(Katsuwonus pelamis)</i>				
Western and Central Pacific Ocean skipjack tuna <i>(Katsuwonus pelamis)</i>				

Biomass Not overfished
 Fishing Mortality Not subject to overfishing
 Uncertain
 Biomass Overfished
 Fishing Mortality Subject to overfishing

Source: Patterson, H, Noriega, R, Georgeson, L, Larcombe, J and Curtotti, R 2017. Fishery status reports 2017, Australian Bureau of Agricultural and Resource Economics and Sciences, Canberra. CC BY 4.0



The fishery is managed in accordance with the Skipjack Tuna Harvest Strategy, the statement of fishery management arrangements and fishing concession conditions.

Effort in the fishery has remained at very low levels since 2008 for economic reasons. There were no new management arrangements implemented in the fishery in 2016–17. There are 19 Eastern Skipjack Tuna Fishery permits and 14 Western Skipjack Tuna Fishery permits. However no Australian vessels are currently targeting skipjack tuna.

South Tasman Rise Fishery

Stock status of target species

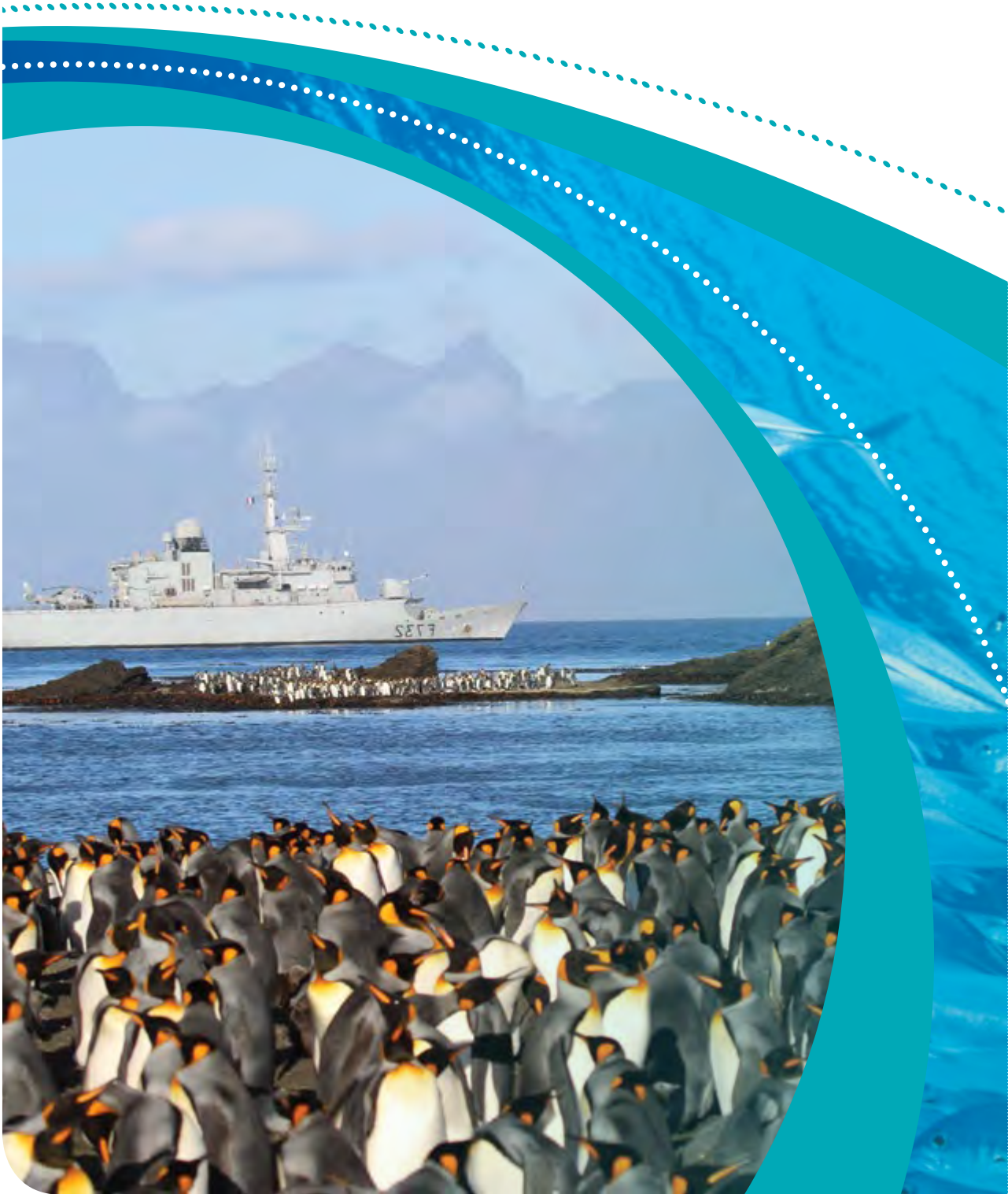
Common name (<i>scientific name</i>)	Status			
	2015		2016	
	Fishing mortality	Biomass	Fishing mortality	Biomass
Orange roughy (<i>Hoplostethus atlanticus</i>)				

Biomass Not overfished
Fishing Mortality Not subject to overfishing
 Uncertain
 Biomass Overfished
Fishing Mortality Subject to overfishing

Source: Patterson, H, Noriega, R, Georgeson, L, Larcombe, J and Curtotti, R 2017. Fishery status reports 2017, Australian Bureau of Agricultural and Resource Economics and Sciences, Canberra. CC BY 4.0

The South Tasman Rise Fishery forms part of Australia’s fishing footprint under the South Pacific Regional Fisheries Management Organisation but has been closed to fishing since 2007. The area is also subject to a memorandum of understanding for cooperative management between Australia and New Zealand established in 1998. New Zealand has not fished the South Tasman Rise since the end of the 2000–01 fishing season.

Resumption of fishing will require prior agreement between Australia and New Zealand on issues such as an appropriate total allowable catch setting and a new harvest strategy.





Part 4

Management and Accountability

Corporate governance practices

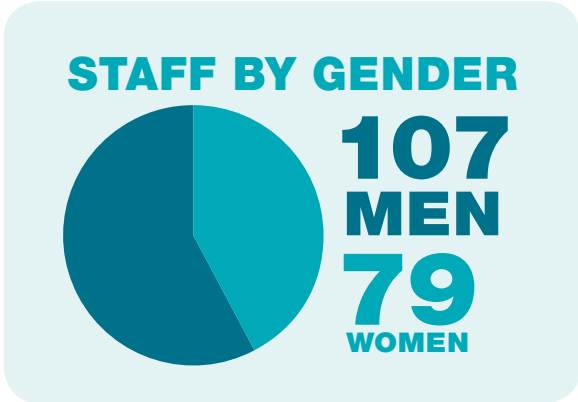
Purchasing

People management



*Photo opposite: French ship Nivose Possession Island.
Photo courtesy: Cameron James, AFMA*

PART 4 – SUMMARY





CORPORATE GOVERNANCE PRACTICES

Governing body

As provided for in the *Fisheries Administration Act 1991*, AFMA was established to manage Commonwealth commercial fisheries. As a non-corporate government entity, AFMA as a statutory body forms part of the Commonwealth government and therefore can sue and in turn be sued. As such AFMA does not hold money and all financial liabilities are taken to be liabilities of the Commonwealth.

Domestic fisheries management functions and powers are the responsibility of the AFMA Commission. The Chief Executive Officer is responsible for assisting the Commission, including giving effect to its decisions. The Chief Executive Officer is separately responsible for exercising AFMA's foreign compliance functions and powers.

The Commission is subject to limited government policy direction as stated in s91 of the *Fisheries Administration Act 1991*. The minister is the approving authority for AFMA's Corporate Plan, Annual Operational Plan and all Fishery Management Plans determined by AFMA.

The Minister for Agriculture and Water Resources appoints the chairman, part-time commissioners and the Chief Executive Officer. Following advice from the chairman, the minister appoints a part-time commissioner as deputy-chairperson.

The Chief Executive Officer is the Accountable Authority under the *Public Governance, Performance and Accountability Act 2013* and is the Agency Head under the *Public Service Act 1999*.

The Chief Executive Officer is subject to Ministerial Direction with regard to the Authority's foreign compliance functions, and under the *Public Service Act 1999* is required to be responsive to government in implementing the government's policies and programs.

For more information about AFMA's Commissioners, see Appendix 1 to this report.

Disclosure of interests

Commissioners must disclose to the Minister for Agriculture and Water Resources any pecuniary or other interest that may relate to their AFMA functions, both prior to appointment and if such interests arise during their terms of office. Disclosures of interests are kept on a register of interests held

by AFMA. Where a commissioner declares they have an interest in a matter for consideration by the Commission it will initiate a procedure to determine the action required to safeguard the integrity of the Commission's decisions.

Performance review

The Commission reviews its performance at each Commission meeting. Matters reviewed address the effectiveness of the Commission in its decision making, corporate governance and maintenance of stakeholder relationships.

Internal scrutiny

AFMA strives to ensure that governance arrangements, together with the associated systems and processes used, are the best they can be. To this end we utilise internal audits as an essential tool to independently identify any deficiencies in these processes and control systems whilst at the same time providing opportunities to deliver better practices that will improve the efficiency, cost effectiveness and transparency of our management and regulatory arrangements.

During 2016–17, after a competitive procurement process, AFMA engaged a new independent auditor for three years, due to the previous internal auditor contract expiring.

In June 2017, the internal auditor in collaboration with AFMA management and the AFMA Audit and Risk Committee established a new Strategic Internal Audit Plan. The Strategic Internal Audit Plan outlines the intended audits that will be conducted over the next three years. These proposed audits are intended to address high level risks that have been identified as part of our Risk Management Process.

Prior to finalising the Strategic Internal Audit Plan, the independent auditor completed two interim audits in the latter half of 2016–17 on the following areas of AFMA's business operations:

- Quality Management System readiness review
 - An assessment of AFMA's readiness to implement an ISO 9001 compliant Quality Management System
- Research Program review
 - A review of the processes and procedures AFMA uses in the management of contracted research.



The recommendations from these audits will be considered by AFMA management and work undertaken to implement them monitored by the AFMA Audit and Risk Committee during 2017–18.

We have also established a number of standing committees which provide oversight and governance over other key operational activities. These committees include the Project Governance Committee and the Information Governance Committee. The Chief Executive Officer has maintained the Audit and Risk Committee to also provide internal scrutiny of AFMA operations. Descriptions of these committees are provided in Appendix 1.

External scrutiny

AFMA's financial statements are audited annually by the Australian National Audit Office. The Office examines the strength of our internal controls to obtain reasonable assurance about whether the annual financial statements as a whole are free from material misstatement. The results of their audit are presented in their report on the financial statements accessible in part 5 of this report.

The Audit Office retains an understanding of AFMA, the environment in which we operate, our objectives and strategies and internal controls. This includes acquiring an understanding of the information systems and related business processes relevant to our financial reporting objectives (including the accounting system) and how we have responded to any related financial reporting risks. Relevant Audit Office performance audits or internal audit activity are considered as part of this process.

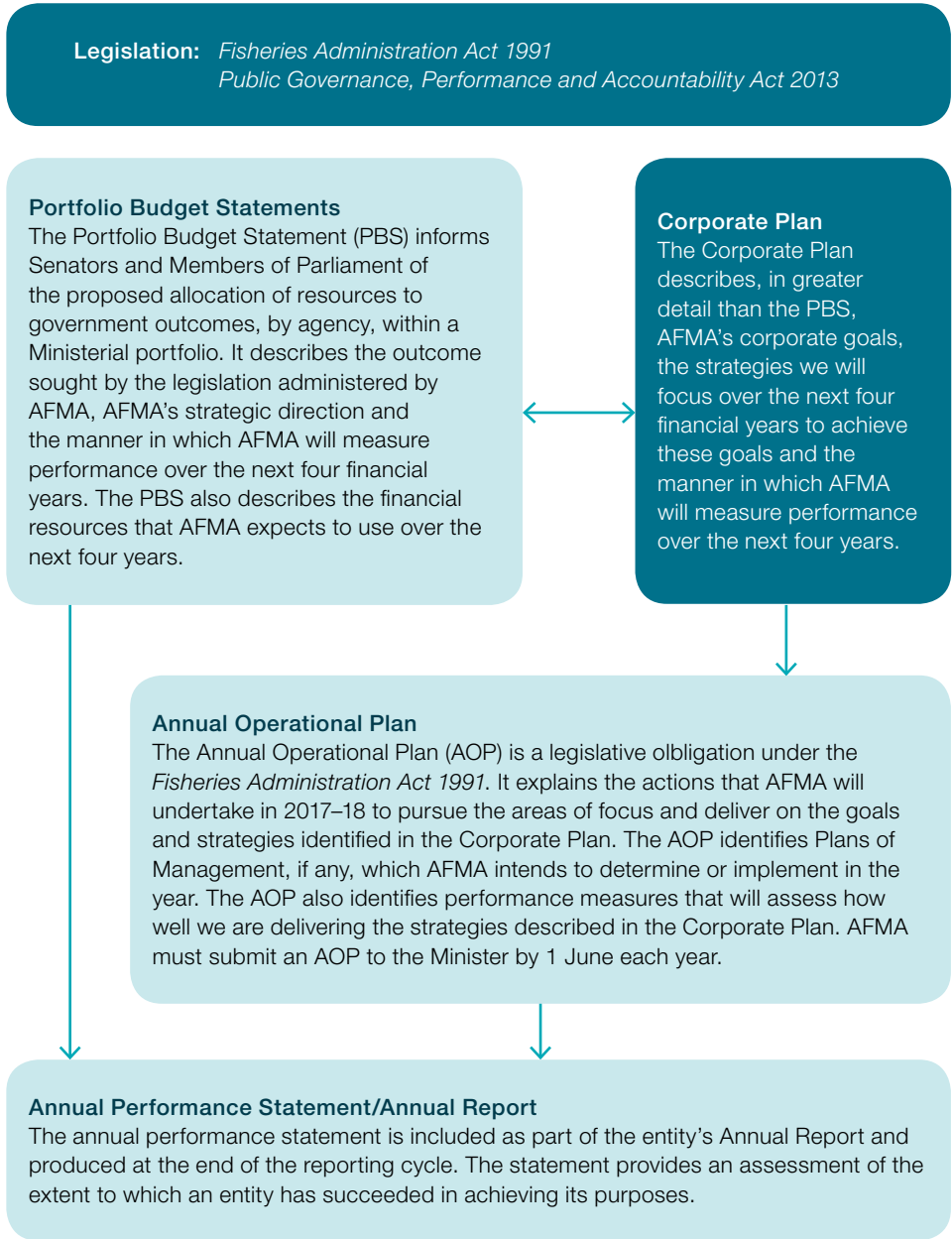
AFMA's performance is also subject to review through Senate Estimates. Parliament may also review and disallow legislative instruments proposed by AFMA as part of its delegated functions.

Outcomes of judicial and administrative tribunals are referenced at Appendix 2: 'Civil Litigation Outcomes'.

In October 2016 we responded to the Productivity Commission's draft report on the inquiry on Marine Fisheries and Aquaculture, which looked at ways to improve the regulation of Australia's marine fisheries so as to enhance their productivity. The Australian Government's response to the Productivity Commission report: *Inquiry into regulation of the Australian marine fisheries and aquaculture sectors* was released in May 2017.

Corporate planning and reporting

AFMA's Planning and Reporting Framework is consistent with the obligations under the *Fisheries Administration Act 1991*, whole-of-government requirements under the *Public Governance, Performance and Accountability Act 2013* and *Public Governance Performance and Accountability Rule 2014*. These obligations together with our own internal documents support good governance. The key elements are:





Section Plans

Every business unit within AFMA is required to develop section plans. These plans ensure that business activity across the agency is both coordinated and focused on delivering directly to AFMA's objectives as outlined in our annual operating plan. These plans form the basis of allocating resources to the various business activities and/or specific projects that directly support the outcomes of the Annual Operational Plan. The section plans also inform individual staff performance plans against which officers are assessed throughout the reporting period in accordance with our performance development scheme.

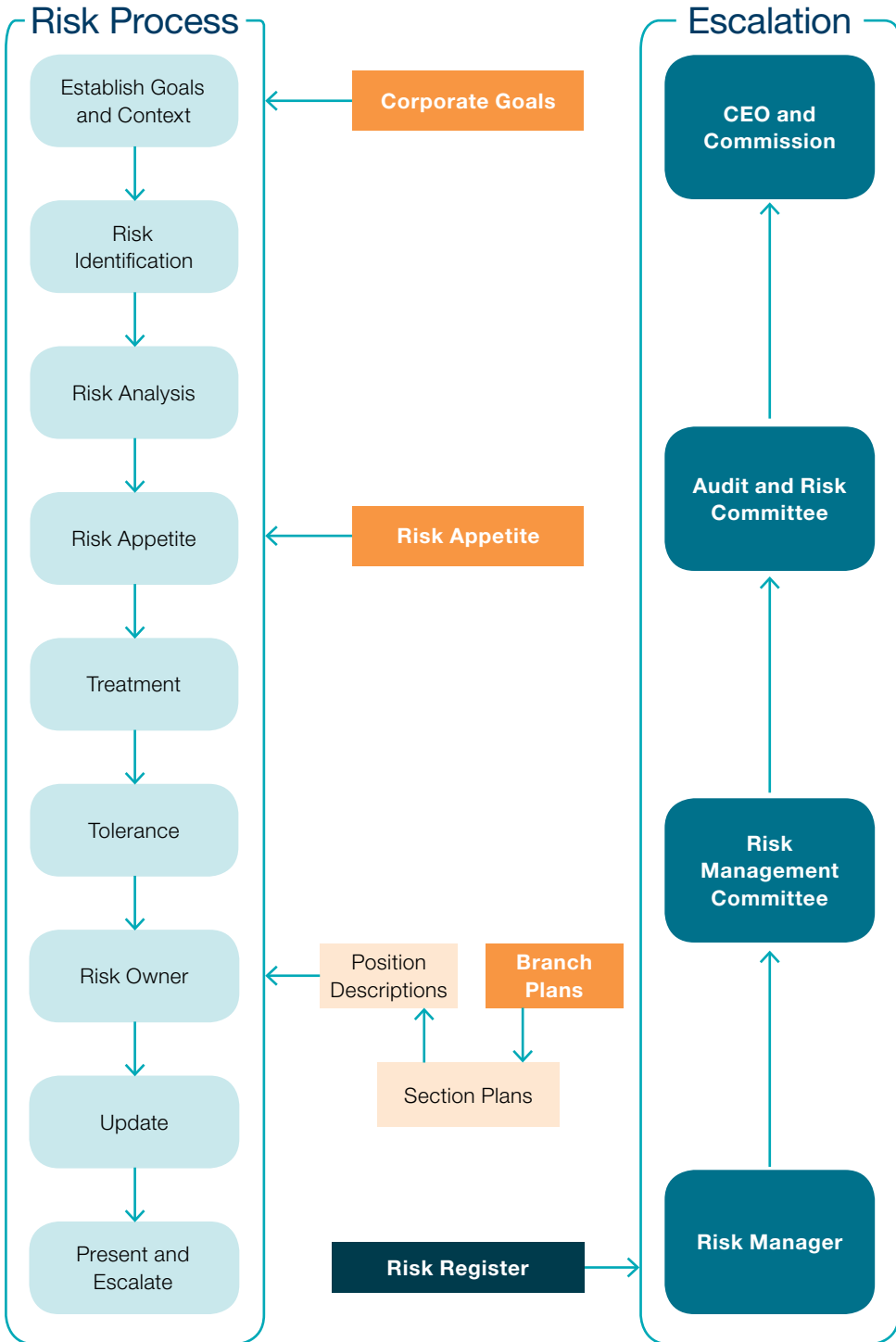
Risk management

AFMA's corporate risk management procedures were reviewed in 2015 and a new Risk Management Framework approved in November 2016. The framework incorporates a Risk Management Policy and Risk Management Guidelines that are consistent with the Commonwealth Risk Management Policy and international standards (ISO 31000:2009). The framework is aligned with AFMA's corporate goals to ensure all staff remain focused on achieving those goals while managing the identified risks associated with them. This approach ensures that staff at all levels of the agency are responsible for participating in risk management processes and delivers cost-efficient fisheries management by allowing our managers to make informed decisions and assign resources effectively.

As part of the review, AFMA also established in early 2017, a two tier risk monitoring and reporting process in accordance with our Risk Management Policy and Risk Management Guidelines.

The lower tier level Enterprise Risk Register forms the nucleus to identifying and monitoring risks throughout the agency associated with its operational activities. This 'living' document will assist AFMA officers to address risks posed by their operational activity and feeds into the higher tier Strategic Risk Register. The Strategic Risk Register has been designed to align/map identified risks outlined in the Enterprise Risk Register to the corporate goals as set out in the AFMA Corporate Plan. Both registers have been endorsed by the AFMA Commission and the AFMA Audit and Risk Committee.

Our risk management process is illustrated below:



Business Continuity

AFMA's business continuity plan identifies a tiered response to essential business activities that we consider are critical to maintain and provides guidance to AFMA management in establishing alternative arrangements in the event of unexpected disruption to normal service delivery. The plan enables the priority allocation of resources to critical business processes to ensure that AFMA continue to function effectively following a significant disruption. The plan includes emergency contacts, cyclone response procedures for our Darwin and Thursday Island offices and information and communications technology disaster recovery protocols. The business continuity plan is tested, reviewed and updated annually, and monitored by the AFMA Audit and Risk Committee.

During 2016–17 an incident at AFMA's Canberra office on 3 April 2017 prompted the activation of the business continuity plan. The incident involved fumes from a defective battery in our computer server room which polluted the air on level four of the office. Officers were evacuated from the immediate area and relevant maintenance contractors contacted. No officers were hurt during the incident and the problem was quickly identified and corrected. AFMA conducted a post incident assessment following this incident noting that the business continuity procedures operated effectively with only minor improvements required.

Project Management Framework

In April 2017, AFMA implemented a new approach to the governance arrangements around projects we undertake. We developed a new strategic delivery framework which supports the delivery of all major projects across the organisation in line with the outcomes of our Annual Operational Plan or corporate plan.

The framework has been developed to support improved governance oversight and increased accuracy in relation to resourcing and managing major project work we undertake. The focus is on detailed planning, reporting and governance. A review Committee, made up of AFMA's Executive, oversees the delivery of relevant project work.

Development of the framework has provided defined project management processes and systematic reporting. Co-ordination of this function is undertaken through the Committee Secretariat, based in AFMA's Corporate Risk Team.

Information Management

AFMA has fully implemented an Electronic Documents and Records Management System. All staff have access to the Electronic Documents and Records Management System and have been trained in its use. Training continued with one to one sessions or in small groups being provided for new starters or staff

who needed a refresher course. The Electronic Documents and Records Management System has provided opportunities to review some internal current paper based processes and change over to a digital based process.

The Electronic Documents and Records Management System is and will be a key element in the efficient storage, retrieval and use of information in AFMA and an important means of meeting the requirements of the Government's Digital Continuity 2020 Policy and related standards. The Electronic Documents and Records Management System will also support our objective of utilising more of our digital information to enable more efficient digital service delivery, increasing opportunities for information sharing and to improve business decisions based on good information.

Work has commenced on reviewing the information governance documents such as the framework and policy to ensure that a complete digital recordkeeping environment is achieved within AFMA. Work has also commenced on the development of an information management strategy.

Fraud Control

In February 2017, AFMA finalised a new Fraud Policy which complements the new Fraud Control Plan for 2017–2019. The Fraud Policy applies to AFMA staff (and contractors) and outlines our zero tolerance policy to fraud. AFMA has in place appropriate fraud prevention, detection, investigation and reporting procedures that meet the specific needs of the organisation. These mechanisms and procedures are regularly tested to ensure that they remain relevant and fit for purpose for AFMA. Both the new Policy and Control Plan meet AFMA's requirements under section 10 of the *Public Governance, Performance and Accountability Rule 2014*.

The Fraud Policy does not apply to fraud committed by parties external to AFMA, such as domestic or foreign fishers operating in the Australian Fishing Zone. The investigation of such fraud is undertaken by investigating officials within AFMA's Fisheries Operations Branch, or in some cases the Australian Federal Police.

Domestic matters

AFMA investigated 162 new external fraud related matters during 2016–17. These were primarily associated with breaches of the domestic quota management arrangements, failure to fit AFMA's Vessel Monitoring System, e-monitoring system or have it operating at all times, breaching species trip



limits, failure to report interaction/retention of protected or prohibited species, mishandling of bycatch, retaining 'no-take' species, unauthorised and unlicensed fishing and failure to accurately complete logbooks. An additional 25 external fraud matters were carried over from the previous year.

We finalised 163 external fraud matters as a result of instituting either administrative or prosecution action. There are still 24 matters currently under investigation, referred to the Commonwealth Director of Public Prosecutions, in court or otherwise in the process of finalisation.

Foreign matters

In 2016–17, 15 foreign fishing vessels were apprehended in Australian waters. Six were from Indonesia, one Papua New Guinea and eight from Vietnam. Of the total 192 foreign fishers detained from these vessels, 137 were prosecuted and convicted for offences relating to the illegal use of a foreign fishing vessel in the Australian Fishing Zone. All matters were finalised by 30 June 2017.

Audit and Risk Committee

AFMA's Audit and Risk Committee provides independent assurance and advice to the Chief Executive Officer and the AFMA Commission on AFMA's financial reporting, performance monitoring, systems of risk oversight and management and systems of internal control.

For further information on the Audit and Risk Committee see Appendix 1.

Compliance with finance law

In accordance with paragraph 19(1)(e) of the *Public Governance, Performance and Accountability Act 2013* AFMA must include a statement in the annual report on any significant issues reported to the responsible minister that relate to non-compliance with the finance law in relation to the entity. If such a statement has been included in the annual report, the *Public Governance, Performance and Accountability Rule 2014* also requires the annual report to include an outline of the actions taken to remedy the non-compliance.

AFMA's review of compliance for 2016–17 with finance law (the *Public Governance, Performance and Accountability Act 2013* and associated rules and instruments) indicates that there are no significant matters that warrant reporting to the minister.

PURCHASING

During 2016-17 AFMA has made a concerted effort to review and update our policies and procedures around procurement and contract management to drive improved performance with respect to our responsibilities under the Commonwealth Procurement Rules.

Our approach to procurement and contract management is based on a self-service model enabling officers at all levels within the organisation to undertake procurement and contract management activities within a clearly defined framework.

The relevant policies, procedures, tools and process maps are all easily accessible on our intranet for staff to utilise. Importantly, a procurement and contract management training package has been developed and delivered across the organisation. To further support procurement and contract management capabilities within AFMA, a Community of Practice has been fostered so that experience can be shared across the agency.

Contracts

ANAO Access clauses

All contracts valued at \$100 000 or more (GST inclusive) let during the year allow the Auditor-General to have access to the contractor's premises.

Exempt Contracts

The Chief Executive Officer did not exempt any contracts let during 2016-17 from being published on AusTender on the basis that publication would disclose exempt matters under the *Freedom of Information Act 1982*.

Advertising campaigns

AFMA did not conduct any advertising campaigns during the year.

Discretionary grants

AFMA did not administer any grants during the year.

FEATURE STORY

Please like me! Six months on social media.



In December 2016, AFMA dared to go where it hadn't ventured before. Into that unknown, previously unexplored galaxy of...

(insert Star Wars music) social media... (Check out our Star Wars inspired 'May the Fourth be with you' post on 4 May!)

That's right on 5 December 2016, AFMA established its first social media presence with the introduction of a Facebook account.

The growth of the page has been steady since its introduction. As at 30 June 2017, the page had just over 1000 followers.

Increased stakeholder engagement was one of the main drivers for AFMA's social media presence. In the past six months, posts have been made about public comment periods, illegal fishing apprehensions, and general 'did you know?' about Commonwealth fisheries and their management (and even the occasional 90s pop culture reference inspired by our 25th birthday celebrations this year!).

The tool is also being used to communicate that the reason Australians have a sustainable supply of local, Australian seafood is thanks to the strict and science based management of Commonwealth fisheries. Each Friday, this is celebrated with 'Fish Friday', whereby a recipe 'starring' one of the many Commonwealth species is featured.

In 2017–18 AFMA will look at additional social media channels like Twitter, LinkedIn and Instagram to help provide information to stakeholders.

Find us at [facebook.com/AustralianFisheriesManagementAuthority/](https://www.facebook.com/AustralianFisheriesManagementAuthority/) or [@australianfisheriesmanagementauthority](https://www.instagram.com/australianfisheriesmanagementauthority)

PEOPLE MANAGEMENT

Our employees

As at 30 June 2017, AFMA employed 186 employees (based on head count): 163 were ongoing and 23 were non-ongoing. These numbers do not include six employees on long-term leave.

There were 139 employees located in AFMA's Canberra office, 23 employees located in the Darwin office, six employees on Thursday Island and one employee in Lakes Entrance undertaking industry liaison. A further 17 casual field observers undertake duties on commercial fishing vessels around Australia.

Our employment profile has not significantly changed from 2015-16.

The proportion of part-time employees (excluding casual observers) has decreased slightly to 9.6 per cent in 2016-17 compared to 11.6 per cent in 2015-16.

The proportion of females has increased to 42.4 per cent from 38 per cent in the previous financial year. The percentage of women at EL1-2 levels for 2016-17 has increased to 34.6 per cent from 27 per cent in the previous year.

There has been an increase in the number of employees from non-English speaking backgrounds with ten employees in 2016-17, up from seven in 2015-16.

As a comparison with the 2015-16 financial year, the number of employees who have at least one parent from a non-English speaking background has decreased from 29 to 25 with the number of employees members identifying as being Aboriginal or Torres Strait Islander increasing from four employees to six. In addition, employees who identified themselves as having a disability remained at one in 2016-17.



Equal opportunity profile of AFMA employees as at 30 June 2017

Level	NESB1	NESB2	People with disability	Aboriginal and Torres Strait Islander	Women	Men	Total employees at level
APS 2-4	2	5	0	4	24	30	54
APS 5-6	8	13	1	1	37	39	76
EL1	0	5	0	1	13	25	38
EL2	0	0	0	0	5	9	14
SES	0	2	0	0	0	4	4
Total	10	25	1	6	79	107	186

NESB1: Persons from a non-English speaking background who were born overseas.

NESB2: Persons whose parent/s is/are from a non-English speaking background.

Non-ongoing employees employed by location, gender and employment status as at 30 June 2017

Level	Location	Women		Men		Total employees at level
		Part time	Full time	Part time	Full time	
APS 1-2	Canberra	0	0	12	0	12
	Darwin	0	0	0	0	0
	Thursday Island	1	0	0	0	1
APS 3-4	Canberra	0	1	5	0	6
	Darwin	0	0	0	0	0
	Thursday Island	0	0	0	0	0
APS 5-6	Canberra	1	0	0	2	3
	Darwin	0	0	0	0	0
	Thursday Island	0	0	0	0	0
EL1	Canberra	0	0	0	0	0
	Darwin	0	0	0	0	0
	Thursday Island	0	0	0	0	0
EL2	Canberra	0	0	0	1	1
	Darwin	0	0	0	0	0
	Thursday Island	0	0	0	0	0
SES	Canberra	0	0	0	0	0
	Darwin	0	0	0	0	0
	Thursday Island	0	0	0	0	0
Total		2	1	17	2	23

* These figures include 17 observers who are engaged as APS 2/3 casual employees and are reported in the Canberra 'part time' figures.

Ongoing employees employed by location, gender and employment status as at 30 June 2017

Level	Location	Female		Male		Total employees at level
		Part time	Full time	Part time	Full time	
APS 1-2	Canberra	0	2	0	0	2
	Darwin	0	0	0	0	0
	Thursday Island	0	0	0	0	0
APS 3-4	Canberra	4	13	0	8	25
	Darwin	0	3	0	4	7
	Thursday Island	0	0	0	1	1
APS 5-6	Canberra	7	26	0	24	57
	Darwin	0	3	0	11	14
	Thursday Island	0	0	0	2	2
EL1	Canberra	4	9	1	23	37
	Darwin	0	0	0	0	0
	Thursday Island	0	0	0	1	1
EL2	Canberra	0	4	0	7	11
	Darwin	0	0	0	1	1
	Thursday Island	0	1	0	0	1
SES	Canberra	0	0	0	3	3
	Darwin	0	0	0	1	1
	Thursday Island	0	0	0	0	0
Total		15	61	1	86	163

This table excludes six employees on long term leave. These figures relate to the nominal occupants of the position and not employees who may be acting as at 30 June 2017. The SES figure also includes AFMA's CEO. The APS5-6 figure for Canberra includes an officer undertaking industry liaison located in Lakes Entrance.

Terms and conditions of employment

AFMA's Enterprise Agreement 2016

AFMA's Enterprise Agreement 2016 came into effect on 23 June 2016 and has a nominal expiry date of 22 June 2019. The agreement states the terms and conditions for all AFMA employees, excluding Senior Executive Service Officers.

Our Enterprise Agreement 2016 contains provisions that enable the CEO and an employee covered by the agreement to enter into an individual flexibility



agreements to vary the effect of terms of the agreement. The terms in which an employee may vary under the Enterprise Agreement include (but are not limited to) hours of work, overtime rates, penalty rates, allowances, remuneration and leave.

AFMA entered into 37 individual flexibility agreements for 30 employees during 2016–17 as outlined in the table below. Seven employees entered into multiple agreements therefore the number of agreements is higher than the number of employees.

Individual flexibility agreements for 2016–17

Classification	Number
APS 1	0
APS 2	1
APS 3	2
APS 4	5
APS 5	5
APS 6	9
EL1	13
EL2	2

Remuneration

AFMA's salary ranges are contained in AFMA's Enterprise Agreement 2016. The salary minimum and maximum amounts at each classification as at 30 June 2017 are shown in the table below.

Enterprise agreement salary ranges as at 30 June 2017

Classification	Minimum	Maximum
APS 1	\$42 981	\$50 228
APS 2	\$53 850	\$57 477
APS 3	\$58 945	\$64 062
APS 4	\$66 619	\$71 226
APS 5	\$73 419	\$77 761
APS 6	\$82 100	\$90 788
EL1	\$100 995	\$112 250
EL2	\$118 488	\$138 139

AFMA does not have performance bonuses.

AFMA's salary ranges for Senior Executive Service employees (three) are contained in our Executive Remuneration Policy. The salary range amounts as at 30 June 2017 are shown in the table below.

Salary ranges for Senior Executive Service employees

Classification	Minimum	Maximum
SES Bands 1 and 2	\$165 529	\$232 529

The remuneration of senior executives is determined with reference to the remuneration survey published by the Australian Public Service Commission and is commensurate with the assessed complexity of their work. Senior executives are not eligible for a bonus payments. In addition to the salary ranges above, and as part of their total remuneration package, senior executive officers are also eligible to access other provisions including salary in lieu of a vehicle and car parking. Due to the small numbers of senior executives within AFMA, further breakdown of senior executive remuneration packages is not made available to avoid identification of individuals.

Remuneration for the CEO is determined by the Remuneration Tribunal. Details are available from the Remuneration Tribunal website.

AFMA did not make use of any non-salary benefits in 2016-17.

Human resource management

Ethical Standards

In working towards AFMA's goals and objectives, staff are expected to maintain the highest standards of business and personal ethics. These expectations are underpinned by:

- APS Code of Conduct
- APS Values
- AFMA's Conduct and Ethics Policy
- AFMA's Respect: ensuring a positive workplace culture free from bullying and harassment policy.



Australian Public Service Employee Census

Each year, AFMA employees are invited to participate in the Australian Public Service Commission's Employee Census. The census gathers feedback and allows us to address specific issues and shape future priorities. For 2017, AFMA's response rate to this survey was 75 per cent, slightly down from 79 per cent in 2016. This was above the average of the Australian Public Service which saw an overall participation rate of 71 per cent.

Results from the 2016 census (latest available) indicated that we performed well against the areas of workplace culture and agency engagement. The results showed the majority of employees enjoyed working in their current role.

In response to other less positive survey results, AFMA established five key improvement groups with the aim of seeking continuous improvement for the agency in the areas of performance management, health and wellbeing, professional development, recruitment and bullying and harassment. Each of the key improvement groups developed a number of recommendations which resulted in the development of an action item plan.

In accordance with the plan, we have implemented a number of training programs including Mental Health First Aid Training (mandatory for Executive Level employees), Resilience Training, Unconscious Bias, Cultural Effectiveness, Getting that Selection Right (recruitment) and Giving and Receiving Feedback.

A review of the Recruitment and Selection Policy has also taken place with the new policy being implemented from 1 July 2017. The new policy focuses on a streamlined approach to recruitment and the introduction of new templates and advice for selection panels.

AFMA has an ongoing commitment to improve and will continue to implement the action plan in 2017–18.

AFMA Rewards and Recognition Program

The AFMA achievement awards recognise individual and team achievements throughout the year and are determined by the Chief Executive Officer and branch heads upon the recommendation of any member of staff. The awards are presented in a ceremony each year which is hosted by the Chief Executive Officer. We recognise that building a culture that values its employees and recognises performance is critical to retaining the best people. The 2016 achievement awards were presented in December 2016. A total of 23 nominations were received with 18 individual and 5 team nominations.

The individual achievement recipients for 2016 were Ms Natalie Couchman and Mr Don Bromhead. Ms Couchman was recognised for her valuable contribution as a team player who was instrumental in progressing several key initiatives in the Foreign Compliance area. Mr Bromhead was recognised for his exceptional work developing the Ecological Risk Management Guide for fisheries.

The 2016 team achievement award recipient was the Ecological Risk Assessment and Management Team. This team demonstrated its high level of commitment to AFMA's mission and purpose and is recognised for its work producing the Ecological Risk Management guide. The team's successful interactions and negotiations with supporting agencies ensured AFMA's efforts relating to the protection of fish stocks and marine resources were widely acknowledged and supported.

In 2016 AFMA introduced four additional award categories. These were Unsung Hero, Good Citizenship, Collaboration/Helping/Mentoring and Bright Idea/Creativity.

Mr Luke Lamb received the Unsung Hero award and was recognised for working collaboratively throughout AFMA and providing recruitment services to employees.

Mr Scott Connors received the Good Citizenship award and was recognised for embodying all the characteristics of good citizenship and providing support across the agency.

Mr Brendan Rayner received the Collaboration/Helping/Mentoring award and was recognised for providing exceptional leadership and for his positive influence across AFMA.

Mr Andrew Powell received the Bright Idea/Creativity award and was recognised for driving the red tape reduction process over a number of years.

At the same ceremony, AFMA recognised 21 employees who have contributed more than ten of service to AFMA and two employees who had provided twenty years of service.



*Officers receiving ten year awards.
Photo courtesy: AFMA*

Each year AFMA offers employees the opportunity to nominate for an annual development award. The intention of the awards is to recognise and reward performance on the part of the individual whilst providing an opportunity for personal development that ultimately benefits both the individual and AFMA. We awarded development awards which supported employees to attend:

- the Australian and New Zealand Forensic Science Society International Symposium of Forensic Sciences (Auckland, New Zealand),
- the Eighth International Fisheries Observer and Monitoring Conference (San Diego, United States of America)
- a Certificate IV course in Human Resources (Sydney, Australia)
- HR Vision and Chartered Institute of Personnel and Development Annual Conference and Exhibition (United Kingdom)
- CFO Rising Conference (Singapore).

FEATURE STORY

Turning trash into treasure



Ghost nets are lost or abandoned fishing nets that drift with ocean currents (sometimes many hundreds of kilometres) and have the potential to entangle and kill marine life including seabirds, fish, sea turtles, dugongs and dolphins. They are largely found in Australia's northern waters after they have either been abandoned by illegal fishers or drifted in from foreign fishers operating further to the north of the Australian Fishing Zone.

In conjunction with other Australian Government agencies and local indigenous communities, AFMA detected 21 ghost nets across northern Australia during 2016–17. Fourteen nets were retrieved representing a retrieval rate of 67 per cent, a ten per cent increase on 2015–16. Rather than sending the retrieved nets to landfill, AFMA has begun providing art galleries and indigenous art centres with nets to be recycled as art.

To help raise awareness of ghost nets AFMA has commissioned several pieces from Erub Arts Centre, Pormparraaw Arts Centre and Gapuwiyak Culture and Arts Aboriginal Corporation to take pride of place in three AFMA offices in Thursday Island, Darwin and Canberra.

Commissioning indigenous artists to turn ghost nets into artwork not only produces wonderful creative pieces depicting the marine environments at the heart of their communities, but raises awareness about this important environmental issue.



Images (top to bottom): Crayfish and artist Solomon Charlie from Erub Arts. Ancestral Turtle and Artist Marrawakamirr (Susan) Marrawunggu from Gapuwiyak Culture and Arts.



Performance management

All employees are required to participate in AFMA's Performance and Development Scheme. The scheme ensures that:

- employees know what is expected of them
- individual and AFMA goals are aligned
- employees receive continuing feedback and improvement advice
- employees identify, plan and deliver on areas for individual learning, capability and career development.

To support the performance management process, we offered a range of training programs, including Giving and Receiving Feedback, Resilience in the Workplace and the AFMA Leadership and Talent Management Program to assist employees successfully undertake the requirements of the scheme.

Training and development

AFMA continued to invest in the learning and development of all employees through a range of in-house learning and development programs, including formal induction for all new employees.

Our 2016–17 corporate training plan clearly articulated our approach to learning and development. The plan identified a number of development priorities through capability plans submitted by employees, input from our Executive group and the Women in AFMA committee, along with those identified from results of the 2016 APS Employee Census and subsequent recommendations from the Key Improvement Working Groups.

AFMA provided in-house courses on 13 occasions during 2016–17 in accordance with the corporate training plan. These courses were attended by 144 employees in total (with some attending more than one course) and covered a range of issues including leadership, recruitment practices, mental health, behavioural profiling, resilience, giving and receiving feedback, unconscious bias, cultural effectiveness and a mentoring program.

A highlight this year was the completion of the mentoring program in June 2017. AFMA partnered with the Murray-Darling Basin Authority to offer Canberra based employees a collaborative Mentoring Program which took place over 12 months. There were 25 participants from AFMA who were required to have

regular meetings with their mentors/mentees in addition to attending three workshops which focused on:

- Personal Development
- Building Confidence
- Leadership.

Through this program, mentees were able to obtain guidance from their mentors and broaden their understanding of organisational issues and approaches. Mentors were able to gain insight into current issues for employees at lower levels and look at a different perspective on issues that may be facing them. Both mentors and mentees were provided the opportunity to develop skills in coaching and building relationships.

Study Assistance Program

AFMA's study assistance program assists employees to pursue studies that are directly related to our business, including assistance in the form of funding and/or study leave. In 2016-17, the program supported eight employees for studies in various areas including applied science, communications, commerce, government investigations and legal studies.

Employment programs

2016 Graduate Development Program

AFMA partners with the Department of Agriculture and Water Resources in recruitment and delivery of the Graduate Development Program. The program includes a combination of on-the-job-training, mentoring, a one week industry visit and a formal training program. AFMA engaged one graduate in 2016 who completed the following rotations:

- Rotation 1 – Northern Fisheries Section (AFMA)
- Rotation 2 – Human Resources Section (Department of Agriculture and Waters Resources)
- Rotation 3 – Communications Section (AFMA).

We also hosted two graduates from the Department of Agriculture and Water Resources during the second rotation.



Australian Public Service Commission Indigenous Traineeship Program

In focusing on building a more diverse workforce, AFMA participated in the Australian Public Service Commission Indigenous Traineeship Program (Trainee Program). The Trainee Program is an entry level employment program for Aboriginal and/or Torres Strait Islander people who are interested in working in the Australian Public Service. It provides a structured introduction to the skills and knowledge necessary to commence a rewarding career in the Service. We engaged an employee under the program in February 2016 who undertook a combination of on-the-job-training, mentoring and formal training. The trainee completed the Trainee Program in February 2017 and graduated with a Certificate IV in Government.

Stepping Into Program

The Stepping Into Program is an internship designed specifically for university students with a disability. In 2016 AFMA hosted one university student for paid work experience during the winter university break. The internship was undertaken within the Tuna and International Fisheries Section. The project involved researching the history of seabird catches and management changes in the Eastern Tuna and Billfish Fishery over the last 15 years and the success story of mitigating seabird bycatch in the Eastern Tuna and Billfish Fishery.

The program is coordinated through the Australian Network on Disability and has been well received within AFMA.

Australian National University Internships Program

The Australian National Internships Program gives undergraduate and postgraduate students an opportunity to work with Commonwealth agencies. During 2016–17, AFMA hosted one student who contributed to the following project – the examination of policy and operational practices that key overseas fishery management agencies use to encourage reduced discarding of commercial species.

Diversity

AFMA continued its commitment to build and provide opportunities for women as future leaders within the agency. The Women in AFMA Group is championed and chaired by Dr Nick Rayns, Executive Manager Fisheries Management Branch, and includes staff from a range of classification levels.

In recognition of the 2017 International Women's Day, AFMA partnered with the Murray Darling Basin Authority to present an all staff event. We were extremely honoured to welcome the following speakers:

- Katrina Cooper from the Department of Foreign Affairs and Trade (DFAT) who spoke about DFAT's "Women in Leadership Strategy"
- Her Excellency Mrs Menna Rawlings CMG, British High Commissioner who gave her insights on Women in Diplomacy – Look How Far We've Come
- Senator the Hon Anne Ruston, Assistant Minister for Agriculture and Water Resources, who shared some of her experiences and insights.

During the year AFMA extended the opportunity for a number of employees to attend a variety of workshops focussing on women's issues and diversity in general. These workshops included:

- YWCA She Leads Conference 2017
- Women in Leadership Summit 2016
- Cultural Effectiveness Training
- Unconscious Bias Training
- AHRI Inclusion and Diversity Conference 2017.







Part 5

Financial performance report and statements

Statement of financial performance
Australian National Audit Office report
Financial statements



*Photo opposite: Tridacna maxima – Giant clam.
Photo courtesy: Georgja Langdon, AFMA*

STATEMENT OF FINANCIAL PERFORMANCE

Financial Results

AFMA reported a deficit of \$1.4 million for the 2016-17 financial year, well within the approved operating loss of \$2.1 million. AFMA's total departmental expenditure was \$39.0 million against budget expenditure of \$40.3 million or \$1.3 million lower than budget.

Employee expenditure was some \$1.1 million lower than budget, mainly due to lower Average Staffing Levels (ASL) across the agency. Lower ASL, particularly in fishery operations, also resulted in lower operational allowances which further lowered employee expenditure.

Supplier expenditure was broadly on budget. Depreciation and amortisation expenditure was \$0.4 million lower than budget as a result of: lower leasehold improvement depreciation due to changed accommodation arrangements in the Darwin office; and lower intangibles amortisation as some computer software assets were not replaced during the year.

AFMA's administered expenditure relating to the caretaking and disposal of illegal foreign fishing vessels was \$3.2 million, \$2.1 million lower than budget. However, this was some \$1.1 million higher than the previous year, which is indicative of considerably higher interception activity during the year.



Australian Fisheries Management Authority

Financial Statements

for the period ended 30 June 2017

Independent Audit Report



INDEPENDENT AUDITOR'S REPORT

To the Minister for Agriculture and Water Resources

Opinion

In my opinion, the financial statements of the Australian Fisheries Management Authority for the year ended 30 June 2017:

- (a) comply with Australian Accounting Standards – Reduced Disclosure Requirements and the *Public Governance, Performance and Accountability (Financial Reporting) Rule 2015*; and
- (b) present fairly the financial position of the Australian Fisheries Management Authority as at 30 June 2017 and its financial performance and cash flows for the year then ended.

The financial statements of the Australian Fisheries Management Authority, which I have audited, comprise the following statements as at 30 June 2017 and for the year then ended:

- Statement by the Chief Executive Officer and the Chief Finance Officer;
- Statement of Comprehensive Income;
- Statement of Financial Position;
- Statement of Changes in Equity;
- Cash Flow Statement;
- Administered Schedule of Comprehensive Income;
- Administered Schedule of Assets and Liabilities;
- Administered Reconciliation Schedule;
- Administered Cash Flow Statement; and
- Notes to and forming part of the financial statements, comprising an Overview, Summary of Significant Accounting Policies and other explanatory information

Basis for Opinion

I conducted my audit in accordance with the Australian National Audit Office Auditing Standards, which incorporate the Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Australian Fisheries Management Authority in accordance with the relevant ethical requirements for financial statement audits conducted by the Auditor-General and his delegates. These include the relevant independence requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* to the extent that they are not in conflict with the *Auditor-General Act 1997* (the Code). I have also fulfilled my other responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Accountable Authority's Responsibility for the Financial Statements

As the Accountable Authority of the Australian Fisheries Management Authority, the Chief Executive Officer is responsible under the *Public Governance, Performance and Accountability Act 2013* for the preparation and fair presentation of annual financial statements that comply with Australian Accounting Standards – Reduced Disclosure Requirements and the rules made under that Act. The Chief Executive Officer is also responsible for such internal control as the Chief Executive Officer determines is necessary to enable the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Chief Executive Officer is responsible for assessing the Australian Fisheries Management Authority's ability to continue as a going concern, taking into account whether the entity's operations will cease as a result of an administrative restructure or for any other reason. The Chief Executive Officer is also responsible for disclosing matters related to going concern as applicable and using the going concern basis of accounting unless the assessment indicates that it is not appropriate.

Auditor's Responsibilities for the Audit of the Financial Statements

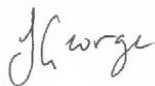
My objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian National Audit Office Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with the Australian National Audit Office Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Accountable Authority;
- conclude on the appropriateness of the Accountable Authority's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern; and
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

Australian National Audit Office



Jodi George
Acting Executive Director

Delegate of the Auditor-General

Canberra
7 September 2017

AUSTRALIAN FISHERIES MANAGEMENT AUTHORITY

for the period ended 30 June 2017

STATEMENT BY THE CHIEF EXECUTIVE OFFICER AND THE CHIEF FINANCE OFFICER

In our opinion, the attached financial statements for the year ended 30 June 2017 comply with subsection 42(2) of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act), and are based on properly maintained financial records as per subsections 41(2) of the PGPA Act.

In our opinion, at the date of this statement, there are reasonable grounds to believe that the Australian Fisheries Management Authority (AFMA) will be able to pay its debts as and when they fall due.



Dr James Findlay
Chief Executive Officer

7 September 2017



Robert Gehrig
Chief Finance Officer

7 September 2017

AUSTRALIAN FISHERIES MANAGEMENT AUTHORITY

STATEMENT OF COMPREHENSIVE INCOME

for the period ended 30 June 2017

	Notes	2017 \$'000	2016 \$'000	2017 Original Budget \$'000
NET COST OF SERVICES				
Expenses				
Employee benefits	5.1A	20,375	20,321	21,505
Supplier	1.1A	16,766	15,831	16,681
Depreciation and amortisation	2.2A	1,651	2,060	2,100
Write-down and impairment of assets	1.1B	162	41	-
Total expenses		38,954	38,253	40,286
Own-Source Income				
Own-source revenue				
Sale of goods and rendering of services	1.2A	2,616	3,561	2,415
Rental income	1.2B	724	693	713
Total own-source revenue		3,340	4,254	3,128
Gains				
Resources received free of charge		43	43	44
Total gains		43	43	44
Total own-source income		3,383	4,297	3,172
Net (cost of) services		(35,571)	(33,956)	(37,114)
Revenue from Government	1.3A	34,537	33,383	35,014
Deficit attributable to the Australian Government		(1,034)	(573)	(2,100)
OTHER COMPREHENSIVE INCOME				
Items not subject to subsequent reclassification to net cost of services				
Changes in asset revaluation surplus		(402)	-	-
Total other comprehensive income		(402)	-	-
Total comprehensive loss attributable to the Australian Government		(1,436)	(573)	(2,100)

The above statement should be read in conjunction with the accompanying notes.

Budget Variances Commentary

The financial statements provide a comparison of the original budget as presented in the 2016-17 Portfolio Budget Statements (PBS) to the 2016-17 final outcome as presented in accordance with Australian Accounting Standards and Interpretations - Reduced Disclosure Requirements for the Authority. The Budget is not audited.

Variances are considered to be 'major' based on the following criteria:

- the variance between budget and actual is greater than 10%; and
- the variance between budget and actual is greater than 2% of total expenses; or
- the variance between budget and actual is below this threshold but is considered important for the reader's understanding or is relevant to an assessment of the discharge of accountability and to an analysis of performance of the Authority.

In some instances, a budget has not been provided for in the PBS, for example non-cash items such as asset revaluations, foreign exchange and sale of asset adjustments. Unless the variance is considered 'major' no explanation has been provided.

Employee benefits were \$1.1 million lower (5.3% lower) than the Original Budget, mainly due to lower average staffing levels (ASL) across the agency. Lower staffing levels, particularly in the Fisheries Operations area of the agency, also resulted in lower operational allowances being paid.

Depreciation and amortisation was \$0.4 million lower (21.4% lower) than the Original Budget. The key drivers included:

- lower Leasehold improvement depreciation mainly as a result of changed accommodation arrangements in the Darwin office impacting asset useful lives; and
- lower Intangibles amortisation as some computer software assets reached the end of their useful lives and were not replaced.

Own-source revenue was \$0.2 million higher (6.8% higher) than the Original Budget mainly resulting from higher fee-for-service revenue for vessel monitoring, observers and logbooks activities.

AUSTRALIAN FISHERIES MANAGEMENT AUTHORITY

STATEMENT OF FINANCIAL POSITION

as at 30 June 2017

	Notes	2017 \$'000	2016 \$'000	2017 Original Budget \$'000
ASSETS				
Financial Assets				
Cash and cash equivalents	2.1A	14,036	13,863	1,027
Trade and other receivables	2.1B	1,026	1,330	14,637
Total financial assets		15,062	15,193	15,664
Non-Financial Assets				
Land and buildings	2.2A	2,492	3,570	3,136
Property, plant and equipment	2.2A	641	834	1,226
Intangibles	2.2A	552	1,087	441
Other non-financial assets	2.2B	1,030	614	285
Total non-financial assets		4,715	6,105	5,088
Total assets		19,777	21,298	20,752
LIABILITIES				
Payables				
Suppliers	2.3A	2	-	240
Other payables	2.3B	3,544	4,148	4,565
Total payables		3,546	4,148	4,805
Provisions				
Employee provisions	5.1B	5,164	5,259	5,979
Total provisions		5,164	5,259	5,979
Total liabilities		8,710	9,407	10,784
Net assets		11,067	11,891	9,968
EQUITY				
Contributed equity		11,734	11,122	11,734
Reserves		4,222	4,624	4,626
(Accumulated deficit)		(4,889)	(3,855)	(6,219)
Total equity		11,067	11,891	10,141

The above statement should be read in conjunction with the accompanying notes.

Budget Variances Commentary	
Financial Assets	
Cash and cash equivalents were \$13.6 million higher than the Original Budget due to changes in disclosure requirements under the <i>Public Governance, Performance and Accountability (Financial Reporting) Rule 2015</i> . Section 48(7) now requires an amount standing to the credit of a special account to be disclosed in the financial statements as cash held in the OPA.	
Trade and other receivables were \$13.6 million lower than the Original Budget for the same reason as for Cash and cash equivalents.	
Non-financial assets were \$0.4 million lower (7.3% lower) than the Original Budget, mainly due to:	
<ul style="list-style-type: none"> • the revaluation of land and buildings and property, plant and equipment to fair value as at 30 June 2017 (\$1.2 million lower); and • offset mainly by prepayments being \$0.7 million higher due to higher software licensing and support payments. 	
Payables were \$1.3 million lower (26.2% lower) than the Original Budget mainly due to lower accrued expenses and unearned revenues than estimated at Budget.	
Employee Provisions were \$0.8 million lower (13.6% lower) than the Original Budget mainly as a result of:	
<ul style="list-style-type: none"> • lower average staffing numbers and lower average salary levels used to estimate leave provisions; and • lower long service accrual days with more long service leave taken through the year combined with an increase in the bond rate used in the present value calculation. 	



AUSTRALIAN FISHERIES MANAGEMENT AUTHORITY

STATEMENT OF CHANGES IN EQUITY

for the period ended 30 June 2017

	2017	2016	2017
	\$'000	\$'000	Original Budget \$'000
CONTRIBUTED EQUITY			
Opening balance			
Balance carried forward from previous period	11,122	10,652	11,122
Transactions with owners			
Departmental capital budget	462	470	612
Equity injection	150	-	-
Total transactions with owners	<u>612</u>	<u>470</u>	<u>612</u>
Closing balance as at 30 June	<u>11,734</u>	<u>11,122</u>	<u>11,734</u>
RETAINED EARNINGS			
Opening balance			
Balance carried forward from previous period	(3,855)	(3,282)	(4,798)
Adjusted opening balance	<u>(3,855)</u>	<u>(3,282)</u>	<u>(4,798)</u>
Comprehensive income			
Deficit for the period	(1,034)	(573)	(1,421)
Total comprehensive income	<u>(1,034)</u>	<u>(573)</u>	<u>(1,421)</u>
Transfers between equity components	-	-	-
Closing balance as at 30 June	<u>(4,889)</u>	<u>(3,855)</u>	<u>(6,219)</u>
ASSET REVALUATION RESERVE			
Opening balance			
Balance carried forward from previous period	4,624	4,624	4,626
Adjusted opening balance	<u>4,624</u>	<u>4,624</u>	<u>4,626</u>
Comprehensive income			
Other comprehensive income	(402)	-	-
Total comprehensive income	<u>(402)</u>	<u>-</u>	<u>-</u>
Closing balance as at 30 June	<u>4,222</u>	<u>4,624</u>	<u>4,626</u>
TOTAL EQUITY			
Opening balance			
Balance carried forward from previous period	11,891	11,994	10,950
Adjusted opening balance	<u>11,891</u>	<u>11,994</u>	<u>10,950</u>
Comprehensive income			
Surplus/(Deficit) for the period	(1,034)	(573)	(1,421)
Other comprehensive income	(402)	-	-
Total comprehensive income	<u>(1,436)</u>	<u>(573)</u>	<u>(1,421)</u>
Transactions with owners			
Departmental capital budget	462	470	612
Equity injection	150	-	-
Total transactions with owners	<u>612</u>	<u>470</u>	<u>612</u>
Closing balance as at 30 June	<u>11,067</u>	<u>11,891</u>	<u>10,141</u>

The above statement should be read in conjunction with the accompanying notes.

Accounting Policy

Equity injections

Amounts appropriated which are designated as 'equity injections' for a year (less any formal reductions) and Departmental Capital Budgets (DCBs) are recognised directly in contributed equity in that year.

Budget Variances Commentary

The closing balance of equity is \$0.9 million higher (9.1% higher) than the Original Budget. The variance comprises a lower retained earnings opening balance offset by a lower actual operating loss for the year compared to budget.

AUSTRALIAN FISHERIES MANAGEMENT AUTHORITY

CASH FLOW STATEMENT

for the period ended 30 June 2017

	Notes	2017 \$'000	2016 \$'000	2017 Original Budget \$'000
OPERATING ACTIVITIES				
Cash received				
Appropriations		34,244	32,456	35,012
Sales of goods and rendering of services		3,886	4,041	3,128
Net GST received		17	11	313
Cash from Official Public Account		17,062	14,370	-
Total cash received		55,209	50,878	38,453
Cash used				
Employees		20,398	20,869	21,646
Suppliers		17,897	16,565	16,296
Cash to Official Public Account		17,034	13,615	-
Total cash used		55,329	51,049	37,942
Net cash used by operating activities		(120)	(171)	511
INVESTING ACTIVITIES				
Cash used				
Purchase of property, plant and equipment		319	298	973
Total cash used		319	298	973
Net cash (used by) investing activities		(319)	(298)	(973)
FINANCING ACTIVITIES				
Cash received				
Contributed equity - departmental capital budget		612	470	611
Net cash from financing activities		612	470	611
Net increase in cash held		173	1	149
Cash and cash equivalents at the beginning of the reporting period		13,863	13,862	
Cash and cash equivalents at the end of the reporting period	2.1A	14,036	13,863	149

The above statement should be read in conjunction with the accompanying notes.

Budget Variances Commentary**Operating Activities**

Total cash received was \$16.8 million higher mainly due to changes in disclosure requirements for cash and cash equivalents under the *Public Governance, Performance and Accountability (Financial Reporting) Rule 2015*. Section 48(7) now requires an amount standing to the credit of a special account to be disclosed in the financial statements as cash held in the OPA. Total cash used was \$17.4 million higher mainly due to the same reason as above.

Investing Activities

Total cash used was \$0.7 million lower as a result of lower purchases of property, plant and equipment than estimated in the Original Budget.

AUSTRALIAN FISHERIES MANAGEMENT AUTHORITY
ADMINISTERED SCHEDULE OF COMPREHENSIVE INCOME

for the period ended 30 June 2017

	Notes	2017 \$'000	2016 \$'000	2017 Original Budget \$'000
NET COST OF SERVICES				
Expenses				
Suppliers		3,232	2,140	5,354
Write-down and impairment of assets		196	-	-
Total expenses		3,428	2,140	5,354
Income				
Revenue				
Non-taxation revenue				
Sale of goods and rendering of services		-	-	764
Fees and fines		491	23	-
Application Fees		2	-	-
Other revenue		36	41	-
Total non-taxation revenue		529	64	764
Total revenue		529	64	764
Total income		529	64	158
Net cost of services		(2,899)	(2,076)	(4,590)
(Deficit)		(2,899)	(2,076)	(4,590)
Total comprehensive (loss)		(2,899)	(2,076)	(4,590)

This schedule should be read in conjunction with the accompanying notes.

Budget Variances Commentary

Expenses

Suppliers expenses were \$2.1 million lower (39.6% lower) than the Original Budget. Costs for the caretaking and disposal of illegal foreign fishing vessels were lower due to lower vessel apprehensions than budgeted.

Revenue

The Original Budget for Sale of goods and rendering of services revenue included \$0.8 million for the collection of levies on behalf of the Department of Agriculture and Water Resources (FRDC levies). These amounts are not recognised as revenue for AFMA and are not included in future budgets.

Fees and fines revenue was \$0.5 million higher due to a number of significant court-imposed fines on illegal foreign fishing vessels during the year.

AUSTRALIAN FISHERIES MANAGEMENT AUTHORITY
ADMINISTERED SCHEDULE OF ASSETS AND LIABILITIES

for the period ended 30 June 2017

	Notes	2017 \$'000	2016 \$'000	2017 Original Budget \$'000
ASSETS				
Financial assets				
Trade and other receivables	3.1A	247	328	261
Total financial assets		<u>247</u>	<u>328</u>	<u>261</u>
Non-financial assets				
Other non-financial assets	3.2A	157	267	-
Total non-financial assets		<u>157</u>	<u>267</u>	<u>-</u>
Total assets administered on behalf of Government		<u>404</u>	<u>595</u>	<u>261</u>
LIABILITIES				
Payables				
Other	3.3A	168	348	138
Total payables		<u>168</u>	<u>348</u>	<u>138</u>
Total liabilities administered on behalf of Government		<u>168</u>	<u>348</u>	<u>138</u>
Net assets		<u>236</u>	<u>247</u>	<u>123</u>

This schedule should be read in conjunction with the accompanying notes.

Budget Variances Commentary

Non-financial assets are \$0.2 million higher than the Original Budget due to accrued appropriations in relation to accrued expenses not budgeted



AUSTRALIAN FISHERIES MANAGEMENT AUTHORITY
ADMINISTERED RECONCILIATION SCHEDULE

for the period ended 30 June 2017

	2017	2016
	\$'000	\$'000
Opening assets less liabilities as at 1 July	247	140
Net (cost of)/contribution by services		
Income	529	64
Expenses	(3,428)	(2,140)
Transfers (to)/from the Australian Government:		
Appropriation transfers from Official Public Account		
Annual appropriations	3,242	2,242
Appropriation transfers to Official Public Account		
Transfers to OPA	(354)	(59)
Closing assets less liabilities as at 30 June	<u>236</u>	<u>247</u>

This schedule should be read in conjunction with the accompanying notes.

AUSTRALIAN FISHERIES MANAGEMENT AUTHORITY
ADMINISTERED CASH FLOW STATEMENT

for the period ended 30 June 2017

	Notes	2017 \$'000	2016 \$'000	2017 Original Budget \$'000
OPERATING ACTIVITIES				
Cash received				
Levies and charges		-	-	764
Fees		38	41	-
Fines		321	23	-
Net GST received		13	-	-
Total cash received		<u>371</u>	<u>64</u>	<u>764</u>
Cash used				
Suppliers		<u>3,259</u>	<u>2,245</u>	<u>5,354</u>
Total cash used		<u>3,259</u>	<u>2,261</u>	<u>5,354</u>
Net cash flows (used by) operating activities		<u>(2,888)</u>	<u>(2,197)</u>	<u>(4,590)</u>
Cash and cash equivalents at the beginning of the reporting period		-	14	-
Cash from Official Public Account				
Appropriations		<u>3,242</u>	<u>2,242</u>	<u>5,354</u>
		<u>3,242</u>	<u>2,242</u>	<u>5,354</u>
Cash to Official Public Account for:				
Appropriations		<u>(354)</u>	<u>(59)</u>	<u>(764)</u>
Cash and cash equivalents at the end of the reporting period		<u>-</u>	<u>-</u>	<u>-</u>

This schedule should be read in conjunction with the accompanying notes.

Budget Variances Commentary

Cash used by operating activities are lower than budget as a result of lower supplier expenditure as explained under the Administered Statement of Comprehensive Income.

**AUSTRALIAN FISHERIES MANAGEMENT AUTHORITY****NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS***for the period ended 30 June 2017*

OVERVIEW**FINANCIAL PERFORMANCE**

Note 1.1: Expenses

Note 1.2: Own Source Income and Other Revenue

Note 1.3: Revenue from Government

Accounting Policies – Financial Performance

FINANCIAL POSITION

Note 2.1: Financial Assets

Note 2.2: Non-Financial Assets

Note 2.3: Payables

Accounting Policies – Financial Position

ASSETS AND LIABILITIES ADMINISTERED ON BEHALF OF THE GOVERNMENT

Note 3.1: Administered – Financial Assets

Note 3.2: Administered – Non-Financial Assets

Note 3.3: Administered – Liabilities

FUNDING

Note 4.1: Appropriations

Note 4.2: Special Accounts

Note 4.3: Regulatory Charging Summary

Note 4.4: Net Cash Appropriation Arrangements

PEOPLE AND RELATIONSHIPS

Note 5.1: Employees

Accounting Policies – People and Relationships

Note 5.2 Senior Management Personnel Remuneration

Note 5.3 Related Party Disclosures

MANAGING UNCERTAINTY

Note 6.1: Contingent Liabilities and Contingent Assets

Note 6.2: Financial Instruments

Note 6.3: Administered – Financial Instruments

Accounting Policies – Financial Instruments

AUSTRALIAN FISHERIES MANAGEMENT AUTHORITY

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

for the period ended 30 June 2017

OVERVIEW

Objectives of AFMA

The Australian Fisheries Management Authority (AFMA) is an Australian Government controlled entity. It is a not for profit entity. The objectives of AFMA is to pursue the implementation of efficient and cost effective fisheries management consistent with the principles of ecologically sustainable development and maximising the net economic returns for the Australian community from the management of Australian fisheries for which the Commonwealth has legislative responsibilities.

AFMA has a single outcome: Ecologically sustainable and economically efficient Commonwealth fisheries, through understanding and monitoring Australia's marine living resources and regulating and monitoring commercial fishing, including domestic licensing and deterrence of illegal foreign fishing. All of the financial information contained in these financial statements were incurred in pursuit of this outcome. The net cost of outcome delivery for 2016-17 was \$38,470,000 (2015-16: \$36,032,000).

The continued existence of AFMA in its present form and with its present programs is dependent on Government policy and on continuing appropriations by Parliament for AFMA's administration and programs.

The activities contributing toward this outcome are classified as either departmental or administered. Departmental activities involve the use of assets, liabilities, income and expenses controlled or incurred by AFMA in its own right. Administered activities involve the management or oversight by AFMA, on behalf of the Government, of items controlled or incurred by the Government.

Administered activities for the entity involve the caretaking and disposal of illegal foreign fishing vessels.

Basis of Preparation of the Financial Statements

The financial statements are general purpose financial statements and are required by section 42 of the *Public Governance, Performance and Accountability Act 2013*.

The Financial Statements have been prepared in accordance with:

- (a) Financial Reporting Rule (FRR) for reporting periods ending on or after 1 July 2015; and
- (b) Australian Accounting Standards and Interpretations - Reduced Disclosure Requirements issued by the Australian Accounting Standards Board (AASB) that apply for the reporting period.

The financial statements have been prepared on an accrual basis and in accordance with the historical cost convention, except for certain assets and liabilities at fair value. Except where stated, no allowance is made for the effect of changing prices on the results or the financial position.

The financial statements are presented in Australian dollars and values are rounded to the nearest thousand dollars unless otherwise specified.

Unless alternative treatment is specifically required by an accounting standard, income and expenses are recognised in the Statement of Comprehensive Income when and only when the flow, consumption or loss of economic benefits has occurred and can be reliably measured.

For the preparation of the 2016-17 financial statements, accounting policies are consistent with the previous year unless otherwise stated.

New Australian Accounting Standards

All new standards, revised standards, interpretations or amending standards that were issued prior to the sign-off date and are applicable to the current reporting period did not have material effect on AFMA's financial statements.

AUSTRALIAN FISHERIES MANAGEMENT AUTHORITY
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the period ended 30 June 2017

OVERVIEW (continued)

Future Accounting Standards

The following new, amending standards or interpretations were issued by the AASB prior to the sign-off date. All other new standards, revised standards, interpretations or amending standards that were issued prior to the sign-off date and are applicable to the current reporting period did not have material effect, and are not expected to have a material effect on AFMA's financial statements.

AFMA expects to apply AASB Leases from 1 July 2019. This standard will require the net present value of payments under most operating leases to be recognised as assets and liabilities.

Taxation

AFMA is exempt from all forms of taxation except Fringe Benefits Tax (FBT) and the Goods and Services Tax (GST).

Revenues, expenses and assets and liabilities are recognised net of GST except:

- (a) where the amount of GST incurred is not recoverable from the Australian Taxation Office; and
- (b) for receivables and payables.

Reporting of Administered Activities

Administered revenues, expenses, assets, liabilities and cash flows are disclosed in the schedules of administered items and related notes.

Except where otherwise stated below, administered items are accounted for on the same basis and using the same policies as for departmental items, including the application of Australian Accounting Standards.

Administered Cash Transfers to and from the Official Public Account

Revenue collected by AFMA for use by the Government rather than AFMA is administered revenue. Collections are transferred to the Official Public Account maintained by the Department of Finance. Conversely, cash is drawn from the OPA to make payments under Parliamentary appropriation on behalf of Government. These transfers to and from the OPA are adjustments to the administered cash held by AFMA on behalf of the Government and reported as such in the statement of cash flows in the schedule of administered items and in the administered reconciliation schedule.

Revenue

All administered revenues are revenues relating to ordinary activities performed by AFMA on behalf of the Australian Government. As such, administered appropriations are not revenues of AFMA, but AFMA oversees the distribution or expenditure of the funds as directed.

Events After the Reporting Period

There have been no significant subsequent events after the reporting period that impact on the financial statements for the year ended 30 June 2017.

AUSTRALIAN FISHERIES MANAGEMENT AUTHORITY
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

for the period ended 30 June 2017

FINANCIAL PERFORMANCE

This section analyses AFMA's financial performance for the year ended 30 June 2017. Employee related information is disclosed in the People and Relationships section.

Note 1.1: Expenses

	2017 \$'000	2016 \$'000
Note 1.1A: Suppliers		
Goods and services		
Research	3,893	2,828
Surveillance and compliance	712	528
Consultants and contractors	4,626	4,776
Travel and meetings	1,827	1,886
Information technology and communications	1,097	1,288
Training and development	483	455
Building repairs and outgoings	438	473
General administrative	1,179	1,013
Total goods and services	14,255	13,247
Goods and services are made up of:		
Related parties	1,136	4,526
External parties	13,119	7,888
Total goods and services	14,255	12,414
Goods supplied	239	230
Services rendered	14,016	13,017
Total goods and services supplied or rendered	14,255	13,247
Other suppliers		
Operating lease rentals in connection with		
External parties		
Minimum lease payments	2,152	2,214
Workers compensation expenses	359	370
Total other suppliers	2,511	2,584
Total suppliers	16,766	15,831

Leasing commitments

AFMA leases office accommodation in Canberra and Darwin. Lease payments are subject to fixed annual increases. The initial lease term in Canberra is still current and the Darwin lease was entered into for 3.5 years.

Commitments for minimum lease payments in relation to non-cancellable operating leases are payable as follows:

Within 1 year	416	2,529
Between 1 to 5 years	3,117	3,618
Total operating lease commitments	3,533	6,147

Note 1.1B: Write-Down and Impairment of Assets

Asset write-downs and impairments from:

Bad and doubtful debt expense	64	(4)
Write-down and Impairment of Assets	71	44
Other	27	1
Total write-down and impairment of assets	162	41

AUSTRALIAN FISHERIES MANAGEMENT AUTHORITY
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the period ended 30 June 2017

Note 1.2: Own Source Income and Other Revenue

	2017	2016
	\$'000	\$'000
Note 1.2A: Sale of Goods and Rendering of Services		
Rendering of services	2,616	3,561
Total sale of goods and rendering of services	2,616	3,561

Note 1.2B: Rental Income

Operating lease:		
Sublease - Canberra office	465	454
Sublease - Thursday Island office	140	127
Employee car parking	119	112
Total rental income	724	693

Leasing commitments receivable

AFMA in its capacity as a lessor sub-leases office accommodation on Thursday Island and in Canberra.

Commitments for minimum lease receipts in relation to non-cancellable operating leases are receivable as follows:

Within 1 year	485	469
Between 1 to 5 years	248	733
Total sub-lease commitments receivable	733	1,202

Note 1.3: Revenue from Government

	2017	2016
	\$'000	\$'000
Note 1.3A: Revenue from Government		
Appropriations:		
Departmental appropriation	20,310	20,445
Special Appropriation (Levies and licensing charges) ¹	14,227	12,938
Total revenue from Government	34,537	33,383

¹ Special appropriations comprise amounts deposited to Consolidated Revenue for AFMA's levies and licensing charges that were credited to the AFMA Special Account in accordance with s94C of the *Fisheries Administration Act 1991*.

AUSTRALIAN FISHERIES MANAGEMENT AUTHORITY
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

for the period ended 30 June 2017

Accounting Policies – Financial Performance

Revenue

Revenue from the sale of goods is recognised when:

- (a) the risks and rewards of ownership have been transferred to the buyer;
- (b) AFMA retains no managerial involvement or effective control over the goods;
- (c) the revenue and transaction costs incurred can be reliably measured; and
- (d) it is probable that the economic benefits associated with the transaction will flow to AFMA.

Revenue from rendering of services is recognised by reference to the stage of completion of contracts at the reporting date. The revenue is recognised when:

- (a) the amount of revenue, stage of completion and transaction costs incurred can be reliably measured; and
- (b) the probable economic benefits associated with the transaction will flow to AFMA.

The stage of completion of contracts at the reporting date is determined by reference to the proportion that costs incurred to date bear to the estimated total costs of the transaction.

Revenue from Government

Amounts appropriated for departmental appropriations for the year (adjusted for any formal additions and reductions) are recognised as Revenue from Government when AFMA gains control of the appropriation, except for certain amounts that relate to activities that are reciprocal in nature, in which case revenue is recognised only when it has been earned. Appropriations receivable are recognised at their nominal amounts.

Other Revenue

Resources received free of charge are recognised as gains when, and only when, a fair value can be reliably determined and the services would have been purchased if they had not been donated. Use of those resources is recognised as an expense.

Resources received free of charge are recorded as either revenue or gains depending on their nature.

Leases

A distinction is made between finance leases and operating leases. Finance leases effectively transfer from the lessor to the lessee substantially all the risks and rewards incidental to ownership of leased assets. An operating lease is a lease that is not a finance lease. In operating leases, the lessor effectively retains substantially all such risks and benefits.

The discount rate used is the interest rate implicit in the lease. Leased assets are amortised over the period of the lease. Lease payments are allocated between the principal component and the interest expense.

Operating lease payments are expensed on a straight-line basis which is representative of the pattern of benefits derived from the leased assets.

AUSTRALIAN FISHERIES MANAGEMENT AUTHORITY
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

for the period ended 30 June 2017

FINANCIAL POSITION

This section analyses AFMA's assets used to conduct its operations and the operating liabilities incurred as a result. Employee related information is disclosed in the People and Relationships Section

Note 2.1: Financial Assets

	2017	2016
	\$'000	\$'000
Note 2.1A: Cash and Cash Equivalents		
Cash in special accounts	13,618	13,590
Cash on hand or on deposit	418	273
Total cash and cash equivalents	14,036	13,863
Note 2.1B: Trade and Other Receivables		
Good and services receivables		
Good and services	289	805
Total goods and services receivables	289	805
Appropriations receivables		
Departmental Capital Budget	465	172
Total appropriations receivables	465	172
Other receivables		
GST receivable from the Australian Taxation Office	336	353
Total other receivables	336	353
Total trade and other receivables (gross)	1,090	1,330
Less impairment allowance		
Goods and services	(64)	-
Total impairment allowance	(64)	-
Total trade and other receivables (net)	1,026	1,330
Trade and other receivables (net) expected to be recovered		
No more than 12 months	1,026	1,330
More than 12 months	-	-
Total trade and other receivables (net)	1,026	1,330

Credit terms for Goods and Services were within 30 days for 2017 (2016: 30 days)

Reconciliation of the Impairment Allowance:

	2017	2016
	Goods and services	Goods and services
	\$'000	\$'000
Opening balance	-	11
Decrease recognised in net surplus	64	(11)
Closing balance	64	-

AUSTRALIAN FISHERIES MANAGEMENT AUTHORITY

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

for the period ended 30 June 2017

Note 2.1: Financial Assets (continued)**Note 2.1C Assets Held in Trust****Monetary assets**

Financial assets held in trust are also disclosed in Note 4.2: Special Accounts in the table titled AFMA Service for Other Entities and Trust Monies.

	2017	2016
	\$'000	\$'000
Cash at bank - monetary asset		
As at 1 July	36	113
Receipts	304	1
Payments	<u>(340)</u>	<u>(78)</u>
As at 30 June	<u>-</u>	<u>36</u>

AUSTRALIAN FISHERIES MANAGEMENT AUTHORITY

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

for the period ended 30 June 2017

Note 2.2: Non-Financial Assets

Note 2.2A: Reconciliation of the Opening and Closing Balances of Land and Buildings, Property, Plant and Equipment and Intangibles for 2017

	Land \$'000	Buildings \$'000	Leasehold Improvements \$'000	Total land and buildings \$'000	Property, plant & equipment \$'000	Computer software internally developed \$'000	Computer software purchased \$'000	Total Intangibles \$'000	Total \$'000
As at 1 July 2016	1,075	950	3,561	5,386	1,809	4,331	1,707	6,038	13,233
Gross book value	-	(63)	(1,753)	(1,816)	(975)	(3,556)	(1,395)	(4,951)	(7,742)
Accumulated depreciation, amortisation and impairment	1,075	887	1,608	3,570	834	775	312	1,087	5,491
Net book value 1 July 2016									
Additions:									
By purchase	-	-	-	-	256	-	63	63	319
Revaluations and impairments recognised in other comprehensive income	(100)	43	(340)	(397)	(19)	-	14	14	(402)
Impairments recognised in the operating result	-	-	(12)	(12)	(7)	-	(14)	(14)	(33)
Depreciation and amortisation expense	-	(30)	(630)	(660)	(391)	(305)	(295)	(600)	(1,651)
Disposals	-	-	-	-	(78)	-	-	-	(78)
Accumulated amortisation of disposed assets	-	-	(9)	(9)	46	-	2	2	39
Net book value 30 June 2017	975	900	617	2,492	641	470	82	552	3,685
Net book value as of 30 June 2017 represented by:									
Gross book value	975	900	629	2,504	652	4,331	1,784	6,115	9,271
Accumulated depreciation, amortisation and impairment	-	-	(12)	(12)	(11)	(3,861)	(1,702)	(5,563)	(3,886)
Total as at 30 June 2017	975	900	617	2,492	641	470	82	552	3,685



AUSTRALIAN FISHERIES MANAGEMENT AUTHORITY
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

for the period ended 30 June 2017

Note 2.2: Non-Financial Assets (continued)

	2017	2016
	\$'000	\$'000
Note 2.2B: Other Non-Financial Assets		
Prepayments	698	262
Accrued revenue	332	352
Total other non-financial assets	<u>1,030</u>	<u>614</u>

No indicators of impairment were found for other non-financial assets.

All other non-financial assets are expected to be recovered within the next 12 months.

Note 2.3: Payables

	2017	2016
	\$'000	\$'000
Note 2.3A: Suppliers		
Trade creditors and accruals	2	-
Total supplier payables	<u>2</u>	<u>-</u>

Settlement is usually made within 30 days.

Note 2.3B: Other Payables

Accrued expenses	1,892	2,288
Lease incentives	31	52
Operating lease rentals	435	640
Wages and salaries	164	92
Superannuation	-	-
Unearned revenue	1,022	1,076
Total other payables	<u>3,544</u>	<u>4,148</u>

Total other payables are expected to be settled in:

No more than 12 months	3,099	3,498
More than 12 months	445	650
Total other payables	<u>3,544</u>	<u>4,148</u>

AUSTRALIAN FISHERIES MANAGEMENT AUTHORITY
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

for the period ended 30 June 2017

Accounting Policies – Financial Position

Cash

Cash is recognised at its nominal amount. Cash and cash equivalents includes:

- (a) cash on hand;
- (b) demand deposits in bank accounts with an original maturity of 3 months or less that are readily convertible to known amounts of cash and subject to insignificant risk of changes in value;
- (c) cash held by outsiders; and
- (d) cash in special accounts.

Financial Assets

Please refer to Note 6 Managing Uncertainty for accounting policies for financial assets.

Receivables

Receivables for goods and services, which have 30 day terms, are recognised at the nominal amounts due less any impairment allowance account. Collectability of debts is reviewed at end of reporting period. Allowances are made when collectability of the debt is no longer probable.

Acquisition of Assets

Assets are recorded at cost on acquisition except as stated below. The cost of acquisition includes the fair value of assets transferred in exchange and liabilities undertaken. Financial assets are initially measured at their fair value plus transaction costs where appropriate.

Property, Plant and Equipment

Asset Recognition Threshold

Purchases of property, plant and equipment are recognised initially at cost in the balance sheet, except for purchases costing less than \$5,000, which are expensed in the year of acquisition (other than where they form part of a group of similar items which are significant in total).

The initial cost of an asset includes an estimate of the cost of dismantling and removing the item and restoring the site on which it is located. This is particularly relevant to 'make good' provisions. AFMA does not have any material make good requirements.

Revaluations

Following initial recognition at cost, property, plant and equipment were carried at fair value. Valuations were conducted with sufficient frequency to ensure that the carrying amounts of assets did not differ materially from the assets' fair values as at the reporting date. The regularity of independent valuations depended upon the volatility of movements in market values for the relevant assets.

Revaluation adjustments were made on a class basis. Any revaluation increment was credited to equity under the heading of asset revaluation reserve except to the extent that it reversed a previous revaluation decrement of the same asset class that was previously recognised in the surplus/deficit. Revaluation decrements for a class of assets were recognised directly in the surplus/deficit except to the extent that they reversed a previous revaluation increment for that class.

Any accumulated depreciation as at the revaluation date was eliminated against the gross carrying amount of the asset and the asset was restated to the revalued amount.

AFMA engaged Australian Valuation Solutions Pty Ltd (AVS) to undertake a comprehensive valuation of tangible non-financial assets resulting in the restatement of these asset classes to fair value as at 30 June 2017.

AUSTRALIAN FISHERIES MANAGEMENT AUTHORITY
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

for the period ended 30 June 2017

Accounting Policies – Financial Position (continued)

Depreciation

Depreciable property, plant and equipment assets are written-off to their estimated residual values over their estimated useful lives to the entity using, in all cases, the straight-line method of depreciation.

Depreciation rates (useful lives), residual values and methods are reviewed at each reporting date and necessary adjustments are recognised in the current, or current and future reporting periods, as appropriate.

Depreciation rates applying to each class of depreciable asset are based on the following useful lives:

	2017	2016
Buildings on freehold land	40 to 45 years	40 to 45 years
Leasehold improvements	Lease term	Lease term
Plant and Equipment	4 to 13 years	4 to 13 years

Impairment

All assets were assessed for impairment at 30 June 2017. Where indications of impairment exist, the asset's recoverable amount is estimated and an impairment adjustment made if the asset's recoverable amount is less than its carrying amount.

The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use. Value in use is the present value of the future cash flows expected to be derived from the asset. Where the future economic benefit of an asset is not primarily dependent on the asset's ability to generate future cash flows, and the asset would be replaced if AFMA were deprived of the asset, its value in use is taken to be its depreciated replacement cost.

Derecognition

An item of property, plant and equipment is derecognised upon disposal or when no further future economic benefits are expected from its use or disposal.

Intangibles

AFMA's intangibles comprise purchased and internally developed software for internal use. These assets are carried at cost less accumulated amortisation and accumulated impairment losses.

Software is amortised on a straight-line basis over its anticipated useful life. The useful lives of AFMA's software assets are 3 to 10 years (2016: 3 to 10 years).

All software assets were assessed for indications of impairment as at 30 June 2017.

Fair Value Measurement

AFMA deems transfers between levels of the fair value hierarchy to have occurred at the end of the reporting period. No transfers between levels occurred during 2016-17.

Significant Accounting Judgements and Estimates

In the process of applying the accounting policies listed in this note, AFMA has made judgements that have the most significant impact on the amounts recorded in the financial statements with respect to the fair value of land and buildings. The fair value of land and buildings has been taken to be the market value of similar properties as determined by an independent valuer. In some instances, entity buildings are purpose-built and may in fact realise more or less in the market.

No accounting assumptions and estimates have been identified that have a significant risk of causing a material adjustment to carrying amounts of assets and liabilities within the next accounting period.

Financial Liabilities

Please refer to Note 6 Managing Uncertainty for accounting policies for financial liabilities.

AUSTRALIAN FISHERIES MANAGEMENT AUTHORITY
NOTES TO THE SCHEDULE OF ADMINISTERED ITEMS

for the period ended 30 June 2017

ASSETS AND LIABILITIES ADMINISTERED ON BEHALF OF THE GOVERNMENT

This section analyses assets used to conduct operations and the operating liabilities incurred that AFMA does not control but administers on behalf of the Government. Unless otherwise noted, the accounting policies adopted are consistent with those applied for departmental reporting.

Note 3.1: Administered – Financial Assets

	2017	2016
	\$'000	\$'000
Note 3.1A: Trade and Other Receivables		
Fees and charges		
Fees and charges receivable - external parties	560	677
Total fees and charges receivable	560	677
Other receivables		
GST receivable from Australian Taxation Office	25	81
Total other receivables	25	81
Total trade and other receivables (gross)	585	758
Less impairment allowance		
Fees and charges	(338)	(430)
Total impairment allowance account	(338)	(430)
Total trade and other receivables (net)	247	328
Receivables are expected to be recovered within 12 months.		
Receivables were aged as follows		
Not overdue	213	81
Overdue by:		
More than 90 days	372	677
Total receivables (gross)	585	758
Impairment allowance aged as follows		
Overdue by:		
More than 90 days	(338)	(430)
Total impairment allowance	(338)	(430)
Credit terms for goods and services were within 30 days (2016: 30 days).		
Reconciliation of the Impairment Allowance		
	2017	2016
	Fees and charges	Fees and charges
	\$'000	\$'000
Opening balance	(430)	(430)
Amounts written off	(104)	-
Movement recognised in net surplus	196	-
Closing balance	(338)	(430)

AUSTRALIAN FISHERIES MANAGEMENT AUTHORITY
NOTES TO THE SCHEDULE OF ADMINISTERED ITEMS

for the period ended 30 June 2017

Note 3.2: Administered – Non-Financial Assets

Note 3.2A: Other Non-Financial Assets

Goods and Services receivables	157	267
Total other non-financial assets	157	267

Note 3.3: Administered – Liabilities

	2017 \$'000	2016 \$'000
Note 3.3A: Suppliers		
Trade creditors and accruals	157	294
GST payable	11	54
Total suppliers	168	348
Suppliers expected to be settled		
No more than 12 months	168	348
Total suppliers	168	348

AUSTRALIAN FISHERIES MANAGEMENT AUTHORITY

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

for the period ended 30 June 2017

FUNDING*This section identifies FMFA's funding sources.***Note 4.1: Appropriations**

Note 4.1A: Annual Appropriations (Recoverable GST exclusive)

Annual Appropriations for 2017

	Annual Appropriation \$'000	Adjustments to appropriation \$'000	Total appropriation \$'000	Appropriation applied in 2017 (current and prior years) \$'000	Variance ¹ \$'000
Departmental					
Ordinary annual services	20,310	-	20,310	20,310	-
Departmental Capital Budget ²	462	-	462	318	144
Other Services					
Equity injections	150	-	150	-	150
Total departmental	20,922	-	20,922	20,628	294
Administered					
Ordinary annual services	5,354	-	5,354	3,085	2,269
Administered Items ¹	5,354	-	5,354	3,085	2,269
Total administered	5,354	-	5,354	3,085	2,269

Notes:

- The variance of \$2,269,000 for Administered funds remained as unspent and will be returned to consolidated revenue.
- Departmental Capital Budgets are appropriated through Appropriation Acts (No 1, 3, 5). They form part of ordinary annual services and are not separately identified in the Appropriation Acts.



AUSTRALIAN FISHERIES MANAGEMENT AUTHORITY

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

for the period ended 30 June 2017

Note 4.1: Appropriations (continued)

Annual Appropriations for 2016		Annual Appropriation		Adjustments to		Total		Appropriation	
	Appropriation	Appropriation	Appropriation	Appropriation	Appropriation	Applied in 2016	Variance ¹		
	\$'000	\$'000	\$'000	\$'000	\$'000	(current and prior years)	\$'000		\$'000
Departmental									
Ordinary annual services	20,485	-	20,485	20,445	40				
Departmental Capital Budget ²	470	-	470	298	172				
Total departmental	20,955	-	20,955	20,743	212				
Administered									
Ordinary annual services	5,375	-	5,375	1,853	3,522				
Administered items	5,375	-	5,375	1,853	3,522				
Total administered	5,375	-	5,375	1,853	3,522				

Notes:

1. The variance of \$40,000 relates to the section 51 withholding of 2015-16 Appropriation. For Administered funds \$3,522,101 remained as unspent and will be returned to consolidated revenue.
2. Departmental Capital Budgets are appropriated through Appropriation Acts (No 1, 3, 5). They form part of ordinary annual services and are not separately identified in the Appropriation Acts.

Note 4.1B: Unspent Annual Appropriations (Recoverable GST exclusive)

	2017	2016
	\$'000	\$'000
Departmental		
Cash and Cash equivalents	418	273
Total departmental	418	273
Administered		
Appropriation Act (No 1) 2016-17	2,269	-
Appropriation Act (No. 1) 2015-16	-	3,522
Total administered	2,269	3,522

AUSTRALIAN FISHERIES MANAGEMENT AUTHORITY

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

for the period ended 30 June 2017

Note 4.1: Appropriations

Note 4.1C: Special Appropriations (Recoverable GST exclusive)

Authority	Type	Purpose	Appropriation applied	
			2017 \$'000	2016 \$'000
<i>Fisheries Administration Act 1991, Section 94C, Departmental</i>	Unlimited Amount	To provide an appropriation for adjusted levy amounts and other receipts specified by s94C of the <i>Fisheries Administration Act 1991</i>	14,227	12,938
Total			14,227	12,938



AUSTRALIAN FISHERIES MANAGEMENT AUTHORITY
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the period ended 30 June 2017

Note 4.2: Special Accounts

	AFMA Special Account (Departmental) ¹	Special Account (Special Public Money) ²	Entities and Trust Monies Special Account (Special Public Money) ²
	2017 \$'000	2016 \$'000	2017 \$'000
Balance brought forward from previous period	13,863	13,862	36
Increases:			113
Appropriation for reporting period	20,629	20,743	-
Special appropriation (<i>Fisheries Administration Act 1991 - Section 94C</i>)	14,227	12,938	-
Other receipts	3,931	4,052	304
Total increases	52,650	51,595	340
Decreases:			114
Employee payments	(20,398)	(20,869)	-
Supplier payments	(17,897)	(16,565)	-
Purchase of property, plant and equipment	(319)	(298)	-
Repayments debited from the special account	-	-	(340)
Total decrease	(38,614)	(37,732)	(78)
Total balance carried to the next period	14,036	13,863	36
Balance represented by:			
Cash - held in the Official Public Account	13,618	13,590	-
Cash - held by the agency	418	273	-
Total balance carried to the next period	14,036	13,863	-

1. Appropriation: *Public Governance, Performance and Accountability Act 2013*; section 80.
Establishing Instrument: *Fisheries Administration Act 1991*; section 94B.
Purpose: Payment or discharge of the costs, expenses or other obligations incurred in the performance or exercise of the functions and powers of the Authority.

AUSTRALIAN FISHERIES MANAGEMENT AUTHORITY
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the period ended 30 June 2017

Note 4.3: Regulatory Charging Summary

	2017 \$'000	2016 \$'000
Amounts applied		
Departmental		
Special appropriations (including special accounts)	15,000	14,399
Total amounts applied	<u>15,000</u>	<u>14,399</u>
Expenses		
Departmental	14,839	14,109
Total expenses	<u>14,839</u>	<u>14,109</u>
Revenue		
Departmental	15,000	14,399
Total revenue	<u>15,000</u>	<u>14,399</u>

Cost recovered activities:

AFMA undertakes cost recovered activities for the provision of Fisheries Management functions within the Commonwealth fisheries sector, including the following activities:

- * Management of Domestic Commercial Fisheries
- * Data collection and management
- * Research – industry funded
- * Licensing/Registration and Revenue Collection

AFMA's Cost Recovery Impact Statement (CRIS) describes how AFMA will charge fishing concession holders for the management of Commonwealth fisheries. The AFMA CRIS 2010 can be found at www.afma.gov.au.

Note 4.4: Net Cash Appropriation Arrangements

	2017 \$'000	2016 \$'000
Total comprehensive income less depreciation/amortisation expenses previously funded through revenue appropriations	135	(1,182)
Plus: depreciation/amortisation expenses previously funded through revenue appropriation ¹	<u>1,301</u>	<u>1,755</u>
Total comprehensive deficit as per the Statement of Comprehensive Income	<u>(1,436)</u>	<u>(573)</u>

¹ Depreciation and amortisation expenditure represented above refers to the government funded portion of AFMA's total depreciation and amortisation charges. In 2016-17 AFMA received \$350,000 (2015-16: \$305,000) in funding for depreciation and amortisation through cost recovery arrangements.

AUSTRALIAN FISHERIES MANAGEMENT AUTHORITY
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

for the period ended 30 June 2017

PEOPLE AND RELATIONSHIPS

This section provides a range of employment and post employment benefits provided to our people and our relationships with other key people.

Note 5.1: Employees

	2017	2016
	\$'000	\$'000
Note 5.1A Employee benefits		
Wages and salaries	15,973	15,839
Superannuation:		
Defined contribution plans	1,794	1,656
Defined benefit plans	1,137	1,234
Leave and other entitlements	1,471	1,592
Total employee benefits	20,375	20,321

Note 5.1B: Employee Provisions

Leave	5,164	5,259
Total employee provisions	5,164	5,259

Employee provisions are expected to be settled in:

No more than 12 months	3,823	3,556
More than 12 months	1,341	1,703
Total employee provisions	5,164	5,259

Accounting Policies – People and Relationships

Liabilities for 'short-term employee benefits' (as defined in *AASB 119 Employee Benefits*) and termination benefits wholly settled due within twelve months of end of reporting period are measured at their nominal amounts.

The nominal amount is calculated with regard to the rates expected to be paid on settlement of the liability.

Other long-term employee benefits are measured as net total of the present value of the defined benefit obligation at the end of the reporting period minus the fair value at the end of the reporting period of plan assets (if any) out of which the obligations are to be settled directly.

Leave

The liability for employee benefits includes provision for annual leave and long service leave.

The leave liabilities are calculated on the basis of employees' remuneration at the estimated salary rates that will be applied at the time the leave is taken, including AFMA's employer superannuation contribution rates to the extent that the leave is likely to be taken during service rather than paid out on termination.

Superannuation

Staff of AFMA are members of the Commonwealth Superannuation Scheme (CSS), the Public Sector Superannuation Scheme (PSS) or the PSS accumulation plan (PSSap).

The CSS and PSS are defined benefit schemes for the Australian Government. The PSSap is a defined contribution scheme.

The liability for defined benefits is recognised in the financial statements of the Australian Government and is settled by the Australian Government in due course. This liability is reported in the Department of Finance's administered schedules and notes.

AFMA makes employer contributions to the employees' superannuation scheme at rates determined by an actuary to be sufficient to meet the current cost to the Government. The entity accounts for the contributions as if they were contributions to defined contribution plans.

The liability for superannuation recognised as at 30 June represents outstanding contributions as at year end.

AUSTRALIAN FISHERIES MANAGEMENT AUTHORITY

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

for the period ended 30 June 2017

Accounting Policies – People and Relationships (continued)

Significant Accounting Judgements and Estimates

In the process of applying the accounting policies listed in this note, AFMA has made the judgements that have the most significant impact on the amounts recorded in the financial statements with respect to the liability for employee provisions. The liability for long service leave has been estimated using present value techniques in accordance with the shorthand method as per FRR 24.1 (a). This takes into account expected salary growth, attrition and future discounting using Commonwealth bond rates.

No accounting assumptions and estimates have been identified that have a significant risk of causing a material adjustment to carrying amounts of assets and liabilities within the next accounting period.

Note 5.2 Key Management Personnel Remuneration

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity. AFMA has determined the key management personnel to be Commissioners and Executive Officers. Key management personnel remuneration is reported in the table below:

	2017 \$
Salary and other allowances	1,245,817
Post-employment benefits	213,466
Other long-term benefits	<u>112,088</u>
Total key management personnel remuneration expenses¹	<u>1,571,371</u>

The total number of key management personnel that are included in the above table are 10.

¹The above key management personnel remuneration excludes the remuneration and other benefits of the Portfolio Minister. The Portfolio Minister's remuneration and other benefits are set by the Remuneration Tribunal and are not paid by the entity.

Note 5.3 Related Party Disclosures

Related party relationships

The entity is an Australian Government controlled entity. Related parties to this entity are Key Management Personnel including the Portfolio Minister and Executive, and other Australian Government entities.

Transactions with related parties:

The liability for employee benefits includes provision for annual leave and long service leave.

Given the breadth of Government activities, related parties may transact with the government sector in the same capacity as ordinary citizens. Such transactions include the payment or refund of taxes, receipt of a Medicare rebate or higher education loans. These transactions have not been separately disclosed in this note.

Significant transactions with related parties can include:

- the payments of grants or loans;
- purchases of goods and services;
- asset purchases, sales transfers or leases;
- debts forgiven; and
- guarantees.

Giving consideration to relationships with related entities, and transactions entered into during the reporting period by the entity, it has been determined that there are no related party transactions to be separately disclosed.

AUSTRALIAN FISHERIES MANAGEMENT AUTHORITY
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

for the period ended 30 June 2017

MANAGING UNCERTAINTY

This section analyses how AFMA manages financial risks within its operating environment.

Note 6.1: Contingent Liabilities and Contingent Assets

AFMA has no quantifiable contingent liabilities or contingent assets for departmental or administered.

Note 6.2: Financial Instruments

	2017 \$'000	2016 \$'000
Note 6.2A Categories of Financial Instruments		
Financial Assets		
Loans and receivables		
Cash and cash equivalents	14,036	13,863
Receivables for goods and services	289	805
Total financial assets	<u>14,325</u>	<u>14,668</u>
Financial Liabilities		
Financial liabilities measured at amortised cost		
Trade creditors	2	-
Total financial liabilities	<u>2</u>	<u>-</u>

Note 6.2B Fair Value of Financial Instruments

The fair value of financial instruments approximates their carrying amounts.

Note 6.3: Administered – Financial Instruments

	2017 \$'000	2016 \$'000
Note 6.3A Categories of Financial Instruments		
Financial Assets		
Loans and Receivables		
Cash and cash equivalents	-	-
Carrying amount of financial assets	<u>-</u>	<u>-</u>
Financial Liabilities		
Financial liabilities measured at amortised cost		
Trade creditors	157	294
Carrying amount of financial liabilities	<u>157</u>	<u>294</u>

The fair value of financial instruments approximates their carrying amounts

**AUSTRALIAN FISHERIES MANAGEMENT AUTHORITY****NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS***for the period ended 30 June 2017***Accounting Policies – Financial Instruments****Financial Assets**

AFMA classifies its financial assets as loans and receivables:

The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition. Financial assets are recognised and derecognised upon trade date.

Effective Interest Method

The effective interest method is a method of calculating the amortised cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset, or, where appropriate, a shorter period.

Income is recognised on an effective interest rate basis except for financial assets that are recognised at fair value through profit or loss.

Receivables

Trade receivables and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'receivables'. Receivables are measured at amortised cost using the effective interest method less impairment. Interest is recognised by applying the effective interest rate.

Impairment of Financial Assets

Financial assets are assessed for impairment at the end of each reporting period.

Financial assets held at amortised cost - if there is objective evidence that an impairment loss has been incurred for loans and receivables or held to maturity investments held at amortised cost, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the asset's original effective interest rate. The carrying amount is reduced by way of an allowance account. The loss is recognised in the Statement of Comprehensive Income.

Financial assets held at cost - if there is objective evidence that an impairment loss has been incurred, the amount of the impairment loss is the difference between the carrying amount of the asset and the present value of the estimated future cash flows discounted at the current market rate for similar assets.

Financial Liabilities

Financial liabilities are classified as either financial liabilities or other financial liabilities.

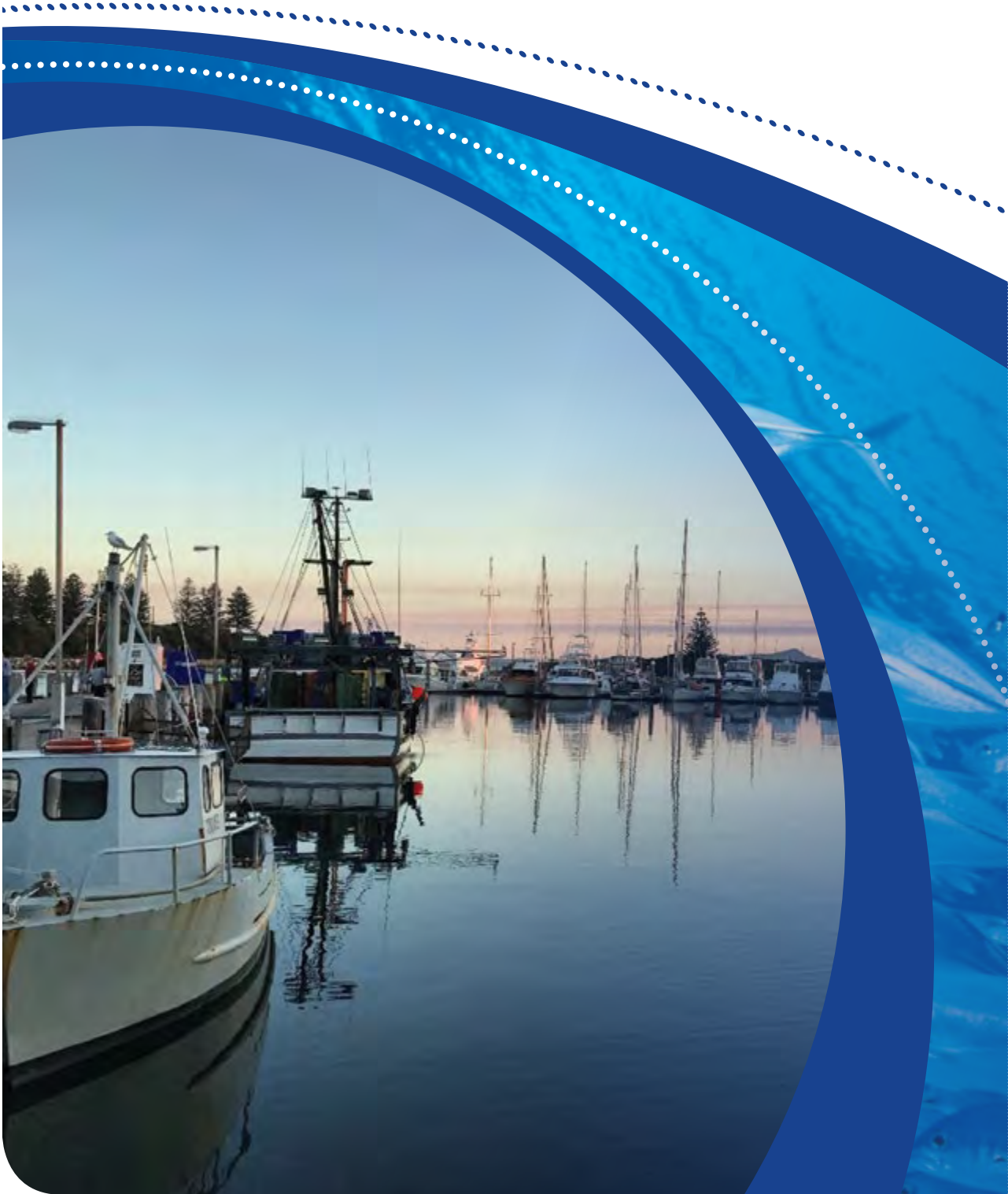
Financial liabilities are recognised and derecognised upon 'trade date'.

Other Financial Liabilities

Other financial liabilities are initially measured at fair value, net of transaction costs. These liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

Contingent Liabilities and Contingent Assets

Contingent liabilities and contingent assets are not recognised in the balance sheet but are reported in the relevant notes. They may arise from uncertainty as to the existence of a liability or asset or represent an asset or liability in respect of which the amount cannot be reliably measured. Contingent assets are disclosed when settlement is probable but not virtually certain and contingent liabilities are disclosed when settlement is greater than remote.





Part 6

Appendices

Appendix 1: Commission, executive and committees

Appendix 2: Civil litigation outcomes

Appendix 3: Management advisory committee memberships and meetings

Appendix 4: Freedom of information

Appendix 5: Work health and safety

Appendix 6: Ecologically sustainable development and environmental performance

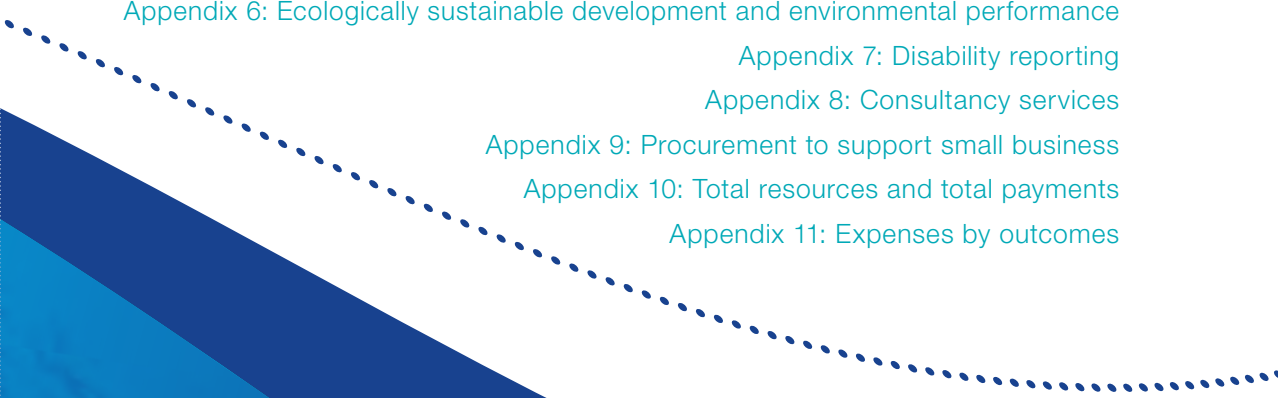
Appendix 7: Disability reporting

Appendix 8: Consultancy services

Appendix 9: Procurement to support small business

Appendix 10: Total resources and total payments

Appendix 11: Expenses by outcomes



*Photo opposite: Bermagui Wharf sunset.
Photo courtesy: Clayton McCloud, AFMA*

APPENDIX 1

Commission and executive

AFMA Commissioners are appointed for their high level of expertise in one or more of the fields of fisheries management, fishing industry operations, science, natural resource management, economics, business or financial management, law, public sector administration or governance.



AFMA Commissioners at 1 January 2017 from left to right: Mr Ian Cartwright, Dr James Findlay (CEO), Mr Richard Stevens OAM, Ms Renata Brooks, Ms Catherine Cooper (Deputy Chair), Hon Norman Moore AM (Chairman), Prof Keith Sainsbury

The following Commissioners held appointments during the reporting period 2016-17:

Hon Norman Moore AM – Chairman

Norman is a member and Chair of a number of boards including: Chair, Cannings Purple Strategic Communications; Deputy Chair Sir Charles Court Foundation (Chair, Education Trust sub-committee); and Chair, Patrons Group of Western Australian School of Mines Graduates Association. He was previously Western Australian Minister for Mines and Petroleum; Fisheries, Electoral Affairs (Minister for Justice – June 2012) and Leader of the Government in the Legislative Council.



Dr James Findlay – Chief Executive Officer

James is an AFMA Commissioner and AFMA's Chief Executive Officer. He has a PhD in fisheries biology and has held senior government roles across fisheries science, policy and management. He has also held senior government roles in other natural resource management areas including climate adaptation and sustainable water use. He was a research consultant in aquatic animal health for the aquaculture industry and was a senior lecturer in genetics at the University of Tasmania.

Mr Richard Stevens OAM

Richard has been involved in the Australian seafood industry since 1977, holding senior executive positions at both the State and Commonwealth level. Since 2001, he has undertaken numerous reviews of fisheries management arrangements, including in South Australia, New South Wales and the Torres Strait. He currently chairs a number of fishery related committees, including the New South Wales Ministerial Fisheries Advisory Council and the Northern Territory Recreational Fishing Advisory Committee. Richard's expertise covers natural resource management, policy and planning, and economics.

Mr Ian Cartwright

Ian has a Master of Science in Economics, is Chair of the Tasmanian Fisheries Research Advisory Board and Chair of various fisheries committees. His expertise covers commercial fishing, fisheries science, natural resource management, economics and business management.

Professor Keith Sainsbury

Keith is Director of SainSolutions, Professor of Marine Systems Science (University of Tasmania) and Vice-Chair of the Board of the Marine Stewardship Council. His internationally recognised expertise covers fisheries science, natural resource management and marine ecology.

Ms Catherine Cooper

Catherine currently chairs the South Australian Fisheries and Aquaculture Research Advisory Committee and Aquaculture Advisory Council. Catherine is an industry leader and she was a finalist in both the 1997 and 1998 Telstra Business Women's Awards. She has extensive committee and board experience including as former Chair of the Fisheries Council of South Australia.

Mr David Hall to 30 September 2016

David is the Managing Director of fish tag manufacturing company Hallprint P/L. David was formerly Executive Director, Grape and Wine Research and Development Corporation and Director of Fisheries in South Australia and the Northern Territory.

Ms Renata Brooks from 1 October 2016

Renata is an independent director and consultant. Previously she was Deputy Director General, Land and Natural Resources in the New South Wales Department of Primary Industries, with responsibility for the NSW crown land estate, natural resource policy and programs, and coordination of primary industry policy. She has held senior executive positions within the NSW Department of Primary Industries in the areas of science and research, agriculture, fisheries, biosecurity, compliance and mine safety.

AFMA Commissioners – Attendance at Commission meetings

Five Commission meetings were held in 2016–17. The table below shows the number of meetings Commissioners attended.

Commissioner	Commission
Hon Norman Moore AM	5
Dr James Findlay	5
Mr Richard Stevens OAM	5
Mr Ian Cartwright	5
Prof Keith Sainsbury	5
Ms Catherine Cooper	5
Mr David Hall	1
Ms Renata Brooks	4

Executive

Role and function

The Executive is AFMA's senior management team responsible to the Chief Executive Officer for the effective operation and performance of the agency.



Membership

- Dr James Findlay – Chief Executive Officer
- Dr Nick Rayns – Executive Manager, Fisheries Management Branch
- Mr Peter Venslovas – General Manager, Fisheries Operations Branch
- Mr John Andersen – General Manager, Corporate Services Branch
- Mr Andrew Pearson – Executive Secretary
- Mr Robert Gehrig – Chief Finance Officer
- Ms Danielle Kuhn – Communications Manager.

Audit and Risk Committee

Role and function

The Audit and Risk Committee operates in line with the *Public Governance, Performance and Accountability Act 2013* and provides independent advice and assurance of the appropriateness of AFMA's:

- financial reporting including the annual audited financial statements
- performance reporting including the framework for developing, measuring and reporting
- systems of risk oversight and management including AFMA's risk management and fraud control framework
- systems of internal control – governance, risk management, compliance and business continuity management arrangements.

Membership

The current Committee comprises one AFMA Commissioner and three independent members. These members are:

- Ms Catherine Cooper – Chair (Commissioner)
- Ms Mary Harwood
- Mr Geoff Knuckey
- Ms Kate Freebody.

Regular Observers

The Committee also invites regular observers to attend including:

- AFMA's Chief Executive Officer, Chief Finance Officer, General Manager of Corporate Services Branch; and
- Audit representatives from Bellchambers Barrett (internal audit providers), KPMG (contracted external auditors) and the Australian National Audit Office.

AFMA's Executive Secretariat provides administrative support for the Audit and Risk Committee.

Research Committee

Role and function

The role of AFMA's Research Committee is to advise the AFMA Commission on the strategic directions, priorities and funding for monitoring and research relevant to meeting AFMA's information needs and objectives. In doing so the primary functions of the Committee are to:

- review and advise on research, monitoring and assessment priorities for Commonwealth fisheries
- review AFMA's five year research plans for Commonwealth fisheries managed by AFMA
- provide advice to the AFMA Commission on allocation of AFMA research funds
- assess research, monitoring and assessment investments for the Commonwealth fisheries for consistency with management needs.

The Committee held two face-to-face meetings and one out-of-session meeting in 2016-17.

Membership

- Mr Ian Cartwright (Chair and Commissioner)
- Prof Keith Sainsbury (Commissioner)
- Ms Renata Brooks (Commissioner)
- Dr James Findlay (Chief Executive Officer)
- Dr Nick Rayns (Executive Manager, Fisheries Management Branch)
- Dr Jane Chimungeni-Brassington (Secretary to the Committee).



Permanent Advisors

- Ms Beth Gibson (Senior Manager, Policy, Environment, Economics and Research)
- Ms Yvonne Zunic (Manager, Research).

Regular Observers

The Committee also invites regular observers from the following agencies and departments to attend and provide expert advice:

- Fisheries Research and Development Corporation
- Commonwealth Scientific and Industrial Research Organisation, Oceans and Atmosphere
- Commonwealth Fisheries Association
- Department of Agriculture and Water Resources.

Project and Governance Committee

The AFMA Projects and Governance Committee was established to consider business cases and project plans for approval, oversight the management of these projects and provide guidance to manage each project's risk, budget, timeframes, expectations and impact.

During 2016–17 AFMA re-defined the scope of the Project and Governance Committee and implemented a Strategic Development Framework to support the delivery of projects across the organisation. The framework has been developed to support improved oversight and increased accuracy in resourcing and managing project work, supporting a focus on planning and governance. A new committee, the Strategic Delivery Committee, made up of AFMA's Executive, will oversee the delivery of relevant project work. The Strategic Delivery Committee held one meeting during the reporting period, largely to familiarise members with the process as well as review projects identified through section planning. Future meetings will review the business cases prepared by project managers and initiate the reporting process.

Development of a Strategic Delivery Framework has provided defined project management processes, systematic reporting and co-ordination of this function through the Committee Secretariat, based in AFMA's Corporate Risk Team.

Information Governance Committee

The AFMA Information Governance Committee is responsible for ensuring that appropriate governance arrangements exist around the information it collects, stores and uses in support of its organisational outcomes. In line with the Australian Government's Digital Continuity 2020 Policy, AFMA in 2016-17 commenced implementation of an agency wide digital recordkeeping system or Electronic Document and Records Management, to reduce paper records and improve efficiency in data and information management.

The Committee is considering a range of initiatives to improve AFMA's information governance processes and is exploring opportunities to link these to the AFMA ICT Strategy Plan. A focus of the Plan is to look at our core data and the way the business interacts with it and to make improvements to its structure to better support users and stakeholders alike. The Committee will continue to be consulted as part of this process in 2017-18.

Existing information governance documents held by AFMA are being reviewed and a consultant has been engaged to assist in the development of an overarching Information Management Strategy which will provide a pathway for meeting the requirements of the Digital Continuity 2020 Policy and the Australian Government's data initiatives and policies.



APPENDIX 2

Civil litigation outcomes

The following table identifies civil litigation outcomes for matters open in 2016–17.

Matter	Fishery	Outcome/Status
Federal Court		
<p>Mustafa & Ors v Commonwealth of Australia and Anor.</p> <p>Attempts to challenge a foreign fishing vessel apprehension.</p>	Foreign	<p>Matter finalised</p> <p>Consent order made by the court on 17 August 2016 dismissing claims, (no payment made).</p>
<p>Aregar & Damaryanta v the Commonwealth & AFMA</p> <p>Attempts to challenge a foreign fishing vessel apprehension.</p>	Foreign	<p>Matter is ongoing.</p> <p>Civil Litigation matter adjourned pending Criminal Appeal proceedings (31 August 2017)</p>
Statutory Fishing Rights Allocation Review Panel		
Nil		
Administrative Appeal Tribunal		
<p>Whish-Wilson; Australian Fisheries Management Authority and (Freedom of Information) [2017] AATA 1098 (10 July 2017)</p>	Small Pelagic	<p>Matter finalised pending expiration of appeal period on 7 August 2017.</p>
Office of the Australian Information Commissioner		
<p>Environment Tasmania and Australian Fisheries Management Authority</p> <p>AFMA refused access to some of the documents sought based on s47 (trade secrets etc), s47E (prejudice or have a substantial adverse effect on agency operations), s47F (personal privacy) and s47G (business information) of the FOI Act.</p>	Small Pelagic	<p>Ongoing</p> <p>Applicant appealed to the Information Commissioner – awaiting decision.</p>
<p>Greenpeace (EDO) and Australian Fisheries Management Authority</p> <p>AFMA refused access to some of the documents sought based on s47 (trade secrets etc), s37 (prejudice an investigation), Section 47E (prejudice or have a substantial adverse effect on agency operations), s47F (personal privacy) and s47G (business information) of the FOI Act.</p>	Small Pelagic	<p>Finalised – no information released</p>

Matter	Fishery	Outcome/Status
<p>Australian Conservation Marine Society (EDO) and Australian Fisheries Management Authority</p> <p>AFMA refused access to some of the documents sought based on s47 (trade secrets etc.), Section 47E (prejudice or have a substantial adverse effect on agency operations, s47F (personal privacy) and s47G (business information) of the FOI Act.</p>	<p>Small Pelagic</p>	<p>Finalised – some information (redacted) released to applicant.</p>
<p>Hon. Andrew Wilkie MP</p> <p>AFMA refused access to some of the documents sought based on s47 (trade secrets etc), s47E (prejudice or have a substantial adverse effect on agency operations, s47F (personal privacy) and s47G (business information) of the FOI Act</p>	<p>Small Pelagic</p>	<p>Finalised – no information released.</p>

Significant matters

Aregar & Damaryanta v the Commonwealth & AFMA – Attempts to challenge a foreign fishing vessel apprehension. There have been a number of directions hearings – all for the purposes of adjourning the Civil Proceedings pending outcome of Criminal Proceedings.



APPENDIX 3

Management advisory committee meetings and memberships

Management Advisory Committees are statutory committees established by AFMA under section 56 of the *Fisheries Administration Act 1991*.

The committees provide advice to AFMA on the preparation of management arrangements, the operation of the relevant fishery and reporting to AFMA on scientific, economic and other information on the status of fish stocks, substocks, species (target and non-target species) and the impact of fishing on the marine environment. This advice is required to be evidence-based and address biological, economic and wider ecological factors affecting the performance of the fishery. Committee advice assists AFMA in its role to regulate commercial fishing in Commonwealth fisheries.

The membership of Management Advisory Committees is available on AFMA's web page: <http://www.afma.gov.au/fisheries/committees/>

Tropical Tuna Management Advisory Committee

The committee met twice in Canberra during 2016–17. The committee made recommendations to the AFMA Commission on total allowable commercial catch limits for the Eastern Tuna and Billfish Fishery species. The committee also discussed:

- the tuna fishery budgets, protected species issues
- the development of an Eastern Tuna and Billfish Fishery management strategy and progress towards a revised Eastern Tuna and Billfish Fishery ecological risk assessment
- overcatch provisions, electronic monitoring and outcomes of the Western and Central Pacific Fisheries Commission and Indian Ocean Tuna Commission meetings.

Great Australian Bight Trawl Management Advisory Committee

The committee met once in Adelaide during 2016–17. It made recommendations to the AFMA Commission in relation to total allowable catches for quota species. In addition, the committee discussed:

- the complexities of managing western gemfish across the Great Australian Bight Trawl and Commonwealth Trawl Sector
- the future management of bight redfish under Offshore Constitutional Settlement fisheries arrangements with South Australia.

Northern Prawn Management Advisory Committee

The committee met twice in Brisbane during 2016–17. At both meetings the committee discussed and made recommendations about improving management arrangements for the Northern Prawn Fishery. In particular the committee recommended changes to the *Northern Prawn Fishery Management Plan 1995* to provide an autonomous mechanism for fishery restructure if fishing capacity becomes excessive through effort creep. The committee also made recommendations for minor improvements to the Plan that will simplify and bring it more in line with other fishery management plans.

During its second meeting for the period the committee also considered the current arrangements in place to manage the collection of prawn broodstock in the fishery and made recommendations about improving this process. At this meeting there was also discussion about the development of future co-management arrangements.

Southern Bluefin Tuna Management Advisory Committee

The committee met twice in 2016–17 in Canberra and Port Lincoln. The committee discussed among other things the outcomes of various Commission for the Conservation of Southern Bluefin Tuna meetings.

The committee also discussed monitoring arrangements in the Southern Bluefin Tuna Fishery, the proposed 2016–17 observer program and the status of the 2016–17 Southern Bluefin Tuna Fishery budget.



Bass Strait Central Zone Scallop Fishery Management Advisory Committee

The committee met twice during 2016–17, once via a teleconference and once face to face in Melbourne.

The committee made recommendations to the AFMA Commission for the 2017 season on total allowable catch and closures in accordance with the harvest strategy for the Bass Strait Central Zone Scallop Fishery. In the last few years the commercial fishery has operated between July and December, requiring decisions on total allowable catches to be made in the preceding financial year. The committee also provided advice regarding research priorities for the fishery.

South East Management Advisory Committee

The committee met three times in 2016–17, all of which were face-to-face meetings in Canberra.

The committee made recommendations to the AFMA Commission on total allowable catches and effort controls for the Southern and Eastern Scalefish and Shark Fishery, the Small Pelagic Fishery and the Southern Squid Jig Fishery. The committee also considered and made recommendations regarding:

- changes to the Small Pelagic Fishery and the Southern and Eastern Scalefish and Shark Fishery harvest strategies;
- the strategic and annual research plans for the Southern and Eastern Scalefish and Shark Fishery, Small Pelagic Fishery and Southern Squid Jig Fishery, the Gillnet Dolphin Mitigation Strategy; and
- the proposal to use the mid-water pair trawl method in the Small Pelagic Fishery.

Advice from individual management advisory committee members was sought regarding the Small Pelagic Fishery Dolphin Mitigation Strategy.

Sub-Antarctic Management Advisory Committee

The committee held two meetings in 2016–17, one meeting via teleconference and one meeting in Hobart.

The committee made recommendations to the AFMA Commission on total allowable catches for patagonian toothfish and mackerel icefish and catch limits for bycatch species in the Heard Island and McDonald Islands Fishery.

The committee also discussed the outcomes of the 2016 meeting of the Commission for the Conservation of Antarctic Marine Living Resources and expressions of interest for exploratory fisheries for 2017–18.

APPENDIX 4

Freedom of information reporting

Agencies subject to the *Freedom of Information Act 1982* are required to publish information to the public as part of the Information Publication Scheme. This requirement is in Part II of the Freedom of Information Act 1982 and has replaced the former requirement to publish a Section 8 statement in an annual report. Each agency must display on its website a plan showing what information it publishes in accordance with the Information Publication Scheme requirements.

Information on AFMA's Freedom of Information reporting can be found at afma.gov.au



APPENDIX 5

Work health and safety

Work health and safety performance

AFMA's Work Health and Safety Committee is a joint management and staff committee established in accordance with the *Work Health and Safety Act 2011*. The committee is primarily responsible for developing, implementing, reviewing and updating policies and procedures. The committee also reviews reported incidents and subsequent implementation of preventative measures. It is also responsible for improving the cooperation between AFMA and its staff to promote a positive work, health and safety work environment and address any issues proactively. The committee met four times during 2016–17.

During the reporting period the committee endorsed a number of work, health and safety policies including First Aid Management at AFMA policy. This document was implemented in May 2017 and provides staff with key information regarding the management and provision of first aid within AFMA.

The committee also supported the implementation of the AFMA Observer Workplace Health Policy and Safety Risk Assessment Guidelines. This document provides AFMA observers with a summary of tools and resources to ensure they carry out their duties safely.

Health and safety initiatives

AFMA continued to recognise the importance for a healthy workplace including mental health and general wellbeing. The 2016–17 health and wellbeing program offered staff specific initiatives including onsite health checks and influenza vaccinations. The program also included various lunch time seminars and workshops on topics such as mental health awareness, breast cancer awareness, community gardens, healthy heart, being sun smart and a healthy eating seminar. In addition, a presentation was delivered by Heads Up, a Beyond Blue initiative, which focused on creating mentally healthy workplaces by offering free tools and resources for staff.

In supporting AFMA's approach to managing mental health in the workplace, Mental Health First Aid training was offered to all staff. The initial focus has been for all Executive Level employees to complete this training to ensure they are equipped with the necessary tools to be able to support someone within their team who may have a mental health issue and to reduce the stigma attached to mental illnesses. This training will be expanded in 2017-18 to include all AFMA staff.

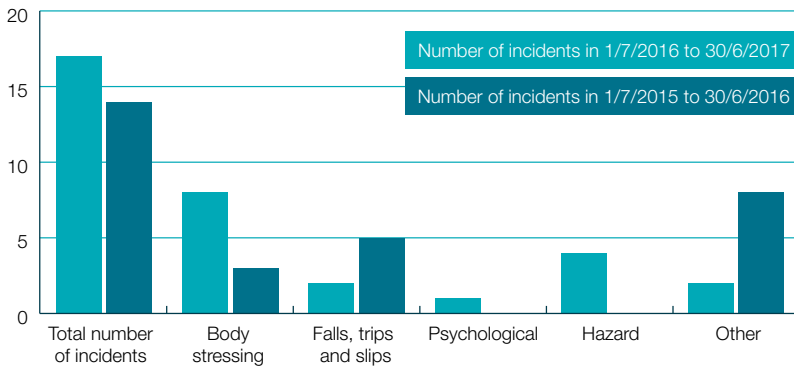
All new starters to AFMA are provided with an assessment of their workstation as part of their new starter induction. The Workplace Group-Human Resources Section undertook initial workstation assessments for all new starters and other staff as requested. Twenty-six workstation assessments were conducted in 2016-17 by an external assessor resulting in a variety of measures being implemented, including providing specialised equipment for staff.

In addition to conducting workstation assessments, AFMA installed sit-stand workstations across all AFMA offices which can be used by all staff on a booking basis. There is a growing body of evidence that high levels of sedentary behaviour and sitting, in particular, are emerging risk factors for chronic disease and it is anticipated that the installation of these workstations will avoid periods of prolonged periods of sitting and related injuries.

Accident or dangerous occurrence statistics

In 2016-17 AFMA recorded 14 minor incidents relating to accidents or near-misses (see Figure 6). This rate is down from 17 in 2015-16. There was only one personal injury resulting in two or more week's absence.

Figure 6: AFMA work health and safety incident reports comparison



* Other includes office based employees working in the field or defensive tactics training



Notifiable Incidents during the year

In accordance with the *Work Health and Safety Act 2011*, AFMA is required to report 'notifiable incidents' which include the death of a person, serious injury or illness, or a dangerous incident which arises out of AFMA conducting its business. In 2016–17 there were four incidents that were required to be notified to Comcare as they fell within the definition of a Dangerous Occurrence under the Work Health and Safety legislation.

There were no notices issued in relation to these incidents and no prohibition notices issued.

APPENDIX 6

Ecologically sustainable development and environmental performance

Ecologically sustainable development principles

AFMA's implementation of the ecological component of ecologically sustainable development is based on ecosystem elements relating to:

- target and by-product species
- bycatch
- threatened, endangered and protected species
- habitats and ecological communities.

To support and implement an ecologically sustainable development approach, AFMA draws upon ecological risk assessments for each Commonwealth fishery. Ecological risk assessments involve a number of methods, including comprehensive qualitative and quantitative analyses. This approach screens out low risk activities, focusing on higher actual and potential risks within Commonwealth fisheries.

The results of these risk assessments for each fishery are consolidated into a priority list upon which an ecological risk management strategy is focused. A detailed ecological risk management strategy for each AFMA-managed fishery has been prepared, clearly identifying how each species or group of species will be managed.

Key management policy initiatives include:

- the Commonwealth Fisheries Harvest Strategy Policy and Guidelines
- the Australian Sea Lion Management Strategy
- the Upper-Slope Dogfish Management Strategy
- Bycatch and Discard Program
- the Chondrichthyan Guide for Fisheries Managers
- Dolphin Management Strategy based on individual responsibility
- Seabird Management Plan based on individual responsibility.

AFMA has completed and published ecological risk management reports for all Commonwealth fisheries where risks have been identified. The number of



species remaining at high potential risk across all Commonwealth fisheries is 72, which is 3.6 per cent of all species assessed. It is expected that this will reduce as the mitigation measures outlined in ecological risk management reports are implemented.

Outcome contributing to ecologically sustainable development

AFMA's outcomes are directed at Commonwealth fisheries being ecologically sustainable, improving the net economic returns from Commonwealth fisheries and managing efficiently and effectively.

This approach reflects AFMA's commitment to pursuing management of Commonwealth fisheries in accordance with our legislative objectives and in partnership with others who also have an interest in sustainable management.

Effect of actions on the environment

All of AFMA's managed fisheries are currently accredited under three parts of the *Environment Protection and Biodiversity Conservation Act 1999*.

Part 10 of the Act requires that all Commonwealth and Torres Strait Fisheries must be strategically assessed before a management plan is determined (s148) or where a determination is made, that a management plan is not required for a Commonwealth fishery (s149). If a management plan is amended or replaced, or management arrangements change significantly in a fishery without a management plan, then a further assessment is required (s152). If a management plan remains unchanged no further strategic assessment is required. This process involves assessment of the impact of the fishery on matters of national environmental significance with particular emphasis on the impact on the Commonwealth marine environment. Without this approval a management plan cannot take effect.

Part 13 of the Act defines a number of offences in relation to listed threatened species and ecological communities, and also provides for accreditation of management plans or regimes (Sections 208A, 222A, 245, 265). The effect of accreditation is that certain actions are not offences if they are carried out in accordance with those management plans or regimes. There is no requirement to remake the accreditation decisions unless the management plans or regimes change. These accreditations impose a requirement on fishers to report any interactions with protected species. As fishers are also required to report interactions to AFMA through logbooks, we regularly report these interactions to

the Department of the Environment and Energy on fishers' behalf thus reducing unnecessary duplication of reporting.

Part 13A of the Act covers the international movement of wildlife specimens. It provides for controls over the movement of regulated native specimens that are not on the list of exempt native specimens. Currently products from all assessed Commonwealth fisheries are on the list of exempt native specimens, although some are subject to the condition that the listing applies only while a wildlife trade operation is in force. This allows exports of marine species to be carried out while ensuring that they have been taken sustainably.

Actions to minimise impact on environment

AFMA takes an ecosystem-based approach to fisheries management to minimise the impact of commercial fisheries on the marine environment. The Ecological Risk Management Policy, and accompanying Ecological Risk Management Guide, provide a science and evidence based structure for managing the impact of fishing on the marine environment. The framework uses Ecological Risk Assessment for the Effects of Fishing as the primary means of assessing the risks that fisheries may pose and provides a mechanism for the identification and management of any identified risks.

During 2016–17 AFMA commenced a trial of the revised methodologies in the Ecological Risk Assessment for the Effects of Fishing framework on the Small Pelagic Fishery midwater trawl sector and the Eastern Tuna and Billfish Fishery. These are expected to be finalised during 2017–18. Further research into the identification and management of risks posed to habitats and communities is planned for the 2017–18 financial year.

Mechanisms for reviewing

A number of mechanisms exist for reviewing the effect of fishing on the environment.

AFMA reviewed its Ecological Risk Management Framework and the Commission approved the Ecological Risk Management Guide and Ecological Risk Management Policy in April and June 2017 respectively. AFMA also regularly reviews individual elements of the Ecological Risk Management Framework, with fishery management strategies and ecological risk assessments reviewed every five years and Bycatch and Discard Workplans reviewed every two years.



AFMA is also subject to reassessment of all its fisheries under Part 13A of the *Environmental Protection and Biodiversity Conservation Act 1999*. The Department of Environment and Energy undertake the reassessments on a regular basis, ranging from a ten year review cycle for fisheries granted exemptions to a more regular review process for fisheries granted wildlife trade operations.

Our Environmental Footprint

Consistent with our legislative objectives, AFMA also promotes a clean and green operating environment when conducting its operations to minimise our impact on the environment. To achieve this we are constantly reviewing our operational activities to look for opportunities to minimise waste and limit the impact of our environmental footprint.

AFMA currently purchases approximately 25 per cent of green electricity for our Canberra office as part of the Commonwealth energy contract, and our Thursday Island office utilises a mixture of wind and diesel power. AFMA continues to review and implement regular energy improvements across our Canberra, Darwin and Thursday Island sites. This has included automatic shutdown of staff computers daily and purchasing more energy efficient equipment when required.

AFMA's Canberra office has an overall 4.5 star energy rating; the Darwin office has a 5.5 star National Australian Built Environment Rating System energy rating and a five Star Green star rating. AFMA buildings include zoned air-conditioning and lighting and automatic light dimming in response to daylight sensors. Additionally, intermittently used rooms and spaces are motion sensor activated to reduce energy consumption. AFMA also participates in Earth Hour annually.

AFMA currently uses 100 per cent recycled paper in printers and copiers at all AFMA sites. In addition we make use of portable technology for staff to access documents via portable devices such as iPads to further reduce the reliance on paper documents.

Nationwide AFMA has leased five motor vehicles. We have recently changed internal policy allowing staff to use our energy efficient vehicles on more extended trips. As these leases fall due for renewal we will look for more energy efficient vehicles that meet our needs.

AFMA continued to make other changes around its offices that have important impacts in reducing AFMA's environmental footprint. For example, a composting system is in place for the Canberra office which reduces general office waste and is proving successful.

APPENDIX 7

Disability reporting

Since 1994, Commonwealth non-corporate entities have reported on their performance as policy adviser, purchaser, employer, regulator and provider under the Commonwealth Disability Strategy. In 2007–08, reporting on the employer role was transferred to the Australian Public Service Commission's State of the Service Report and the Australian Public Service Statistical Bulletin. These reports are available at www.apsc.gov.au. From 2010–11, entities have no longer been required to report on these functions.

The Commonwealth Disability Strategy has been overtaken by the National Disability Strategy 2010–2020, which sets out a ten year national policy framework to improve the lives of people with disability, promote participation and create a more inclusive society. A high level two-yearly report will track progress against each of the six outcome areas of the Strategy and present a picture of how people with disability are faring. Details of the strategy and associated reports can be found at www.dss.gov.au.



APPENDIX 8

Consultancy services

During 2016–17, 36 new consultancy contracts were entered into and this resulted in expenditure of \$3.685 million for the period. In addition, 24 ongoing consultancy contracts were active during 2016–17 resulting in expenditure of \$1.549 million.

All consultancy contracts entered into by AFMA above the value of \$10 000 are available via the Austender website tenders.gov.au.

The selection and engagement of consultants

The majority of consultancy services engaged during the 2016–17 were for fisheries research purposes. The selection and engagement of research consultants was primarily conducted through a limited tender because of the small pool of qualified vendors for these specific services.

APPENDIX 9

Procurement to assist small business

AFMA supports small business participation in the Commonwealth Government procurement market. Small and medium enterprises and small enterprise participation statistics are available on the Department of Finance's website: finance.gov.au/procurement/statistics-on-commonwealth-purchasing-contracts

How AFMA's procurement practises support small and medium enterprises

As an organisation that interfaces with many small and medium enterprises as part of our engagement role with the fishing industry and broader community, AFMA has procurement policies that do not unfairly discriminate against small and medium enterprises and provide appropriate opportunities for small and medium enterprises to compete. AFMA's procurement policies specify that, officials should consider, in the context of value for money:

- the benefits of doing business with competitive small and medium enterprises when specifying requirements and evaluating value for money
- barriers to entry, such as costly preparation of submissions, that may prevent small and medium enterprises from competing
- small and medium enterprises capabilities and their commitment to local or regional markets
- the potential benefits of having a larger, more competitive supplier base.



APPENDIX 10

Total resources and total payments

Australian Fisheries Management Authority Resource Statement 2016–17

		Actual available appropriation 2016–17 \$'000	Payments made 2016–17 \$'000	Balance remaining 2016–17 \$'000
Ordinary annual services				
Departmental appropriation				
Departmental appropriation		20,922	20,628	294
s. 74 Retained revenue receipts		3,931	3,931	-
Total		24,853	24,559	294
Administered expenses				
Outcome 1				
Outcome 1		5,354	3,085	2,269
Total		5,354	3,085	2,269
Total ordinary annual services	A	30,207	27,644	2,563
Special Accounts				
Opening balance				
Opening balance		13,863		
Appropriation receipts				
Appropriation receipts		34,856		
Non-appropriation receipts to				
Special Accounts		3,931		
Payments made				
Payments made			38,614	
Total Special Accounts	B	52,650	38,614	14,036
Total resourcing and payments (A+B)		82,857	66,258	16,599
Less appropriations drawn from annual or special appropriations above and credited to special accounts and/or payments to corporate entities through annual appropriations				
		(24,825)	(24,531)	(294)
Total net resourcing for AFMA		58,032	41,727	16,305

Reader note: All figures are GST exclusive.

APPENDIX 11

Expenses by outcomes

Expenses for Outcome 1¹²

Outcome 1: Ecologically sustainable and economically efficient Commonwealth fisheries, through understanding and monitoring Australia's marine living resources and regulating and monitoring commercial fishing, including domestic licensing and deterrence of illegal foreign fishing.

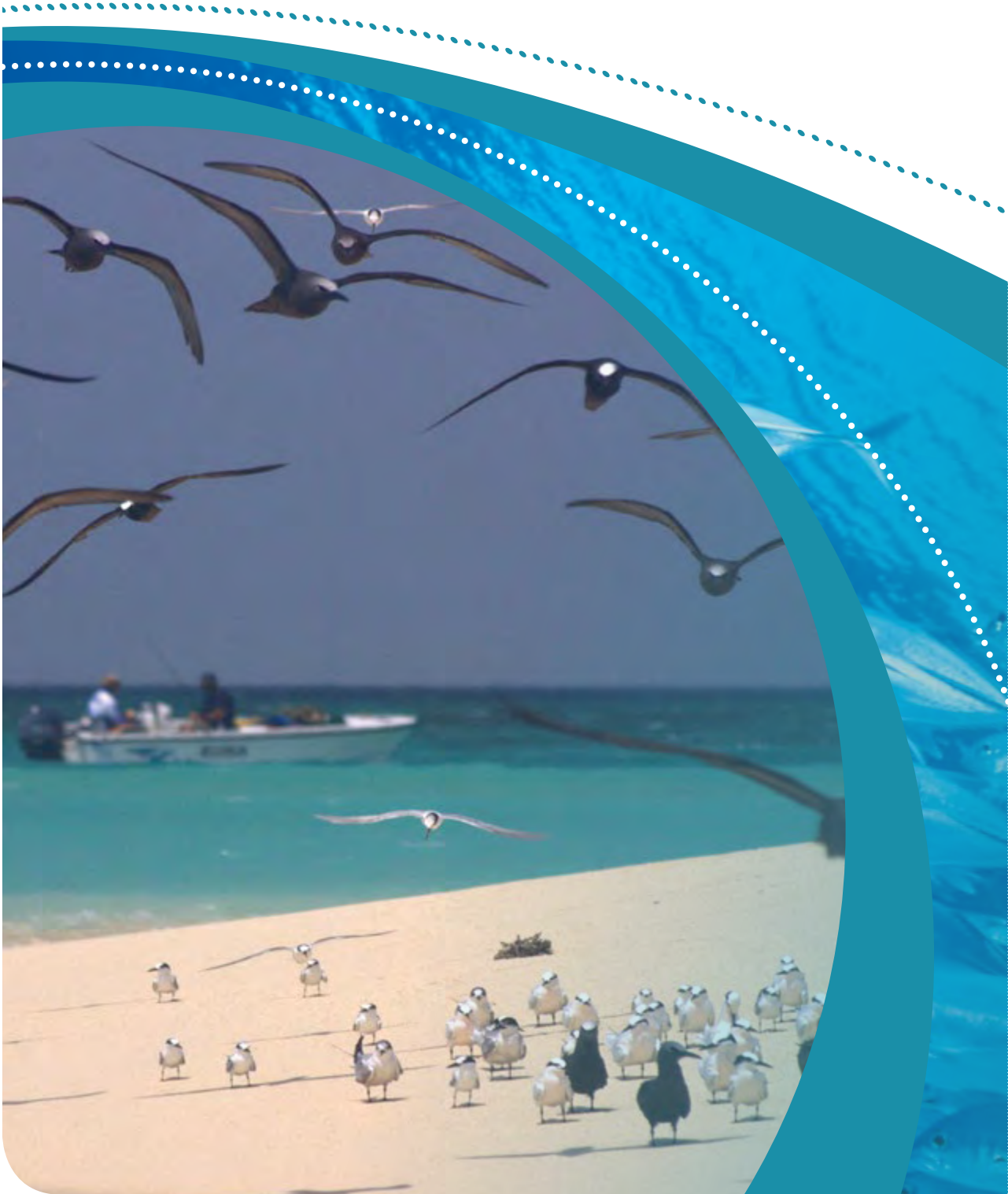
	2016-17 Budget \$'000	2016-17 Actual expenses \$'000	2016-17 Variance \$'000
	(a)	(b)	(a) - (b)
Programme 1.1: Australian Fisheries Management Authority			
Administered expenses			
Ordinary annual services (Appropriation Bill No. 1)	5,354	3,085	2,269
Departmental expenses			
Departmental appropriation ¹	23,438	24,213	(775)
Special accounts	14,704	14,227	477
Expenses not requiring appropriation in the budget year ²	2,144	1,694	450
Total for Programme 1.1	45,640	43,219	2,421

Outcome 1 Totals by appropriation type

Administered expenses			
Ordinary annual services (Appropriation Bill No. 1)	5,354	3,085	2,269
Departmental expenses			
Departmental appropriation ¹	23,438	24,213	(775)
Special accounts	14,704	14,227	477
Expenses not requiring appropriation in the budget year ²	2,144	1,694	450
Total expenses for Outcome 1	45,640	43,219	2,421
Average staffing level (number)	176.2	173.5	2.7

Note: Departmental appropriation splits and totals are indicative estimates and may change in the course of the budget year as government priorities change.

- 1 Departmental appropriation combines "Ordinary annual services (Appropriation Bill No. 1)" "Retained Revenue Receipts under s74 of the PGPA Act 2013".
- 2 Expenses not requiring appropriation in the Budget year² is made up of depreciation expense and amortisation expense for both Departmental and Administered items.





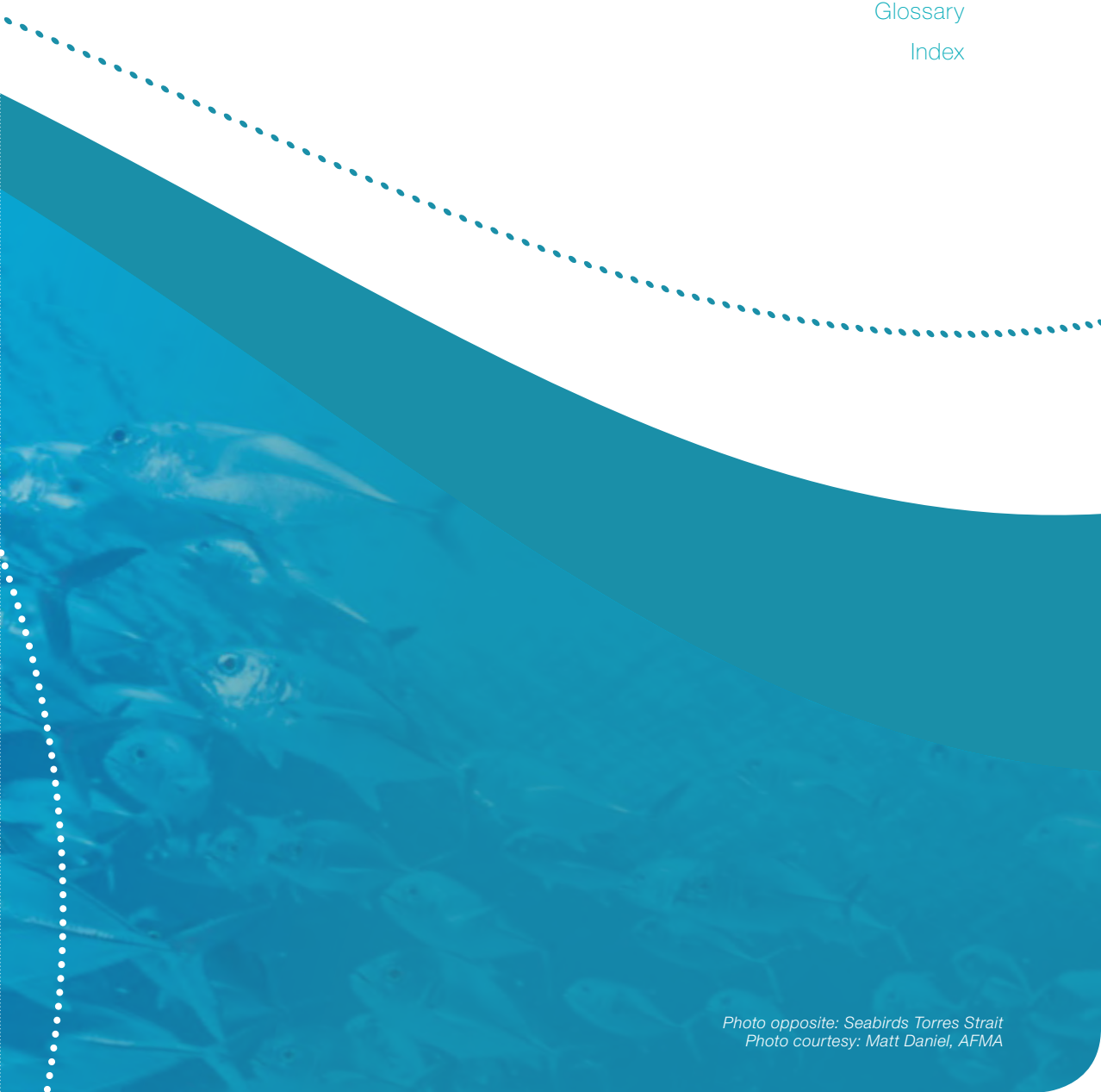
Part 7

Glossary and Indexes

Compliance index

Glossary

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*Photo opposite: Seabirds Torres Strait
Photo courtesy: Matt Daniel, AFMA*

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An assessment of effectiveness of assets management where asset management is a significant part of the entity's activities (if applicable)	n/a
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GLOSSARY

Australian Fishing Zone

Under the *Fisheries Management Act 1991*, the Australian fishing zone means:

1. the waters adjacent to Australia within the outer limits of the exclusive economic zone adjacent to the coast of Australia; and
2. the waters adjacent to each external territory within the outer limits of the exclusive economic zone adjacent to the coast of the external Territory;

but does not include:

- coastal waters of, or waters within the limits of, a State or internal Territory; or
- waters that are excepted waters.

Biomass

Total weight of a stock or a component of a stock.

Biomass limit reference point

The point beyond which the risk to the stock is regarded as unacceptably high.

Bycatch

Species taken incidentally in a fishery where other species are the target, and which are always discarded.

Byproduct

Any part of the catch that is kept or sold by the fisher but is not the target species.

Demersal

Found on or near the sea floor (c.f. Pelagic).

Discard

Any part of the catch returned to the sea, whether dead or alive.



Effort

A measure of the resources used to harvest a fishery's stocks. The measure of effort appropriate for a fishery depends on the methods used and the management arrangements. Common measures include the number of vessels, the number of hooks set or the number of fishing days.

Electronic monitoring

Electronic monitoring uses sensors and cameras to monitor and record information on fishing activity in a targeted way. Sensor data and video footage is analysed retrospectively to provide information and verify logbooks according to the needs identified for that fishery.

Fisheries Management Act 1991

One of the two main pieces of legislation (along with the *Fisheries Administration Act 1991*) that detail AFMA's responsibilities and powers.

Fishing concession

A Statutory Fishing Right, or a fishing permit, or a foreign fishing boat licence granted under the provisions of the *Fisheries Management Act 1991*.

Fishing permit

A type of fishing concession granted under Section 32 of the *Fisheries Management Act 1991* to a person, authorising the use of a specified Australian boat by that person, or a person acting on that person's behalf, for fishing in a specified area of the Australian Fishing Zone or a specified fishery for specified species, using specified equipment.

Fishing season

The period during which a fishery can be accessed by fishers.

Gillnet

Type of passive fishing gear consisting of panels of net held vertically in the water column, in contact with the seabed, such that fish attempting to swim through the net are entangled. The mesh size of the net determines the size range of fish caught, as smaller fish can swim through the meshes and larger fish are not enmeshed.

GoFish

GoFish is AFMA's online business facility for fishers to submit their applications, view their record of fishing concessions as held by AFMA, keep their contact details up to date, view quota and catch information, receive messages from AFMA and monitor progress of applications lodged with AFMA.

Harvest strategy

Strategy outlining how the catch in a fishery will be adjusted from year to year depending on the size of stock, the economic or social conditions of the fishery, conditions of other interdependent stocks or species, and uncertainty of biological knowledge. Well-managed fisheries have an unambiguous (explicit and quantitative) harvest strategy that is robust to the unpredictable biological fluctuations to which the stock may be subject.

Incidental catch

Any part of the catch that is not the target species, including bycatch and by-product.

Individual transferable quotas

Individual portions of a total allowable catch – units of quota – that allow the holder to catch that portion of the total allowable catch each season. The weight value of the individual transferable quotas changes in proportion to changes in the total allowable catch set for a species each season.

Individual transferable quotas are fully tradeable and can be sold or leased to other fishers.

Key commercial species

A species that is, or has been, specifically targeted and is, or has been, a significant component of a fishery.

Logbook

Official record of catch-and-effort data completed by fishers. In many fisheries, a licence condition makes the return of logbooks mandatory.



Longline

Fishing gear in which short lines (branchlines or droppers) carrying hooks are attached to a longer main line at regular intervals. Pelagic longlines are suspended horizontally at a predetermined depth with the help of surface floats. The main lines can be as long as 100 kilometres and have several thousand hooks. Droppers on demersal longlines (set at the seabed with weights) are usually more closely spaced.

Maximum economic yield

The sustainable catch or effort level for a commercial fishery that allows net economic returns to be maximised. Note that for most practical discount rates and fishing costs maximum economic yield will imply that the equilibrium stock of fish is larger than that associated with maximum sustainable yield. In this sense maximum economic yield is more environmentally conservative than maximum sustainable yield and should in principle help protect the fishery from unfavourable environmental impacts that may diminish the fish population.

Maximum sustainable yield

The maximum average annual catch that can be removed from a stock over an indefinite period under prevailing environmental conditions.

Memorandum of Understanding (MOU) box

The area of the Australian Fishing Zone where traditional fishing by Indonesian nationals is permitted.

Nautical mile

A unit of distance derived from the angular measurement of one minute of arc of latitude, but standardised by international agreement as 1852 metres.

Net economic returns

A fishery net economic returns over a particular period are equal to fishing revenue less fishing costs.

Non target species

Species that are unintentionally taken by a fisher or not routinely assessed for fisheries management. See also Bycatch.

Offshore Constitutional Settlement

An agreement between one or more states and the Australian Government giving individual or joint jurisdiction for a particular fishery that is in both coastal waters and the Australian Fishing Zone.

When no Offshore Constitutional Settlement agreement has been reached, the fishery remains under the jurisdiction of the state out to three nautical miles, and of the Australian Government from three nautical miles to 200 nautical miles.

Output controls

Restrictions imposed on the quantity of fish that can be taken from a fishery within a specified period of time. This can be by either a competitive total allowable catch or a total allowable catch allocated to participants as individual transferable quotas.

Overfished

A fish stock with a biomass below the biomass limit reference point. 'Not overfished' implies that the stock is not below the threshold, and is now used in place of the status classification of 'fully fished' or 'underfished'.

Pelagic fish

Inhabiting surface waters rather than the sea floor: usually applied to free swimming species such as tunas and sharks.

Precautionary principle

A principle asserting that a degree of scientific uncertainty should not be used as a reason for postponing measures to prevent environmental degradation in situations where there are threats of serious or irreversible environmental damage.

Quota

Amount of catch allocated to a fishery as a whole (total allowable catch) or to an individual fisher or company (individual transferable quota).

Quota management

A method of management based on output controls that allocates the total allowable catch among eligible operators as shares in the annual total allowable catch.



Reference point

An indicator of the level of fishing (or stock size), used as a benchmark for interpreting the results of an assessment.

Statutory Fishing Rights

Rights granted under Section 21 of the *Fisheries Management Act 1991*. The nature of Statutory Fishing Rights in a fishery is detailed in the plan of management that creates those rights. A Statutory Fishing Right may be a right to use a boat, a unit of fishing gear or a quantity of catch, or other rights as identified in the management plan.

Species

Members of a species of fish that can breed with one another and produce fertile (capable of reproducing) offspring. In this way, a species maintains its 'separateness' from other species; for example, the yellowfin tuna and bigeye tuna are two distinct tuna species whereas the general term 'tuna' includes all tuna species.

Stock

A functionally discrete population of a species that is largely distinct from other populations of the same species. Such a population may be regarded as a separate entity for management or assessment purposes. Some species form a single stock (e.g. southern bluefin tuna) while others form several stocks (e.g. albacore tuna in the Pacific Ocean are divided up into separate Northern Pacific and Southern Pacific stocks).

Targeting

Fishing selectively for particular species or sizes of fish.

Target species

The species being actively sought by fishers.

Torres Strait Protected Zone Joint Authority

An authority comprising the Parliamentary Secretary to the Minister of Agriculture and Water Resources (Chairperson), the Queensland Minister for Agriculture, Fisheries and Forestry and the Chair of the Torres Strait Regional Authority. The authority is responsible for monitoring the condition of the jointly managed fisheries in the Torres Strait and the formulation of policies and plans for their management.

Torres Strait Treaty

The treaty between Australia and Papua New Guinea concerned with sovereignty, management 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.

Total allowable catch

The amount of fish of a particular species that can be taken from a fishery in a prescribed period. Total allowable catches are set for fish species managed either through individual transferable quotas or through competitive total allowable catches.

Uncertain

Status of a fish stock for which there is inadequate or inappropriate information to make a reliable assessment.

Undercatch and overcatch

Undercatch and overcatch provide for 'carry over' or 'carry under' of an amount of end of season quota between fishing seasons thereby allowing fishers the flexibility to catch a certain amount of fish over or under their quota, and debit or credit this to or from the following season's quota

Vessel monitoring system

Electronic device that transmits the identity and location of a vessel.



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