



Australian Government

Australian Fisheries Management Authority

ANNUAL REPORT 2018–19



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Designed by 2B Advertising and Design

Contact officer: Virginia Voce

Postal address: PO Box 7051
Canberra Business Centre
Canberra ACT 2610

Office address: 15 Lancaster Place
Majura Park ACT 2609

Phone enquiries: 02 6225 5555

Email: info@afma.gov.au

Website: afma.gov.au

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Front cover photos:

Top to bottom: Rec fishing minor pole, photo courtesy Alamy.com

Banana prawns, Northern Prawn Fishery, photo courtesy Steve Hall

Southern Bluefish Tuna, photo courtesy Michael Patrick O'Neill/BluePlanetArchive.com

Fisheries officers at work, photo courtesy AFMA

Letter of transmittal



Australian Government

Australian Fisheries Management Authority

18 September 2019

Senator the Hon Jonathon Duniam
Assistant Minister for Forestry and Fisheries
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 2019. This report also includes AFMA's Annual Performance Statement for 2018–19, which was a period of very significant change for AFMA.

On behalf of the AFMA Commission and staff, we offer our thanks and congratulations to Dr James Findlay and Dr Nick Rayns for their years of tireless service and high performance as AFMA's CEO and Executive Manager, Fisheries. AFMA has been fortunate to have such high quality incumbents in those jobs over many years, as evidenced by AFMA's strong performance. We wish James and Nick the very best in their current and future endeavours.

Replacing such a well-established leadership has been a challenging process and we congratulate Ms Anna Willock for her excellent work in leading AFMA throughout that difficult period, as well as for agreeing to continue her service to the agency as the Executive Manager, Fisheries.

Equally, the end of the reporting period saw a transition in the membership of the AFMA Commission, with four long-term Commissioners departing our ranks. The contributions made by Ms Renata Brooks, Mr Ian Cartwright, Dr Keith Sainsbury and Dr Richard Stevens over their incredible more than 50 years of combined service to the Commission, and the AFMA Board before that, has been enormous and has shaped the management of Commonwealth fisheries for the better.

We join you in welcoming AFMA's new Commissioners, Mr Brett McCallum, Dr Sevaly Sen, Dr David Smith and Mr Scott Spencer. AFMA is fortunate to have such a highly qualified and diversely experienced group to complement the three ongoing Commissioners, Ms Catherine Cooper and ourselves.

In January 2019, and after many years in the same location, AFMA moved premises. The relocation, including substantial investments in IT systems, was completed on time, under budget and without loss of service delivery. While there are still some challenges to overcome, including settling into new working arrangements in an activity-based workspace, credit goes to all staff for their assistance and engagement.

Despite all this change, during 2018–19, AFMA, in partnership with industry, has provided the Australian community with well-managed Commonwealth commercial fisheries. Not only did these fisheries contribute some \$380 million in gross value of production, but for the sixth consecutive year, no fish stocks managed solely by AFMA were subject to overfishing – this result is world leading. This coupled with compliance activities by AFMA officers ensured that these valuable and sustainable fish resources were not undermined by illegal fishing activity. In addition, recognising the high expectations of all stakeholders, AFMA continues to reduce the risk of commercial, recreational and Indigenous fishing, impacting on the health of the marine environment. Telling this story to raise community understanding and trust in AFMA to deliver positive outcomes for ecologically sustainable development remains one of our major challenges going forward.

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
- put 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



Wez Norris
Chief Executive Officer

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In March 2019 Sustainable Sea Food Week celebrated certified fisheries, retailers, chefs and restaurants around Australia that ensure sustainable seafood for future generations. To coincide with the week, Australia Post released three stamps featuring sustainable fish species. AFMA Commissioner and Professor of Marine System Management at the University of Tasmania, Keith Sainsbury consulted with Australia Post on the stamps designed by Sonia Young of the Australia Post Design Studio, using illustrations by Dr Lindsay Marshall, a natural history artist and PhD in shark morphology and fisheries science.



Patagonian Toothfish (*Dissostichus eleginoides*) is a large and slender deep-water species. Commercial Patagonian Toothfish fisheries are located in the Southern Ocean and the Ross Sea



Blue Grenadier (*Macrurus novaezelandiae*), also known as Hoki, is a bottom-dwelling deep-water fish found in temperate marine waters off New Zealand and Australia



Tiger Flathead (*Platycephalus richardsoni*) found from northern New South Wales to western Victoria, including Tasmanian waters



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 2019, as forecast in the Agriculture and Water Resources Portfolio Budget Statements 2018–19 and the AFMA Corporate Plan 2018–21.

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 2018–19, an outlook for 2019–20 as well as explaining our functions, services and stakeholders.

PART 2 – PERFORMANCE

Details AFMA's Annual Performance Statement 2018–19 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 2018–19 financial year, as independently audited by the Australian National Audit Office. These statements include financial performance, SES remuneration, financial position and cash flows during 2018–19.

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, a statement of expenses by outcomes and key management personnel remuneration report.

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

Our Agency

Chairman's and CEO's review

Hawksbill Sea Turtle *Eretmochelys imbricata* Coral Sea
Photo courtesy Steffen Binke/Alamy.com



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

- ✓ 2018-19
- ✓ 2017-18
- ✓ 2016-17
- ✓ 2015-16
- ✓ 2014-15
- ✓ 2013-14

2018-19 Gross Value of Production



NEW
bycatch
handling
techniques
education
video



Northern Prawn Fishery celebrates seven years of Marine Stewardship Council (MSC) certification, which is the global standard for best practice fishery sustainability.



Chairman's and Chief Executive Officer's review

The 2018–19 financial year has again seen AFMA deliver solidly against its objective to *maximise net economic returns to the Australian community through the ecologically sustainable development of Commonwealth fisheries resources*. The Gross Value of Production for Commonwealth fisheries is forecast steady at around \$380 million and for the sixth consecutive year, no fish stocks managed solely by AFMA were subject to overfishing.

As part of this Annual Report, we have included an Annual Performance Statement (Part 2 of the Annual Report) in accordance with the requirements of the *Public Governance, Performance and Accountability Act 2013*, and we have reviewed fishery by fishery outcomes (Part 3 of the Annual Report) of AFMA's management. Highlights of our activities and impacts under each of our corporate goals include:

ECOLOGICAL SUSTAINABILITY

The *Commonwealth Fisheries Harvest Strategy Policy* and the *Commonwealth Fisheries Bycatch Policy*, released in November 2018 form the cornerstone of the government's commitment to Australia's commercial fishing industry providing the framework for the evidence-based approach to setting sustainable harvest levels. The second edition of the policies, first introduced in 2007, have been updated following developments in fisheries science and fisheries management practice, as well as stakeholder consultations and technical reviews. The policies now give even greater guidance on managing for variability in our ocean environment, and more explicit consideration of recreational and Indigenous fishers. They also ensure consistency of management across Commonwealth fisheries to provide the industry with a more certain operating environment.

Operationally, a new bycatch reduction device, the 'Tom's Fisheye', has been added to three other effective devices that have been tested by the Commonwealth Northern Prawn Fishery fleet, for use during the tiger prawn season in 2019. The 'Tom's Fisheye' trials last year showed the device can reduce bycatch by up to 40 per cent compared to previous devices.

The 'Tom's Fisheye' creates an area of low pressure in the trawl net as it is pulled through the water, increasing access to a gap in the net for fish to escape. There will be a choice for Northern Prawn Fishery trawl boat operators to use one of these effective devices from 2020, following further commercial testing in the fishery during this year's tiger prawn season. The Northern Prawn Fishery fishers, led by



the Northern Prawn Fishery Industry Pty Ltd, continue to demonstrate commitment to reducing bycatch through design and trial of new equipment and technology. It is important that fishers can use an effective device that will suit different operating conditions.

The policy framework was also expanded with AFMA's finalisation of a position statement on *How AFMA considers the social aspects of the ecologically sustainable development (ESD) principles in the management of Commonwealth Fisheries*. This articulates and broadens AFMA's incorporation of ESD into fisheries management in line with our legislated objectives. We undertook consultations during the second half of 2018 with industry and public stakeholders on social aspects of ESD and drawing on this material the position statement was published in March 2019, along with proposed actions by us and responses to the broad themes identified by stakeholders through the consultation process.

AFMA also released a new policy paper, *Fisheries Administration Paper 16 – Fisheries Research and Science Quality Assurance Policy (FMP 16)*. FMP 16 was developed to support a consistent approach to AFMA's evidence-based decision making. It describes the approach and the contribution that our staff, committees and other bodies make towards gathering and using scientific results and information.

MAXIMISE THE NET ECONOMIC RETURNS

AFMA's Economic Working Group has also been ramping up its work during 2018-19. The Economic Working Group provides expert advice on major fishery and cross fishery economic issues affecting Commonwealth fisheries management to support AFMA's capacity to maximise net economic returns to the Australian community. Drawing on member expertise, the Economic Working Group has been considering amendments to current economic key performance indicators, a number of proposed new economic indicators by fishery and indicators for monitoring economic factors that are driving targeting behaviour of fishers, e.g. using revenue per unit effort, input prices, output prices and catch per unit effort. AFMA Management will work with Australian Bureau of Agricultural and Resource Economics and Sciences and fishery Management Advisory Groups/Research Advisory Groups on developing and reporting on relevant demand driven economic data that help illustrate economic factors which may influence fisher targeting behaviour.

AFMA's release in October 2018 of the *Authorisation of transshipping activities in Commonwealth fisheries* (Transshipping Policy) and *Guidelines for Authorising transshipping activities in Commonwealth fisheries* (Transshipping Guidelines) aimed to improve consistency and transparency in the authorisation of transshipping in Commonwealth managed fisheries. Transshipping is where one fishing boat transfers



its catch to another boat while at sea and the Policy and Guidelines apply to catch taken in the Australian Fishing Zone by boats nominated to a Commonwealth fishing concession and which is to be landed in an Australian port. Transshipping can maintain product quality by reducing the time between catching and processing of fish. Where there is a lack of onshore processing facilities, transshipping can reduce travel time, fuel consumption and therefore costs. In turn, this means that a fresher, higher quality product with a smaller environmental footprint (less carbon emissions) can be provided to the consumer, ensuring the best use of the resource and improving economic returns to the Australian community.

In preparing the transshipping documents, we undertook extensive consultation and considered comments and feedback received from a broad range of stakeholders including our fishery Management Advisory Committees, commercial fishing industry associations including the Commonwealth Fisheries Association, recreational fishing groups, conservation groups, the Australian Recreational Fishing Foundation and the general public. In deciding on this approach AFMA was aware that transshipping has a mixed reputation due to its association with international occurrences of illegal, unreported and unregulated (IUU) fishing in some international fisheries. However, under AFMA's strict management arrangements, which include independent monitoring, catch documentation and a strict compliance program, these risks are mitigated.

COMPLIANCE

Australia is a leader in global action against illegal, unreported and unregulated fishing, working with neighbouring countries and international allies to monitor the sustainability of Commonwealth fisheries. Working with the international community, and other Australian Government agencies, AFMA aims to ensure that those who try to profit from illegal fishing operations are caught and prosecuted.

At a national level we work closely with the Australian Border Force and Australian Defence Force to target and apprehend illegal foreign fishing vessels in Australian waters. Illegal operators face hefty fines and the confiscation and destruction of their boats when they are caught. Evidence shows that this vigilance has a strong deterrence affect. During 2018–19 a total of five illegal foreign fishing vessels were apprehended. This number continues the downward trend with a total of 14 apprehensions in 2017–18 and 15 in 2016–17. At a regional level, we work with Australia's neighbours to run surveillance operations in the Pacific, Indian and Southern Oceans to help combat IUU fishing in those parts of the world. Australia also works closely with our partner agencies in Indonesia, Papua New



Guinea, New Zealand and Pacific Island countries in coordinating surveillance activity, training and joint operations.

During September 2018 for example, we hosted representatives from Australia's Maritime Border Command, the New Zealand Ministry for Primary Industries, the United States Coast Guard, the French Ministère des Armées and the International Criminal Police Organization (INTERPOL) as part of *Operation Nasse*. The participating nations, all members of the Quadrilateral Defence Coordination Group, worked together to coordinate at sea inspections, aerial surveillance, and maritime intelligence sharing.

The operation successfully demonstrated our ability to coordinate aircraft and surface patrol boats from all four countries to monitor fishing operations and target IUU fishing on the high seas. On-water officers sought identities of fishers not complying with the Conservation and Management Measures adopted by the Western and Central Pacific Fisheries Commission, an international agreement to which Australia is a signatory. The Western and Central Pacific Fisheries Commission seeks to ensure the long-term conservation and sustainable use of highly migratory fish stocks like tuna and billfish in the Pacific Ocean. There were 34 fishing vessels inspected, with 27 suspected violations identified, which have been reported to the relevant flag States for further action. By helping to protect these shared resources from illegal fishing, joint operations like *Operation Nasse* contribute to the sustainability of valuable commercial and recreational fisheries that target tuna and billfish as they migrate through Australian waters.

In 2018–19 we also ran in-country public information campaigns in the Asia-Pacific region, targeting key ports in cooperation with Vietnamese and Papua New Guinean authorities to ensure fishers understand international maritime laws and boundaries and the consequences when they get caught illegally fishing in Australian waters. This concerted effort to combat IUU fishing, has seen the number of foreign fishing vessels operating illegally in Australian waters plummet from 367 in the 2005–06 financial year to five in the 2018–19 financial year.

For domestic compliance, by maintaining targeted actions and visibility amongst operators in the field, AFMA continued to encourage voluntary compliance rather than having to always take enforcement action against conscious non-compliance.



EFFECTIVE, COST EFFICIENT AND TRANSPARENT MANAGEMENT AND REGULATOR ARRANGEMENTS

Collaboration and cooperation with industry continued to be a key fundamental underpinning of our innovative fisheries management, with the making of a new co-management arrangement between AFMA and the South East Trawl Fishing Industry Association. This includes a new Seine and Trawl Advisory Group to provide expert advice to AFMA on operational aspects of the Commonwealth Trawl Sector. The Seine and Trawl Advisory Group will support decision making in a fishery that is Australia's main source of local fresh fish.

This co-management arrangement is another example of AFMA and industry working together for more efficient management of Commonwealth fisheries. A new agreement with the South East Trawl Fishing Industry Association formalises ongoing arrangements for the efficient management of eastern pink ling catches through voluntary catch restrictions, as well as funding for a project to develop prototype seal mitigation technology for commercial trawl vessels. We are always looking for ways to improve sustainability and minimise interactions with protected species in Commonwealth fisheries, so developing an effective seal mitigation device for trawl vessels is an important investment.

Since 2013 AFMA has allowed 28-day quota reconciliation arrangements. Continuous reconciliation spreads the demand for quota across the fishing year, and therefore reduces the incidences of market "rushes". This helps to ensure the quota market operates as efficiently as possible, meaning operators are able to readily respond to changes in catches thereby allowing the industry to more fully utilise the total allowable catch. During 2018–19, there were only five reported instances where quota has not been reconciled within the 28 day period. This is significantly down from the previous two years with a reported 29 instances in 2017–18 and 30 instances in 2016–17. Even more encouraging, over the last six months of the reporting period, no operator failed to reconcile their quota.

In 2010 AFMA made a commitment to industry that it would keep cost recovery levels 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 \$42 million (as at 2018–19).



In early 2019, AFMA's Canberra office began operating out of its new office space in the Majura Park Precinct of the Canberra Airport. To support new work practices, AFMA upgraded its Information and Communications Technology (ICT) environment to enable a mobile and collaborative workforce. The Technology and Digital Services team deployed a new operating environment with laptops provided to all staff and introduced Microsoft Teams (softphone solution) across all our offices. This allows staff to utilise all collaborative spaces in the office through Wi-Fi technology, whilst still remaining connected to the AFMA secure network. Adopting cloud base technology has also reduced our reliance on infrastructure support, reducing both costs and ICT risks.

The new workspace now supports more agile and collaborative work practices enabled through the provision of mobile technologies and flexible physical settings which in turn support a more cost efficient and productive workforce. The move to a new, flexible and mobile working environment allows AFMA to be on the front foot in continuing to deliver efficient, cost-effective and accountable management of Commonwealth fisheries resources.



Photo from left to right: John Andersen, General Manager Corporate Services; then Assistant Minister Senator the Hon Richard Colbeck; Anna Willock, then Acting Chief Executive Officer at the official opening of the AFMA Canberra office



EXTERNAL REVIEW

During the reporting period the Australian National Audit Office carried out an audit to assess the effectiveness of coordination arrangements of Australian government entities operating in the Torres Strait. The final report was tabled on 29 May 2019. AFMA has extensive responsibilities in managing Commonwealth fisheries resources in the region and works to deliver on these in cooperation with a number of Commonwealth and state agencies.

AFMA considered the audit report recommendations and accepts that timely finalisation of Protected Zone Joint Authority annual reports and regular updating of the Authority's website will enable stakeholders to be better informed about fisheries management issues and actions. Together with other Protected Zone Joint Authority member agencies, we will also continue to work towards further integration and coordination of fisheries management in the Torres Strait.

OUTLOOK

AFMA's Corporate Plan 2019–22 was approved by the Assistant Minister for Forestry and Fisheries in June 2019.

Over the next four years AFMA will look to implement fisheries management in pursuit of sustainable and profitable Commonwealth fisheries by:

- simplifying regulations to reduce operational and cost burdens for industry
- managing ecological and compliance risks
- deterring illegal, unreported and unregulated fishing
- improving engagement with stakeholders in the responsible management of fisheries.

AFMA commissions and places a high importance on scientific and economic research and risk assessments. This reflects the importance of making evidence-based decisions. As part of our expanding application of ESD, we are also increasing consideration of the economic interests of recreational and Indigenous stakeholders, as well as commercial fishers, along with extending the impact of our domestic and international compliance efforts. AFMA will continue to progress the social aspects of ESD considering the proposed action and responses to the broad themes identified by stakeholders during the consultation process in March 2019.



We will integrate long-term and short-term economic, environmental, social and equity considerations, apply the precautionary principle and conserve biological diversity. In doing so, we will work with commercial, recreational and Indigenous fishers. We will develop management arrangements that seek to maximise economic yield for commercial fishers while accounting for recreational and Indigenous fishing interests in Commonwealth fisheries.

We are also working in collaboration with scientific and other organisations to account for the impacts of climate change on historical, current and future biomass of stocks to ensure that our management arrangements remain adaptable and sustainable to change.

It is worth noting that AFMA experienced significant change throughout 2018–19. The change in accommodation and workplace set-up, including embracing new technology, was a significant and prolonged process. AFMA approached it through detailed consultation and formal change management approaches. The transition was completed on time and under-budget. At the same time, AFMA lost its two most senior staff members in close proximity to each other in late 2019, resulting in a recruitment process for both positions that was not finalised until April 2019. These changes and others placed considerable additional pressure on the agency and its staff, and have had an undeniable impact on staff morale and workplace satisfaction. The agency is working to strengthen morale and will continue to focus on this issue in 2019–20 recognising the good work of AFMA staff done in the past.

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, retains responsibility for strategic fisheries policy advice, legislative development 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 Minister for Agriculture and Water Resources – the Hon David Littleproud MP from 1 July 2018 to 29 May 2019 and the Hon Bridget McKenzie MP was appointed Minister for Agriculture on 29 May 2019. Senator the Hon Anne Ruston was the Assistant Minister for Agriculture and Water Resources with responsibility for fisheries from 1 July 2018 to 28 August 2018, Senator the Hon Richard Colbeck took over from 28 August 2018 to 29 May 2019 and Senator the Hon Jonathon Duniam was appointed Assistant Minister for Forestry and Fisheries on 29 May 2019.

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 fisheries on behalf of the Australian community. The challenge in delivering these services is to find the right balance between competitive and profitable seafood production and keeping the impacts of 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 health of the broader marine environment.

We generally manage 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 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.

As a regulator we pursue efficient and cost effective fisheries management in a way that accounts for the effects of fishing and ensures ecologically sustainable development. We also regulate the harvest 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 2018–19 about 40 per cent of total revenue was recovered from the fishing industry.

STAKEHOLDERS

AFMA proactively engages with scientists, commercial fishers and fishing associations, researchers, environment and conservation organisations, other Australian Government, territory and state agencies, and recreational and Indigenous fishers about our management of Commonwealth fisheries and compliance activities. We continue to encourage and promote a partnership approach with stakeholders, involving them in developing policies and actions and to share responsibility for fisheries management (and the associated risks) where appropriate.

We 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 our website at afma.gov.au.



ORGANISATIONAL STRUCTURE

Our organisational structure as at 30 June 2019 is presented below.

Minister for Agriculture		Assistant Minister for Forestry and Fisheries	
AFMA Commission			
AFMA Chief Executive Officer Mr Wez Norris			
Fisheries Management Branch Executive Manager Ms Anna Willock	Fisheries Operations Branch General Manager Mr Peter Venslovas	Corporate Services Branch General Manager Mr John Andersen	
Northern Fisheries & Co-management Senior Manager Mr Steve Bolton	National Compliance Strategy Senior Manager Mr Tod Spencer	Executive Support and Executive Secretariat Senior Manager Mr Andrew Pearson	
Torres Strait Fisheries Manager Ms Selina Stoute			
Demersal and Midwater Fisheries Senior Manager Mr George Day	Compliance Operations (Darwin) Senior Manager Mr John Davis	Business Support Chief Finance Office Mr Robert Gehrig	
Tuna and International Fisheries Senior Manager Mr Trent Timmiss	Foreign Compliance Policy Senior Manager Ms Kerry Smith	Workplace Group – Human Resources Senior Manager Ms Libby Jenkins	
Policy, Environment, Economics and Research Senior Manager Mr Ryan Murphy		Workplace Group – Property and Security Senior Manager Mr Scott Connors	
Fisheries Services A/g Senior Manager Mr Andrew Powell		Technology and Digital Services Chief Information Officer Mr Mick Roses	
		Communications Communications Manager Ms Sarah Schofield	



WHERE AFMA OPERATES

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

AFMA office locations

Canberra office		
Street address	Postal address	Enquiries
Level 3 15 Lancaster Place MAJURA PARK ACT 2609	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
Lakes Entrance office		
Street address	Postal address	Enquiries
Seamec Building Bullock Island Road LAKES ENTRANCE VIC 3909	PO Box 408 LAKES ENTRANCE VIC 3909	Ph: 0447 019 916

A number of observers are in various locations around Australia.

View of Ulladulla Harbour NSW
Photo courtesy Georgia Langdon







PART 2

Performance

Certification by the Chief Executive Officer

AFMA's Performance Framework

1. Management of Commonwealth fisheries consistent with the principles of ecologically sustainable development
 2. Maximum net economic returns to the Australian community from the management of Commonwealth fisheries
 3. Compliance with Commonwealth fisheries laws and policies and relevant international fishing obligations and standards
 4. Deliver efficient, cost-effective and accountable management of Commonwealth fisheries resources
-

Broadbill swordfish

Photo courtesy Franco Banfi/BluePlanetArchive.com

PERFORMANCE SUMMARY

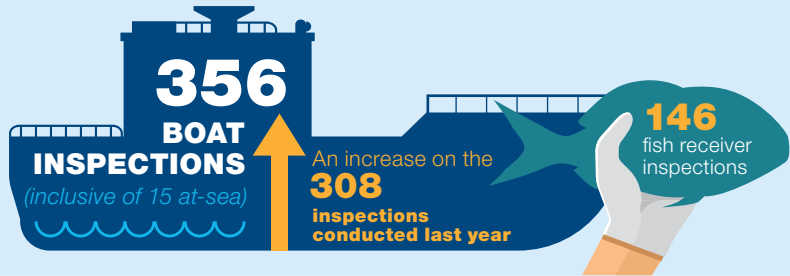
>99%

of AFMA's client service charter obligations **WERE MET.**



Ecological Risk Management Guide reviewed and updated

A key part of AFMA's broader risk management strategy



9 AERIAL SURVEILLANCE FLIGHTS CONDUCTED



231 PORT VISITS



16 SEA PATROLS

Continuing **HIGH LEVELS OF COMPLIANCE** were observed with

89.6%

of inspections requiring **no further action**



96.5%
VESSEL MONITORING SYSTEM

compliance rates in 2018–19

Annual Performance Statement

I, as the accountable authority of the Australian Fisheries Management Authority (AFMA), present the 2018–19 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.



Wez Norris
Chief Executive Officer & 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:

'To maximise net economic returns to the Australian community through the ecologically sustainable development of Commonwealth fisheries.'

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 2018–19, 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 2018–21 Corporate Plan. Our performance against these targets, as well as other actions, provide an indication of our success in fulfilling our purpose, and in achieving our outcome for the benefit of the Australian community.

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

1. Management of Commonwealth fisheries consistent with the principles of ecologically sustainable development

To achieve this goal we are required to integrate long-term and short-term economic, environmental, social and equity considerations, apply the precautionary principle and conserve biological diversity. In doing so, we will also work with commercial, recreational and Indigenous fishers.

2. Maximum net economic returns to the Australian community from the management of Commonwealth fisheries

We require our management arrangements to create a regulatory environment which enables commercial operators to maximise operating efficiencies and accounts for recreational and Indigenous fishing interests.

3. Compliance with Commonwealth fisheries laws and policies and relevant international fishing obligations and standards

This goal requires that we cooperate with a range of domestic and foreign agencies to maintain effective monitoring, control and surveillance of fisheries activities in the Australian Fishing Zone and waters of shared international interest.

4. Deliver efficient, cost-effective and accountable management of Commonwealth fisheries resources

Under this goal we will deliver value for money through improved valuation, pricing and incentive mechanisms and ensure accountability to commercial, recreational and Indigenous fishers and the Australian community.

PERFORMANCE SUMMARY

For Commonwealth fisheries during 2018–19, AFMA continued to deliver sustainable and efficient management and provided a net economic return to Australia, including through effective deterrence of illegal fishing. All AFMA's performance targets, with the exception of one, were either fully or partly met (see performance summary and detailed analysis):



Results snapshot

	Target met	Target partly met	Target not met
1. Ecological sustainable development			
1.1 Complete an Ecological Risk Assessment and Fisheries Management Strategy for each fishery every five years (number of fisheries)		✓	
1.2. The number of high risk rated species from Ecological Risk Assessments declines ¹			✓
1.3. Fisheries reporting on general bycatch quantity ² each year (number of fisheries)	✓		
1.4 Fisheries reporting decreasing volume of general bycatch each year ² (number of fisheries)	✓		
1.5 Number of fisheries with decreasing interaction rates with Threatened Endangered and Protected species	✓		
2. Economic returns			
2.1. For economically significant stocks ³ :	✓		
a) Maximise the number of key commercial stocks with harvest strategy targets based on maximum economic yield or the best available proxy ^{4,5}			
b) Improve the number of stocks in (a) assessed as being on target ⁴ (number of stocks)	✓		
c) For those stocks in (a) that are assessed as not on target, improve the numbers that are heading towards their target reference point ⁴ (number of stocks)	✓		
2.2 Major fisheries have harvest strategies that meet the Harvest Strategy Policy 2018 (HSP2018) within 3 years (number of fisheries)	✓		
2.3 Other fisheries have harvest strategies that meet the HSP2018 within 4 years (number of fisheries)	✓		
3. Compliance			
3.1 Percentage of treatment targets met for all priority domestic risks		✓	
3.2 Percentage of apprehended illegal unreported and unregulated vessels and suspected illegal entry vessels delivered to AFMA that were disposed of	✓		
4. Effective, cost efficient and accountable management			
4.1 Cost recovery charges	✓		
4.2 Communications with subscribers	✓		

1 The number of “potentially high risk species” has increased by 20 per cent due to the application of new biological reference points for sharks and rays.

2 Bycatch other than Threatened, Endangered and Protected species.

3 Please note that not all Commonwealth fish stocks can be managed by maximum economic yield, for example, those managed under international regional bodies.

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

5 Assessment methodologies are being reviewed. This may mean that projections may vary.

1. Management of Commonwealth fisheries consistent with principles of ecological sustainable development

PURPOSE

AFMA pursues the Commonwealth Policy on sustainable fisheries to minimise fishing-related impacts 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.

To achieve this we worked with a range of Commonwealth agencies during 2018–19 on updating the Commonwealth Fisheries Harvest Strategy Policy and the Commonwealth Fisheries Bycatch Policy and their respective guidelines. Revised versions were released in November 2018 and we are now reviewing and implementing changes to our management arrangements to reflect these revised policies.

PERFORMANCE RESULTS

Criterion source: The performance indicators below are recorded in AFMA's chapter in the Agriculture and Water Resources 2018–19 Portfolio Budget Statements p. 248 and in AFMA's Corporate Plan for 2018–21 p. 7.

Performance criteria	2018–19 Target	2018–19 Actual
1.1 Complete an Ecological Risk Assessment and Fisheries Management Strategy for each fishery every five years (number of fisheries)	5	5
1.2 The number of high risk rated species from Ecological Risk Assessments declines	88	100
1.3 Fisheries reporting on general bycatch quantity each year (number of fisheries)	5	10
1.4 Fisheries reporting decreasing volume of general bycatch each year (number of fisheries)	3	5
1.5 Number of fisheries with decreasing interaction rates with Threatened Endangered and Protected species	3	5



ASSESSMENT OF PERFORMANCE AGAINST THE PURPOSE

AFMA uses an ecosystem-based approach to ensure that it takes account of fishing impacts on the whole marine environment, rather than just target species. This results in a precautionary approach when assessing the risks posed by Commonwealth commercial fishing. Our fishery-specific ecological risk assessments evaluate a wide range of species that are at various levels of risks from the effects of fishing. Through this process, we assess risk in relation to over 2000 recorded species in Commonwealth waters. The majority (85 per cent) of the species on AFMA's "potential high risk species" list are there due to a lack of information about the biology of those species or catch information. In 2018–19, AFMA's focus on ecological risk assessment was broadened from species to incorporation of risks to habitats and communities; this will add even greater robustness to management measures.

The ecological risk framework requires that each fishery set out how they will address any impacts identified through the risk assessment process particularly those impacts that fishing has on commercial, bycatch and Threatened, Endangered and Protected species. Following the recent revitalisation process of our ecological risk assessment process these actions are to be set out in fishery management strategies; a 'one stop shop' for documentation and information about Commonwealth fisheries. This reflects our work with the Department of Agriculture when implementing the revised Commonwealth Harvest Strategy and Commonwealth Bycatch policy and their respective supporting guidelines in November 2018. A fishery management strategy has been completed for one fishery to date.

Based on the updated Ecological Risk Assessment methodology five fisheries have been reassessed by the Commonwealth Scientific and Industrial Research Organisation in conjunction with AFMA. Some of these reassessments resulted in a significant reduction in the number of "potential high risk species" identified. For example, in the Eastern Tuna and Billfish Fishery from seven to one species and in the Small Pelagic (Mid Water Trawl) Fishery from eight to zero species. The Heard Island and McDonald Islands Fishery continues to have no identified "high risk species". These reductions are attributed to improved species information and data collection, as a result of, increased observer coverage and the introduction of electronic monitoring.

An additional four Ecological Risk Assessments are nearing completion, with another six scheduled to commence during 2019–20. To support the ecological risk assessment methodology we progressed work around taking into account habitat impacts in risk assessments and developing further strategic guidelines to manage the impacts of fishing on the broader marine environment, particularly for seabirds

and marine mammals. We reviewed our dolphin mitigation strategies to ensure that impact on dolphins from fishing were minimised and implemented seabird bycatch operational guidelines in October 2018 to guide and encourage strategies to reduce and minimise seabird interaction and bycatch by Commonwealth fishers.

Five fisheries reported a reduction in gross bycatch caught between the two assessment periods and five fisheries reported a reduction in gross Threatened, Endangered and Protected species interactions between the two assessment periods⁶.

We maintained our strong position with no stocks managed solely by AFMA being subject to overfishing for the sixth year in a row. The target stock work is supported by new work in the area of social licence and exploring our obligations under revised legislation with respect to the Indigenous and recreational sectors. Implementing the new legislative requirement is advancing for the recreational fishing sector, with recreational members/expertise being actively sought for those fishery Management Advisory Committees and Resource Assessment Groups with an identified recreational fishing interest. A scoping project is currently under development to foster meaningful engagement with the Indigenous sector.

We have continued to invest in the application of science to decision making through development and finalisation of *Fisheries Administrative Paper 16 – Research and Science Quality Assurance Policy* approved by the AFMA Commission in October 2018. This policy supports AFMA's evidence based decision making and describes how staff, committees and other bodies contribute to AFMA decision making.

We are also working in collaboration with scientific and other organisations to account for the impacts of climate change on historical, current and future biomass of stocks to ensure that our management arrangements remain adaptable and sustainable to change.

In May 2019, AFMA finalised a statement of how we implement the social aspects of ecological sustainable development to help stakeholders better understand how we operate. The statement is on AFMA's website and encourages stakeholder feedback with a view to identifying possible future actions that will enable us to more comprehensively consider social aspects of applying the principles of ecologically sustainable development.

⁶ The final quarter of the 2018–19 year has not been assessed.



ANALYSIS OF PERFORMANCE AGAINST THE PURPOSE

Reducing bycatch is a key focus for AFMA, and reporting of gross volumes of bycatch was lower in five fisheries and exceeded the performance target. Ten fisheries provided accurate information on the quantity of bycatch discarded, exceeding the target by five. These metrics will assist us in meeting the requirements of the recently introduced Commonwealth Bycatch Policy, particularly around cumulative impacts across fisheries. Key projects throughout the year which contributed to these results were:

- The Northern Prawn Fishery significantly reduced small finfish bycatch through the implementation of covered fisheye Bycatch Reduction Devices, which were made mandatory during the 2018 tiger prawn season. This work has led to AFMA trialling similar Bycatch Reduction Devices in the Torres Strait Prawn Fishery this coming season which will hopefully lead to similar reductions in bycatch rates.
- A review of the Small Pelagic Fishery and the gillnet fishery dolphin mitigation strategies strategy to ensure that trigger levels and settings were achieving the goal of minimal impact on dolphins in these fisheries, with initial data indicating success against that goal.

The number of fisheries with decreasing interaction rates with Threatened, Endangered and Protected species was five, and exceeded the performance target. A notable example was in the Small Pelagic Fishery where reported Threatened, Endangered and Protected species interactions reduced by 85 per cent this year, due in part to work with the midwater trawl sector regarding marine mammal bycatch reduction.

However, in the Commonwealth trawl sector interaction with seabirds increased by a reported 50 per cent, leading to new requirements (commencing in November 2019) to not discharge biological material while fishing gear is under tow, and to develop further seabird mitigation measures. This work was guided by our recently approved Seabird operational guidelines that provide an overarching framework for how fisheries can implement physical mitigation strategies to reduce and minimise seabird bycatch.

Climate change

In line with our overarching goal of managing fisheries consistent with the principles of ecological sustainable development AFMA is investing in and applying science to decision making on fish stocks, sub stocks, species (target and non-target) and the impact of fishing on the broader marine environment to investigate the effects of climate change on Commonwealth fisheries.

Australia's oceans are undergoing substantial change, including a number of rapidly changing hotspots. Understanding what that change means for fisheries production and management is paramount if the resources are to continue to be sustainably managed. AFMA, in collaboration with a variety of organisations, is working towards the adaptation of fisheries governance to predicted changes in the climate and oceanography through a series of projects which aim to add resilience to the management of Commonwealth fisheries.

Since 2018, AFMA has been involved in two Fisheries Research Development Corporation funded research projects to answer the following questions:

1. *How will climate change impact Australian fish stocks over the coming decades?*
2. *Can our current Commonwealth fisheries regulatory system adapt to the projected impacts of climate change?*

The first project, *Decadal scale projection of changes in Australian fisheries stocks under climate change*, was led by the Commonwealth Scientific and Industrial Research Organisation and funded by the Fisheries Research Development Corporation, in which 16 scientists used large amounts of fisheries data to predict how fish species in our waters will respond to climate change over the coming decades.



The project was completed in 2018 and its key findings included:

- 70 per cent of key species Australia wide have moderate to high sensitivity in one climate change sensitivity determining factor (abundance, distribution and phenology).
- 50 per cent of target species in AFMA managed fisheries are considered moderately to highly sensitive.
- Pelagic fish are generally expected to be the least affected by climate change, whereas demersal and invertebrate species will be more affected.
- Species distributions are also expected to shift as sea surface temperatures continue to rise.

The *Adaptation of Commonwealth Fisheries to Climate Change* project commenced in early 2018 with the formation of a steering group composed of diverse fishery, government and environmental stakeholders. The project builds on the key findings of the Decadal Projections project and aims to understand how Australian fisheries could adapt to the effects of climate change. We are collaborating with the Commonwealth Scientific and Industrial Research Organisation, social science, economic and risk experts to assess the risk of climate change to the current management practices and identify ways that Commonwealth fisheries can adapt to those changes.

A first workshop was carried out in November 2018, workshop attendees were introduced to: climate change, impacts of climate change on fisheries and their implications on fishery management. Stakeholders helped develop pathways to understand the various ways in which climate change may impact a fishery and its management. These impact pathways are currently being used to develop a risk assessment methodology, which will be applied to two test case Commonwealth fisheries.

A second stakeholder workshop is tentatively planned for late September 2019 and its aim will be to get stakeholder engagement on two to three fisheries case studies. The completion of the project is expected in early 2020.

Photos courtesy AFMA Media Library.



2. Maximum net economic returns to the Australian community from the management of Commonwealth fisheries

PURPOSE

The Commonwealth Fisheries Harvest Strategy Policy and Guidelines 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, there should be greater returns to the harvesting sector and the Australian community.

AFMA has also continued to develop and better understand the impacts of management policies to improve the net economic returns from Commonwealth fisheries. In 2018–19, AFMA:

- collected economic information including trading prices of gear and statutory fishing rights
- reviewed Fisheries Management Paper number 5 – exploration of fish resources
- worked with the department towards developing a Commonwealth resource sharing policy.



PERFORMANCE RESULTS

Criterion source: The performance indicators below are recorded in AFMA's chapter in the Agriculture and Water Resources 2019–20 Portfolio Budget Statements p. 233 and in AFMA's Corporate Plan for 2018–21 p. 9.

Performance criteria	2018–19 Target	2018–19 Actual
2.1 For economically significant stocks ⁷ :		
a) Maximise the number of key commercial stocks with harvest strategy targets based on maximum economic yield or the best available proxy ^{8,9}	At least 15	16
b) Improve the number of stocks in (a) assessed as being on economic target ⁸ (number of stocks)	4	4
c) For those stocks in (a) that are assessed as not on target, improve the number that are heading towards their target reference point ⁸ (number of stocks)	6	7
2.2 Major fisheries have harvest strategies that meet the Harvest Strategy Policy 2018 (HSP2018) within 3 years (number of fisheries)	0 ¹⁰	0
2.3 Other fisheries have harvest strategies that meet the HSP2018 within 4 years (number of fisheries)	0 ¹¹	0

Assessment of performance against the purpose

The number of economically significant stocks with harvest strategy targets based on maximum economic yield or the best available proxy (16 stocks) was higher than the target of 15. The economically significant stocks that have maximum economic yield targets are:

- 11 stocks – Bight redfish, Blue eye trevalla, Blue grenadier, Deepwater flathead, Eastern school whiting, Gummy shark, Orange Roughy Eastern, Pink ling-east, Pink ling-west, School shark, Tiger flathead (Southern and Eastern Scalefish and Shark Fishery)
- 1 – Swordfish – east, managed by international treaty (Eastern Tuna and Billfish Fishery)
- 1 – Swordfish – west, managed by international treaty (Western Tuna and Billfish Fishery)
- 3 – Banana, Endeavour and Tiger prawns (Northern Prawn Fishery).

7 The method for estimating these KPIs was recommended by ABARES in its 2015 review of AFMA's economic KPIs. One year forecasts are based on fishery manager expertise and stock assessments. *Please note that not all Commonwealth fish stocks can be managed by maximum economic yield, for example, those managed under international regional bodies.*

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 Assessment methodologies are being reviewed. This may mean projections may vary.

10 2020–21 target = 8

11 2020–21 target = 4

The economically important stocks (top 30 stocks by value) remained the same as the previous reporting period and there were no changes in the harvest strategy targets of those stocks. The four stocks “on target” are: Deepwater flathead, Eastern school whiting, Tiger flathead (all Southern and Eastern Scalefish and Shark Fishery) and Swordfish-east (Eastern Tuna and Billfish Fishery).

Furthermore, the seven stocks that were assessed as not on target but are heading towards the target is higher than the target of six. These are: Blue eye trevalla, Blue grenadier, Gummy shark, Orange roughy eastern, Pink ling-east, Pink ling-west (all Southern and Eastern Scalefish and Shark Fishery) and Tiger prawn (Northern Prawn Fishery).

ANALYSIS OF PERFORMANCE AGAINST THE PURPOSE

In aiming to implement harvest strategies that ensure key commercial fish species are sustainably managed to maximise net economic returns to the Australian community, AFMA introduced mandatory reporting of trading prices for quota and gear Statutory Fishing Rights in July 2017. The collection of quota Statutory Fishing Rights prices and their publication will support a competitive market via transparent price signals that can increase efficiency, lead to lower transaction costs and enable AFMA to better target management of fish species.

AFMA has continued to work with stakeholders to improve the quality of reported quota prices. To this end, the Economics Working Group (EWG) has provided advice, which AFMA has implemented, on quota transfer and lease price data cleaning methods to detect/flag errors and inconsistencies.

In collaboration with the Australian Bureau of Agricultural and Resource Economics and Sciences, we also commenced an audit of available key fisheries economic data. We are developing a suite of high level economic key performance indicators to monitor the economic performance of our fisheries.

The Northern Prawn Fishery Industry group and AFMA have worked together to develop a management approach for using biological and economic indicators, relevant to the fishery, to provide ample warning of conditions that may indicate the need for structural adjustment within the Northern Prawn Fishery fleet. To ensure the Northern Prawn Fishery remains biologically and economically sustainable, the Northern Prawn Fishery industry will need to respond to agreed triggers associated with key indicators.



We are also developing indicators to monitor economic factors that are driving targeting behaviour of fishers. These indicators can help inform stock assessments where changes in catch rates are not easily standardised using normal processes.

In addition we have initiated a process to better integrate economic information into the total allowable catch setting process for the Bass Strait Central Zone Scallop Fishery to maximise the net economic returns in the fishery.

A final draft of the exploratory fishing policy (FMP 5) has been developed to provide guidance to industry and decision makers regarding access to underutilised Commonwealth fisheries resources and will be released for public comment in 2019.



AFMA and industry discussing installation of Gulper Shark Exclusion Device on South East Trawl boats

Photo courtesy Georgia Langdon AFMA Media Library

3. Compliance with Commonwealth fisheries laws and policies and relevant international fishing obligations and standards

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 lead to the closure of areas and/or fisheries as a result of significant environmental impacts such as depletion of fish stocks.

Reducing cost pressures on fishers through efficient and effective regulatory management and providing greater insights and accountability for stakeholders into our decisions are key aspects of delivering on this objective.

PERFORMANCE RESULTS

Criterion source: The performance indicators below are recorded in AFMA's chapter in the Agriculture and Water Resources 2018–19 Portfolio Budget Statements p. 248 and in AFMA's Corporate Plan for 2018–21 p. 12.

Performance criteria	2018–19 Target	2018–19 Actual
3.1 % of treatment targets for all priority domestic risks met	90%	76.9%
Performance measure measurement method: Data is based on actions documented in compliance and enforcement activities.		
3.2 % of apprehended illegal, unreported and unregulated vessels and suspected illegal entry vessels delivered to AFMA were disposed of	100%	100%
Performance measure measurement method: Data is based on actions documented in compliance and enforcement activities.		



ASSESSMENT OF PERFORMANCE AGAINST THE PURPOSE

In 2018–19, AFMA's performance targets for its domestic and foreign compliance operations were, in the main, generally met.

For domestic compliance, by maintaining targeted actions and visibility amongst operators in the field, AFMA continued to encourage voluntary compliance rather than having to always take enforcement action against conscious non-compliance. 20 of the 26 (76.9 per cent) of the self-imposed performance targets assessed were achieved, with a further four (15 per cent) close to target levels.

All apprehended foreign illegal fishing vessels delivered to AFMA were successfully disposed of.

ANALYSIS OF PERFORMANCE AGAINST THE PURPOSE

National Compliance (domestic)

AFMA's *National Compliance Operations and Enforcement Policy* (the policy) aims to effectively deter illegal fishing in Commonwealth fisheries and the Australian Fishing Zone.

In order to achieve the policy objective the risk based 2018–19 National Compliance and Enforcement Program consisted of four main components:

- Communication and Education
- General Deterrence
- Targeted Risk
- Maintenance

As detailed below, the sub programs under each of the four component involved specific aims and outcomes.

Communication and Education Program:

- AFMA fisheries officers conducted infield education sessions and pre-season briefings in a variety of ports to inform fishers on the principles of the compliance and enforcement program and potential consequences of being caught committing offences. Monthly compliance articles were also posted on AFMA's website and Facebook pages with messages being sent to fishers on a regular basis. Subject matter included reminders to Commonwealth and Torres Strait fishers to use approved Vessel Monitoring System units targeting of discard reporting by fisheries officers
- reminders to keep Vessel Monitoring System units switched on over the Christmas and New Year period
- the need to submit logbook data, cover over quota catches and renew licences on time
- notifications that landed fish used for personal consumption need to be counted against quota.

All six of the Communication and Education performance targets were met in 2018–19.

General Deterrence Program:

Our fisheries officers undertook 231 port visits, 16 sea patrols to conduct 356 boat inspections (including 15 at-sea) and 146 fish receiver inspections. Nine aerial surveillance flights were also conducted. The number of inspections is a 63 per cent increase over the 308 inspections conducted in 2017–18 and can largely be attributed to the opening of an AFMA office at Lakes Entrance in Victoria and the transfer of responsibility for the domestic compliance function in the Torres Strait to AFMA. High levels of compliance were observed with 89.6 per cent of boat inspections not requiring any further action. This was on par with the program target rate for voluntary compliance of 90 per cent.

Seven of the nine performance targets for the general deterrence program were met in 2018–19. As a result of the need to retune priorities and address the changes in risk levels throughout the year, the two remaining performance measures were close to target levels.

Following the transfer of responsibility for the fisheries domestic compliance role in the Torres Strait Fishery from 1 July 2018 our fisheries officers participated in 15 joint 'at-sea' patrols, alongside agencies such as Australian Border Force, Royal Australian Navy, Queensland Water Police and Torres Strait Rangers. Our fisheries officers also visited 11 ports/freight hubs and participated in 18 stakeholder/community meetings to deliver information sessions on compliance related issues.



Targeted Risk Program:

During 2018–19 our targeted risk program focused on quota evasion, failing to report interactions and retention of protected and prohibited species and bycatch mishandling.

Quota evasion

Quota evasion is the deliberate misreporting, or non-reporting, of the volume and species of catch caught in Commonwealth waters. All Commonwealth fishers are required to accurately report their catch to AFMA through the Catch Disposal Records. In 2018–19 the National Intelligence Unit and the General Duties Team developed and implemented covert surveillance programs to provide an indicative measure of the level of quota evasion. This also included a focussed operation on one particular sector of the industry to investigate potential quota evasion activities. As a result of this program we did not detect any activity that required us to take any compliance action. This work will assist in planning future actions to target resources on areas involving non-compliant activity. All three quota evasion performance targets were met in 2018–19.

Failure to report interaction/retention of protected or prohibited species

During 2018–19 two of the three performance targets to minimise the take or retention of prohibited or conservation dependent species were met. There were nine instances of non-reporting of Threatened, Endangered and Protected species interactions, which exceeded the target of less than three. The 30 matters detected in 2018–19, which required investigation, is significantly lower than the 45 matters detected in 2017–18 and the 50 matters in 2016–17. Each of the 2018–19 matters was dealt with by way of education, caution, warning or referred to another agency for further action. AFMA will continue to re-assess its strategies to improve reporting rates in 2019–20.

Bycatch mishandling

To assist in ensuring long term sustainable fisheries, we have continued with education and communication programs with industry to outline the risk of bycatch mishandling. There were 13 identified incidents in 2018–19, an average of just over one per month, which is considerably lower than the 29 identified incidents in 2017–18, an average of 2.6 per month, and well below the average rate of 4.2 per month which was occurring prior to the introduction of formal requirements in October 2016.

Bycatch mishandling incidents were principally dealt with by way of education sessions, cautions and warnings. Despite the continuing downward trend in the number of incidents, the target rate of less than 10 incidents per year was exceeded and continued work to reduce incident levels will be a focal area in 2019–20.

Maintenance Programs

Previously ‘treated’ risks remained the focus of the maintenance programs. These included compliance with AFMA’s satellite based Vessel Monitoring System or e-monitoring system requirements, quota reconciliation and minimising the incidence level of fishing in closed areas.

Vessel Monitoring System compliance rates remained high with an average of 96.9 per cent of all Commonwealth boats reporting to AFMA via their Vessel Monitoring System at any one time, which is slightly below the target of 98 per cent. Main reasons for non-compliance were operators not seeking approval to turn units off when vessels are undergoing maintenance or have temporarily ceased fishing. There were also two incidents of non-compliance with e-monitoring requirements. This was above the target rate of zero and both matters, which were minor in nature, were dealt with administratively.

A total of six fishers failed to reconcile their over catches by the due date which is significantly down from the previous two years with 30 and 29 instances occurring in 2016–17 and 2017–18 respectively. AFMA worked with the six fishers to resolve most of the matters, with all subsequently being issued with official cautions. There was one incident of a vessel suspected of breaching a fishing closure. This is only the second case in over two years and the matter is subject to investigation.

Two of the four maintenance program performance targets were met, with the remaining two close to target levels.

AFMA domestic prosecutions for 2018–19

During 2018–19, we finalised one prosecution matter relating to unlicensed fishing in the Torres Strait resulting in a conviction and \$1500 in fines.

FOREIGN COMPLIANCE

Our foreign compliance activities ensure that Australia’s fish stocks and the marine environment, particularly to the immediate north and far south, are not adversely affected by illegal foreign fishing.

Our approach to illegal, unreported and unregulated foreign fishing is multifaceted comprising on-the-water surveillance and enforcement, regional cooperation, diplomatic representations, in-country education and capacity building and international cooperation through regional fisheries management organisations and other international agreements and arrangements.



We work 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.

NORTHERN WATERS

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

During 2018–19, a total of five illegal foreign fishing vessels were apprehended across Australia's northern waters. All vessels were Indonesian. This number continues the downward trend with a total of 14 apprehensions in the 2017–18 financial year and 15 in 2016–17.

In total, 41 foreign fishers were detained for illegal fishing in Australian waters, with five Indonesian nationals the subject of criminal prosecution in Australia. Those prosecuted received penalties including good behaviour bonds, monetary fines of up to \$4000 per offence and terms of imprisonment.

All boats were confiscated by Australian authorities. Two were destroyed at AFMA's contracted vessel disposal facilities and three were destroyed at sea.

CAPACITY BUILDING

We also continue our program of capacity building working with our near neighbours to enhance regional responses to illegal, unreported and unregulated fishing.

In 2018, AFMA worked closely with Vietnamese government officials in providing information to Vietnamese fishers on the risks associated with fishing illegally in a third parties waters. The joint Australia-Vietnam Public Information Campaign included workshops in Binh Chau Commune and on Ly Son Island in the Quang Ngai Province and included members of the local community and over 400 fishers. AFMA, with the Australian Embassy in Hanoi and the Vietnamese Directorate of Fisheries, provided information on maritime boundaries and international fisheries law as well as the possible consequences of fishing illegally included prosecution and seizure of their boat and fishing gear. The workshops were very well received and participants noted that they had a greater understanding of the risks associated with fishing illegally in Australian waters. The incidence of Vietnamese vessels fishing illegally in Australia and other Pacific island countries has fallen dramatically over the last two years, with indications that the Public Information Campaign workshops were a strong contributor.

We continued to utilise funding provided by the Department of Foreign Affairs and Trade to deliver capacity building programs to Pacific Island countries, to combat illegal, unreported and unregulated fishing. Enhancing the fisheries compliance capacity of our Pacific Island neighbours is important because sustainable fish stocks leads to regional economic stability and the foreign boats operating in the Pacific are fishing for the same highly migratory species that are also found in Australian waters. We delivered training courses through the University of South Pacific in Fiji, participated as a mentor on board Pacific patrols and supported in country work to operationalise the Niue Treaty Subsidiary Agreement. Together with the Pacific Islands Forum Fisheries Agency Secretariat and Australian Attorney-General's Department we also assisted in the development of standard operating procedures in Nauru and Palau to enhance enforcement and surveillance capacity in the Pacific.

MULTILATERAL PATROLS/OPERATIONS

We continue to engage in multilateral operations in the Pacific and Southeast Asia as part of our multifaceted compliance program. We have worked closely with our south east Asian neighbours as part of the Regional Plan of Action to Promote Responsible Fishing Practices including Combatting Illegal, Unreported and Unregulated Fishing (RPOA-IUU) to identify priority areas for surveillance and response.



Australia continued to work with its Pacific neighbours in ensuring patrol and surveillance assets were deployed to areas of greatest threat. AFMA deployed officers, as both sea riders on patrol assets and watch keepers at the Regional Fisheries Surveillance Centre in Honiara, during all four of the Forum Fisheries Agency led operations. During 2018–19, Australia and Tuvalu concluded a cooperative activity under the auspices of the Niue Treaty Subsidiary Agreement. The activity involved Tuvaluan officers undertaking fisheries surveillance activity whilst in an Australian area of interest. AFMA greatly appreciates working with our Pacific neighbours and partners in detecting and deterring potential illegal, unreported and unregulated fishing.

We also hosted the multilateral *Operation Nasse*, an operation involving the Ministry for Primary Industries, the United States Coast Guard, the French Ministère des Armées and the International Criminal Police Organization. The operation involved coordinating aircraft and surface platforms from all four countries to monitor fishing operations and target IUU fishing on the high seas in the Pacific Ocean. The operation demonstrated the benefits of cooperative efforts being undertaken to protect shared resources from illegal fishing which in turn contributed to the sustainability of valuable commercial and recreational fisheries that target tuna and billfish as they migrate through Australian waters.

Building on established relationships in the Pacific, AFMA collaborated with the French Marine Nationale and the United States Coast Guard on enforcement operations in the Pacific. These patrols also embarked Pacific Island officers to share experience and expertise, as well as extending the reach of those patrol vessels by allowing boarding and inspection in additional areas.

SOUTHERN OCEAN

We continue to monitor developments regarding IUU fishing in the Southern Ocean. All IUU vessels listed by the Commission for Conservation of Antarctic Marine Living Resources remain out of action as a result of effective regional cooperation involving relevant port States, flag States and States whose nationals that control and benefit from the activities of these vessels.

Australia continues to work with France in the Southern Ocean under the Australia-France Cooperative Agreement allowing for joint Australian and French patrols to enforce each other's fishing laws in the respective Exclusive Economic Zones and Territorial Seas in the Southern Ocean. AFMA officers embarked on four patrols on the French Naval Ships *L'Astrolabe*, *Floreal* and *Nivose* during 2018–19.

FEATURE STORY

Torres Strait and Northern Waters

AFMA COMPLIANCE OPERATIONS 12 MONTHS ON

Fishing is one of the most economically important activities in the Torres Strait Protected Zone.

From 1 July 2018 AFMA took responsibility for day-to-day management of compliance for the commercial Torres Strait Fisheries. Prior to 1 July 2018, Torres Strait Fisheries compliance was managed by the Queensland Department of Agriculture and Fisheries.

The initial 12 months have been very busy, challenging and rewarding for AFMA's fisheries officers operating in the Torres Strait and Northern Waters. The lion's share of compliance work is undertaken by a small number of our fisheries officers operating out of our Thursday Island office, and where additional resources are required, our Darwin office deployed staff to the region.

Our officers travelled throughout the Torres Strait conducting educational and awareness programs for newly licensed individuals and companies under the Fish Receiver System. Our officers participated in 18 Stakeholder/Community meetings to increase education and awareness of compliance related issues and foster voluntary compliance with license conditions and the fisheries management plans. Some 17 media articles/Facebook posts/and SMS messages targeted at license holders have also assisted in lifting the AFMA Operations Compliance profile in the Torres Strait.

More recently, AFMA's compliance activity has turned to monitoring compliance with the conditions of stakeholder permits and licenses, with several suspected breaches detected. Where appropriate these matters have been referred to the Commonwealth Director of Public Prosecutions for action.



In addition to the Fish Receiver System we have focused significant resources on monitoring compliance with Tropical Rock Lobster closures and the Tropical Rock Lobster Fishery Management Plan. Much of this work occurs at sea and our fisheries officers have participated in 15 “at sea” patrols within the Torres Strait Protected Zone and adjacent waters this year. Supporting agencies involved Australian Border Force, Royal Australian Navy, Queensland Water police and the Torres Strait Rangers, where a number of domestic compliance issues were attended to including pre-season stock piling of Tropical Rock Lobster, unlicensed fishing/receiving and breaching license conditions resulting in the seizure of catch and gear in some cases.

During the course of, and in addition to, the patrols undertaken this year 47 boats were inspected, 16 ports/freight hubs were visited and 21 fish receiver premises were inspected.

We have also managed to maintain strong links with counterpart agencies in Papua New Guinea. Both the National Fisheries Authority and the Royal Papua New Guinea Constabulary have worked closely with us on matters of joint interest through cross border operations and information sharing. National Fisheries Authority, with support from the Royal Papua New Guinea Constabulary have investigated five matters referred by AFMA in relation to illegal fishing and have seized one boat, four hookah compressors and equipment and around five large mesh nets used to illegally target dugong in the Torres Strait. All five matters have been referred to the Papua New Guinea courts for hearing.

We are looking forward to building our compliance presence and profile in the Torres Strait in the coming year and working with all stakeholders to protect the regions valuable marine resources.

Fishing is an important and historic industry for communities in the Torres Strait, so ensuring these fisheries are sustainable and well managed now and into the future is crucial to the livelihood of generations of fishers and all community members of the Torres Strait.

Photos courtesy AFMA Media Library.



4. Deliver effective, cost efficient and accountable management of Commonwealth fisheries resources

PURPOSE

AFMA delivers value for money through improved business processes and systems that provide better valuation, pricing and incentive mechanisms. By removing unnecessary regulation and making it easy to comply, we are offering incentives that reward compliant operators. Alignment of our stakeholder expectations through the use of broad engagement systems and shared objectives ensures accountability to commercial, recreational and Indigenous fishers and the Australian community.

PERFORMANCE RESULTS

Criterion source: The performance indicators below are recorded in AFMA's chapter in the Agriculture and Water Resources 2018–19 Portfolio Budget Statements p. 248 and in AFMA's Corporate Plan for 2018–21 p. 14.

Performance criteria	2018–19 Target	2018–19 Actual
4.1 Industry cost recovery charges do not exceed the levels derived by increasing the 2005–05 recoveries by the Consumer Price Index each year	<\$18.8m	\$13.7m
4.2 News subscribers via afma.gov.au	750	732
<ul style="list-style-type: none"> • Media releases • News articles 	1100	1138
4.3 AFMA Facebook	3000	4115
<ul style="list-style-type: none"> • Likes • Followers 	3500	4350
4.4 AFMA Twitter	n/a	n/a
<ul style="list-style-type: none"> • New account to be set up in 2019–20 		



ASSESSMENT OF PERFORMANCE AGAINST THE PURPOSE

Operational costs within budget/cost recovery commitment to operators with AFMA out-performing the cumulative Consumer Price Index by some \$42 million (as at 2018–19). Since making this undertaking, AFMA has out-performed the cumulative CPI by more than \$41.3 million. This commitment relates to levy amounts prescribed in the Fishing Levy Regulations made each year up to and including 2018–19. In 2018–19, the Fishing Levy was prescribed as \$13.7 million, well below the comparable CPI adjusted target of \$18.8 million.

In 2018–19 we expanded our reach to a diverse range of stakeholder groups. Regular social media posts on the AFMA Facebook page regarding state and territory consultations, fishing and fisheries updates, and information on southern bluefin tuna aim to inform and keep recreational fishers abreast of issues relevant to them.

Boosting regionally-targeted content on Facebook from Far North Queensland, across the Torres Strait and into Papua New Guinea should improve social media engagement with traditional inhabitants, traditional fishers and these communities. Regular meetings, correspondence and conversations continue with these communities to ensure an adaptive approach is taken for stakeholder engagement.

ANALYSIS OF PERFORMANCE AGAINST THE PURPOSE EFFECTIVENESS AND COST EFFICIENCY

By maintaining close consideration of operator catch/cost/risks, we continue to try to minimise any increase in industry charges as well as seeking to reduce regulatory impacts. Initiatives to achieve these efficiencies include:

Red tape reduction initiatives

Red tape reduction initiatives continue to be pursued in an effort to reduce the complexity of regulation in fisheries management and assist fishers to comply with these arrangements. While not all red tape initiatives were completed to intended timelines during 2018–19, they continue to be substantively progressed in support of reduced regulatory burden and fisher profitability. Over 30 initiatives have been implemented with over 20 more progressing to streamline processes.

In 2018–19, two key initiatives involving industry led data collection in the Gillnet Hook and Trap sector, and data sharing arrangements with the South East Trawl Fishing Industry Association were successfully implemented creating efficiencies in data collection and exchange.

In 2019–20, AFMA will continue to pursue a number of initiatives including:

- reforming the catch disposal records system
- transferring NSW Southern Fish Trawl to Commonwealth management
- streamlining processes to support exploratory fishing
- fee for service for data requests.

Data collection and exchange

In 2018–19, AFMA commenced the Agency Data Capture program to streamline how it collects and exchanges data with its stakeholders. Leveraging modern Application Programming Interface (API) technology, AFMA developed a proof of concept which demonstrated how external parties can easily integrate with AFMA with the purpose of digitally capturing and sharing data. The effective use of APIs for data exchange will reduce operational and technology costs and enable AFMA to deliver digital products for data exchange to a wider number of stakeholders.

AFMA has extensively trialled this product internally with success and is working with several external vendors in running further tests to verify the concept. In 2019–20, AFMA will aim to move from a proof of concept to a live system usage which is targeting Logbook and Catch Disposal Record data. AFMA also has plans to use this technology to better integrate with other parties, both government and private, in our pursuit of digitally exchanging data and information to drive efficiencies and continue making quality evidence based decisions.

Co-management arrangements

Collaboration and cooperation with industry continues to be the key in innovative fisheries management and co-managements arrangement are an example of us and industry working together for more efficient management and cost effectiveness of Commonwealth fisheries. Highlights for 2018–19 are detailed in the feature story on page 50.



FEATURE STORY

Co-management in Commonwealth fisheries

Co-management in fisheries can be described as an arrangement where roles and responsibilities are shared by government and primary stakeholders for the efficient and sustainable management of the fishery. AFMA has tested its own and industry's capacity to co-manage Commonwealth fisheries, working closely with a number of fishery groups over the past decade. This included an extensive trial of co-management in a partnership with the Fisheries Research and Development Corporation, the Northern Prawn Fishery Industry and the Great Australian Bight Industry Association.

During 2018–19, we entered into co-management agreements with the Southern Shark Industry Alliance for crew-collected biological data and the South East Trawl Fishing Industry Association for obtaining coordinated industry advice and species-specific management for pink ling and snapper. The Northern Prawn Fishery Industry Pty Ltd has built an extensive co-management arrangement with us since the initial trial in 2009 and is keen to continue demonstrating its capacity to take responsibility for the sustainability of the fishery.

The AFMA Commission, at its meeting in June 2019, agreed that after 10 years of experience working with these Commonwealth fisheries and seeing good results, it was time to develop a Fisheries Management Paper (FMP) on co-management. The FMP, which will be developed through 2019–20, will provide the needed guidance to Commonwealth fishery groups contemplating the benefits of taking on a greater role in the management of their fisheries. The AFMA Commission has considered the risks and believes that these can be effectively managed to achieve mutual benefits for government, the public and commercial fishers.

Fishery groups with a strong internal management and administration, good representation and leadership and shared vision with AFMA for ecologically and economically sustainable management are well positioned for co-management. Co-management can be comprehensive or simple and it works well where each party is able to use its respective expertise to achieve good outcomes. These include better operational policies, greater efficiency and cost-effectiveness and strengthened working relationships. While we can never abrogate our responsibilities, it can empower the fishing industry to share the load.



Australian Government

Australian Fisheries Management Authority



Legislation update

In March 2019 the *Fisheries Management Regulations 2019* were made and assented to by the Governor-General. The new regulations replaced the *Fisheries Management Regulations 1992*, which are due to sunset on 1 October 2019. The new regulations prescribe a number of important administrative matters concerning the operation and regulation of fisheries under Commonwealth jurisdiction. AFMA, in consultation with the Department of Agriculture and other agencies, reviewed and updated the content of the regulations to remove redundant provisions, improve their drafting and resolve minor legal issues. We also used this opportunity to make regulatory improvements, such as those suggested by industry including the introduction of a system by which concession holders can place a caveat over the transfer of their concession for the benefit of a third party interest holder. Industry advice was that this would improve the loan value ratios offered by financial institutions for fishing concessions and improve funding arrangements for fisheries operations. The caveat system implemented in the regulations has been in place since March 2019.

Accountability

We ensure accountability to our stakeholders by proactively engaging with scientists, commercial fishers and fishing associations, researchers, environment and conservation organisations, other Australian Government, territory and state agencies, and recreational and Indigenous fishers about our management of Commonwealth fisheries and compliance activities. In 2018–19 this included the formal and informal initiatives detailed below.

Stakeholder engagement

Work is continuing with the recreational sector to increase their membership on AFMA's Management Advisory Committees and Resource Assessment Groups. Regular meetings with Management Advisory Committees and Resource Assessment Groups continued to be a key source of information and advice for us and our decision-making Commission.

We engaged in formal public consultation on a number of policy and fisheries management changes, including:

- draft Transshipping Policy
- social aspects of Ecological Sustainable Development
- review of the Gillnet Dolphin Mitigation Strategy and the Small Pelagic Fishery Dolphin Mitigation Strategy
- Torres Strait western line closure
- Beche de Mer Fishery
- Tropical rock lobster instrument amendments.



In addition to public consultation, we also sought comments from Management Advisory Committees and Resource Assessment Groups, the Commonwealth Fisheries Association, the Department of Agriculture and the Department of the Environment and Energy.

We produced a number of videos to better inform these entities of our role and responsibilities. These videos explained how we work with the Commonwealth commercial fishing industry delivering a sustainable and profitable fishing industry which in turn provides healthy, fresh seafood nationally and internationally.

Some key videos produced included:

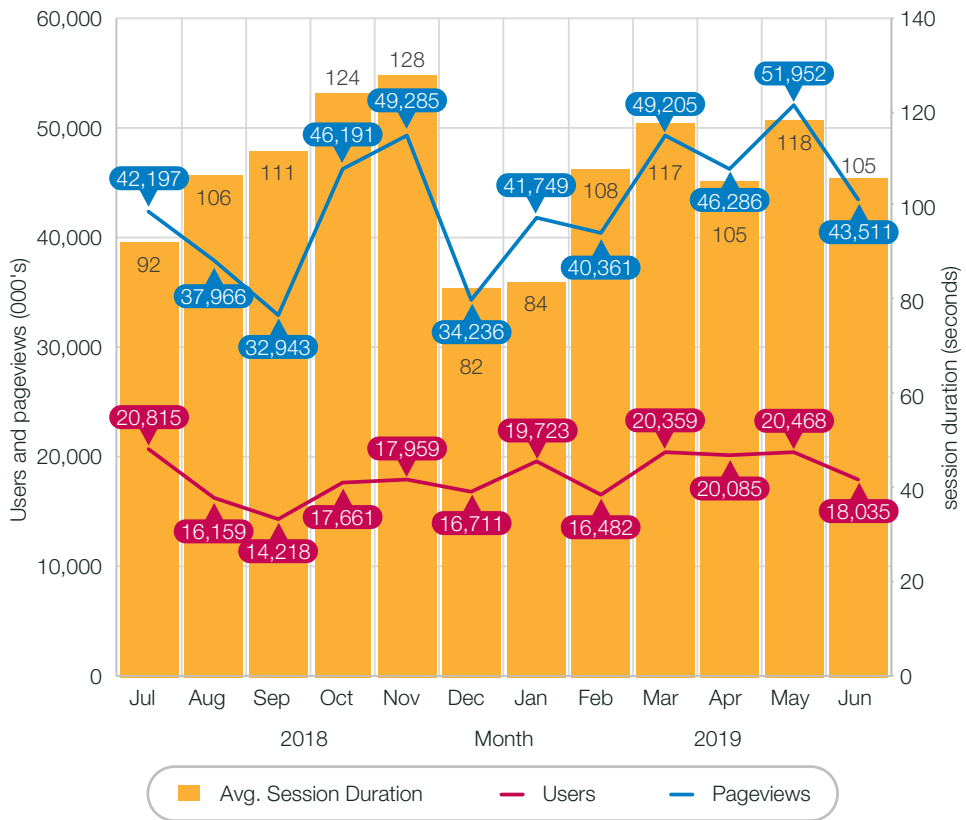
- *AIS, VMS and float free EPIRBs* – produced in cooperation with Walker Seafoods and the Australian Maritime Safety Authority.
- *Barge day in the turquoise top end* – produced in cooperation with Austral Fisheries.
- *Electronic monitoring on Commonwealth fishing vessels* – produced in cooperation with Shane Dugins, from the Gillnet Hook and Trap Sector, in Lakes Entrance.

Our online systems such as GoFish and Vessel Monitoring System, electronic messaging, port visits, public and issue-specific meetings, both in Australia and overseas, and participation and attendance at the Australian Society for Fish Biology Conference, have also provided valuable avenues for engagement with a broad range of stakeholders.

The official opening of our Lakes Entrance office and our presence at the Hooked on Lakes Entrance event saw increased engagement both with industry and the broader community.

AFMA's website, www.afma.gov.au, was migrated to GovCMS Drupal, the content management platform managed by the Department of Finance. The look and feel of the site was updated to make it more accessible, bringing it more in line with Australian Government guidelines to comply with Web Content Accessibility Guidelines (WCAG) 2.0. The new website has been well received, with improved functionality that has increased the number of users and achieved a greater reach, see *Figure 1: AFMA.gov.au site traffic*.

Figure 1: AFMA website traffic performance July 18–June 19



We also continue to publish raw, aggregated fishing gear and effort data on data.gov.au, to make it publicly available, and to encourage stakeholders to fully utilise data collected by the agency.

Client service charter

Our Client Service Charter sets out the services and standards that all clients or stakeholders can expect from us. 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 2018–19 more than 99 per cent of licensing correspondence and transactions submitted by concession holders were dealt with in accordance with our Client Services Charter.

No formal complaints were received by AFMA during the reporting period.







PART 3

Fishery Reports

Introduction

AFMA managed fisheries

Jointly managed fisheries

High seas permits

Non-operational fisheries

Elephant fish

Photo courtesy Doug Perrine/BluePlanetArchive.com



FISHERIES MANAGEMENT PLANS

ALL PERFORMANCE CRITERIA for Commonwealth fisheries managed under statutory Fishery Management Plans were met in 2018–19



New co-management opportunities with the south-east trawl industry resulting in new



SEINE AND TRAWL ADVISORY GROUP (STAG)

CLIMATE CHANGE WORKSHOP

impacts of climate change on fisheries and their implications on fishery management



NO STOCKS SUBJECT TO OVERFISHING

in AFMA solely managed fisheries for

6 consecutive YEARS.

- ✓ 2018–19
- ✓ 2017–18
- ✓ 2016–17
- ✓ 2015–16
- ✓ 2014–15
- ✓ 2013–14

2018–19 Gross Value of Production

\$380 MILLION



Introduction

2018–19 saw a continuation of projects and arrangements to support AFMA's ongoing sustainable fisheries management. These strong arrangements have resulted in a continuation of no stocks managed solely by AFMA being classified as subject to overfishing (see Australian Bureau of Agricultural and Resource Economics and Sciences Fishery Status Reports 2019). This is a great result and reflects the hard work of all of our stakeholders. A key focus for the agency for this period has been understanding potential climate impacts on our fisheries and preparing fisheries to be adaptable to change.

AFMA, in collaboration with a variety of organisations, is working towards the adaptation of fisheries governance to predicted changes in the climate and oceanography through a series of projects which aim to add resilience to the management of Commonwealth fisheries. A key component of this work was a workshop in November 2018, where workshop attendees were introduced to: climate change, impacts of climate change on fisheries and their implications on fishery management. Stakeholders helped develop impact pathways to understand the various ways in which climate change may impact a fishery and its management. These impact pathways are currently being used to develop a risk assessment methodology, which is being applied to two test case fisheries.

Protected species interactions continue to remain a focus for AFMA. We worked with the South East trawl industry to develop new arrangements to minimize interactions between trawl gear and seabirds. Changes to discarding of biological material in high risk zones of the fishery will commence in late 2019, coupled with an exemption process that incentivises fishers to develop other ways to reduce interactions. In addition we completed a review of dolphin mitigation strategies in the small pelagic and gillnet hook and trap fishery to continue to minimise, avoid and respond to interactions with dolphins in those fisheries.

The reviews of the Commonwealth Fisheries Harvest Strategy Policy and Bycatch Policy were completed in November 2018 and we are continuing to work with its research and development partners to progress several key components including multispecies harvest strategies, cumulative impacts and reducing unwanted bycatch.

AFMA continued to monitor and develop its Ecological Risk Assessment and Ecological Risk Management framework for Commonwealth fisheries. The Ecological Risk Management Steering Committee met during the period updating the methodology to take account of the changes to the Commonwealth harvest strategy and bycatch policies and to develop a priority assessment schedule for fisheries.



In March 2019 we released a statement, including actions detailing how we will incorporate social aspects of ecological sustainable development into our decision making, this included:

- strengthening its engagement with commercial, recreational and Indigenous fishing stakeholders through Management Advisory Committees and Resource Assessment Groups representation, taking commercial, recreational and Indigenous fishing interests into account when AFMA harvest strategies and other key documents are reviewed and supporting the development of projects to build capacity in the recreational and Indigenous fishing sectors
- providing greater transparency about Commission decisions, rolling out fisheries management strategies across key fisheries to provide a single public and easily accessible source of information on how each fisheries is managed
- continuing to improve access to AFMA fisheries information through data.gov.au.

We are continuing to work with the Department of Agriculture to develop resource sharing arrangements across the commercial, recreational and Indigenous sectors including developing a national framework for resource sharing to support the development of best practice catch sharing arrangements and common harvest strategies.

We also progressed new co-management opportunities with the Commonwealth fishing industry with an agreement recently being entered into with the south-east trawl industry. This includes a new Seine and Trawl Advisory Group to provide expert advice to AFMA on operational aspects of the Commonwealth Trawl Sector to better inform fisheries management advice to and from the Management Advisory Committee and decisions made by AFMA and the AFMA Commission. Successful co-management may reduce regulatory burden on fishers, build industry capacity and contribute to efficient and cost-effective management for the fishery.

We introduced a Transshipping Policy and Guidelines to support consistent decision making and create greater certainty for the fishing industry regarding transshipping. The Transshipping Policy and Transshipping Guidelines apply to catch taken in the Australian Fishing Zone by boats nominated to a Commonwealth fishing concession and to be landed to an Australian port. In preparing the documents, AFMA considered comments and feedback received from a broad range of stakeholders including its fishery Management Advisory Committees, commercial fishing industry associations including the Commonwealth Fisheries Association, recreational fishing groups, conservation groups, the Australian Recreational Fishing Foundation and the general public.

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 \$380 million for 2018–19.

Performance results discussed in fishery reports

ESTIMATED CATCH TOTALS FOR 2018–19

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 2018 to June 2019.

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 2019 prepared by the Australian Bureau of Agricultural and Resource Economics and Sciences.



List of Fishery Reports

AFMA managed fisheries:

- Bass Strait Central Zone Scallop Fishery
- Coral Sea Fishery
- Northern Prawn Fishery
- North West Slope Trawl and Western Deepwater Trawl Fisheries
- Small Pelagic Fishery
- Southern and Eastern Scalefish and Shark Fishery
- Southern Squid Jig Fishery

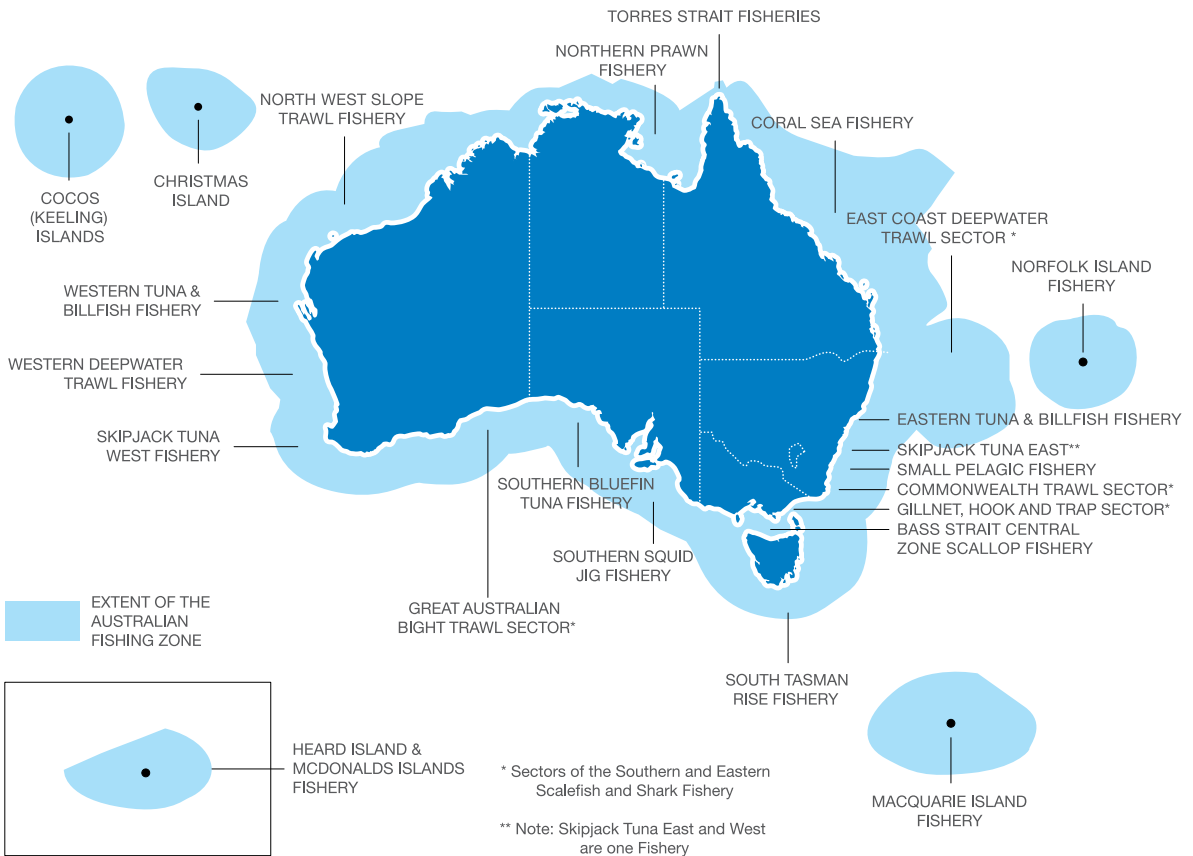
Joint managed fisheries:

- Eastern Tuna and Billfish Fishery
- Southern Bluefin Tuna Fishery
- Western Tuna and Billfish Fishery
- Heard Island and McDonald Islands Fishery
- Macquarie Island Toothfish Fishery

High seas permits

Non-operational fisheries:

- Norfolk Island Fishery
- Skipjack Tuna Fishery
- South Tasman Rise Fishery



Map of Commonwealth Fisheries
 Photo courtesy AFMA Media Library

Bass Strait Central Zone Scallop Fishery

 Estimated Catch
3301 tonnes



STOCK STATUS OF TARGET SPECIES

Common name (<i>scientific name</i>)	Latest available status assessment			
	2017		2018	
	Fishing mortality	Biomass	Fishing mortality	Biomass
Commercial Scallop (<i>Pecten fumatus</i>)				

Source: Patterson, H, Williams, A, Woodhams, J and Curtotti, R 2019, *Fishery status reports 2019*, 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 performance criteria detailed in the fishery management plan were all met in 2018–19.

ANALYSIS OF PERFORMANCE

Status of fish stocks

Scallop abundance and recruitment is naturally variable and consequently they are not managed to a specific biomass target. Instead, the operational objectives of the harvest strategy are to:

- keep stocks at ecologically sustainable levels and, within that context, maximise returns to the Australian community
- pursue efficient and cost-effective management.

Fishing Mortality Not subject to overfishing
 Biomass Not overfished

 Uncertain

 Fishing Mortality Subject to overfishing
 Biomass Overfished



A scientific pre-season survey was undertaken to estimate the biomass of scallops from known areas (not across the whole fishery) which informed catch limits and closures for the season.

The 2018 pre-season survey estimated a large biomass of scallops, primarily in the western part of the fishery off King Island. While the biomass was the largest recorded for the fishery for many years, there was limited evidence of new recruitment. As such, a conservative total allowable catch limit of 3876 tonnes was set of which 3253 tonnes (84 per cent) was caught.

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. This approach allows industry the flexibility to catch scallops from open beds, thereby improving economic returns while ensuring continued ecological sustainability. As the status of the scallop resource continues to improve, AFMA, in consultation with the Economic Working Group, Scallop Resource Assessment Group and industry, has started investigating how to integrate economic information into the total allowable catch setting process. This approach will continue to be developed during 2019–20.


Positive trends in the economic outlook for the scallop fishery continued through 2018–19 with good catches and stable beach prices. The number of vessels operating has remained stable.



Scallop Apollo Bay, Bass Strait Central Zone Scallop Fishery

Photo courtesy Dylan Maskey AFMA Media Library

Coral Sea Fishery


Estimated Catch
26.6 tonnes
(excluding aquarium sector)



STOCK STATUS OF TARGET SPECIES

Common name <i>(scientific name)</i>	Latest available status assessment			
	2017		2018	
	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
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
Sea cucumber sector:				
Other sea cucumber species (11 spp.)	Green	Orange	Green	Orange
Trawl and trap sector:				
Numerous fish, shark and crustacean species)	Green	Orange	Green	Orange
Sea cucumber sector:				
White teatfish (<i>Holothuria fuscogilva</i>)	Orange	Orange	Orange	Orange
Line and Trap sector:				
Mixed reef fish and sharks	Orange	Orange	Orange	Orange

Source: Patterson, H, Williams, A, Woodhams, J and Curtotti, R 2019, *Fishery status reports 2019*, Australian Bureau of Agricultural and Resource Economics and Sciences, Canberra. CC BY 4.0.

Fishing Mortality Not subject to overfishing

Biomass Not overfished

Uncertain

Fishing Mortality Subject to overfishing

Biomass Overfished



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 sectors 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 for the 2018–19 season, however, the two trawl and trap permits and the trap components from a number of the line and trap permits were removed from the fishery at the end of the season after a voluntary buyout administered by Parks Australia. Throughout 2018–19 AFMA consulted heavily with permit holders in the aquarium fishery on redevelopment of the harvest strategy for that fishery.

ANALYSIS OF PERFORMANCE

As the season runs over a financial year, the most recent Australian Bureau of Agricultural and Resource Economics and Sciences status report uses catch from the 2017–18 fishing season. While the 0.58 tonnes catch of white teatfish in 2017–18 is well below the historical peak of 19.7 tonnes in 1999–2000, the biomass and fishing mortality status in the Australian Bureau of Agricultural and Resource Economics and Sciences Fishery Status Reports 2019 remains uncertain because there is no current assessment.

Total catch in the line and trap sector increased from 49.9 tonnes in 2016–17 to 63.6 tonnes in 2017–18. This is higher than the most conservative estimate of total species sustainable yield (31.5 tonnes) for the sector, but lower than the median estimate (90.2 tonnes). Uncertainty remains in species-specific estimates of MSY because of significant shifts in the species composition of catches over the past 10 years. The catch of flame snapper (*Etelis coruscans*) has increased, however the reliability of the yield estimates for individual species or at the scale of single reefs is uncertain, and so fishing mortality in the line and trap sector remains classified as uncertain. AFMA have begun collecting biological data to better inform any future stock assessments for key species in the line and trap sector.

The revised Aquarium Sector Harvest Strategy Framework (approved by the AFMA Commission in July 2019) contains new catch triggers that better reflect current fishing practices and best available scientific understanding of population sizes across the fishery.

EXTERNAL REVIEWS

There were no external reviews during 2018–19.

Northern Prawn Fishery


Estimated Catch
7810 tonnes



STOCK STATUS OF TARGET SPECIES

Common name <i>(scientific name)</i>	Latest available status assessment			
	2017		2018	
	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>	Orange	Orange	Orange	Orange
Red-leg banana prawn <i>(Fenneropenaeus indicus)</i>	Orange	Green	Orange	Green

Source: Patterson, H, Williams, A, Woodhams, J and Curtotti, R 2019, *Fishery status reports 2019*, 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 *Northern Prawn Fishery Management Plan 1995* (the Plan). 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 redleg 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

Fishing Mortality Not subject to overfishing

 Uncertain

Fishing Mortality Subject to overfishing

Biomass Not overfished

 Uncertain

Biomass Overfished



driven by environmental factors, principally rainfall. 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.

The Plan was reviewed during the period and will be subject to some changes during 2019–20, primarily to reflect the revised Commonwealth Harvest Strategy Policy and Bycatch Policy. Overall the Plan remains effective for the management of the fishery.

ANALYSIS OF PERFORMANCE

Performance – status of fish stocks

Tropical prawn species are very short-lived animals and their stock size is prone to wide inter-annual fluctuation with strong dependence on prevailing environmental conditions. For this reason, the assessment of prawn stock health is based on a five-year moving average of spawning stock abundance relative to a spawning stock abundance that produces maximum sustainable yield, which should not fall below the limit reference point of 50 per cent.

The last stock assessment for brown and grooved tiger prawns was completed in 2018 and determined that the stocks are not overfished and overfishing is not occurring. The assessment indicated that the five-year year moving average of spawning stocks was at 131 per cent and 135 per cent of the maximum sustainable yield respectively, meaning that neither stock is overfished.

The management objective of maximising economic yield is also assessed against an annual target reference point, which is a spawning stock size equal to that which is estimated to produce maximum economic yield. Both brown and grooved tiger prawn spawning stocks were assessed as being below target in the 2018 assessment at 75 per cent and 63 per cent, respectively.

An additional in-season catch-rate trigger for pursuing maximum economic yield is also used in the fishery. The catch rate was below the trigger during the reporting period and the tiger prawn season closed early on 20 November.

All 52 boat statutory fishing rights were utilised during the 2018 tiger prawn season.

As with the tiger prawn fishery, all 52 boat statutory fishing rights were utilised during the 2019 banana prawn season (1 April to 15 June 2019). Total catch in the 2019 banana prawn fishery was higher than in 2018, increasing from 4400 tonnes to 5450 tonnes. This level of catch is above average and the season started with some of the highest catch rates on record. Changes in environmental conditions, such as rainfall, normally cause fluctuations in year-to-year stock size (and therefore catch) in this short-lived, tropical prawn species.

During 2018, fishing catch and effort in the redleg banana prawn fishery was lower than in 2017 but much higher than the relatively low effort of 79 and 76 boat days for 2015 and 2016 respectively. The total catch in 2018 was 248 tonnes across 213 boat days compared to 365 tonnes across 548 boat days in 2017. The latest catch per unit effort data suggests a reversal of the declining trend in spawning biomass that was predicted for the period 2012 to 2016. The 2018 stock size is estimated to be well above the limit reference point and slightly below the target level, although there is uncertainty with this prediction. The harvest strategy is being reviewed to explore options that allow catch and effort levels to be progressively adjusted to levels that achieve maximum economic yield.

Performance – status of bycatch

There has been great progress under the Northern Prawn Fishery Bycatch Strategy 2015–18 with trials achieving up to 40 per cent reduction in bycatch compared to the standard device (the square mesh panel) previously used in the fishery. The newest device known as ‘Tom’s Fisheye’ creates an area of low pressure in the trawl net as it is pulled through the water, increasing access to a gap in the net for fish to escape. There will be a choice for Northern Prawn Fishery trawl boat operators to use one of four more effective devices from 2020, following further commercial testing in the fishery during this year’s tiger prawn season. The Northern Prawn Fishery fishers, led by the Northern Prawn Fishery Industry Pty Ltd, continue to demonstrate commitment to reducing bycatch through design and trial of new equipment and technology. It is important that fishers can use an effective device that will suit different operating conditions.

An updated Bycatch Strategy is under development for the Northern Prawn Fishery and will be published during 2019–20. The new strategy will continue to build on previous achievements with bycatch reduction and respond to updated guidance from the Commonwealth Fisheries Bycatch Policy (2018).

Performance – economic returns

During the most recent financial year (2017–18) the Northern Prawn Fishery gross value of production was \$98.15 million and the Northern Prawn Fishery was the highest valued Commonwealth managed fishery.

The fishery is broadly (across the two key species groups – banana and tiger prawns) managed to pursue maximum economic yield. Overall fishing effort limits (fishing gear and season lengths) are set on the result of outputs from the bio-economic model for tiger and endeavour prawns. Additionally, season length is further controlled through catch-rate triggers in the banana and tiger prawn sub-fisheries to account for annual variability in these stocks. 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. However, the finding that both tiger prawn species are slightly below the economic target reference points, and the early closure of the 2018 tiger prawn season based on lower catch rates suggest that additional attention is required to ensure that the fishery does continue to meet the economic goals that have been set in conjunction with industry.

Net economic returns are positive reaching a peak of \$30.9m in 2015–16.

The performance in 2016–17 remained stable at \$30.3 million and in 2017–18, lower gross value of production and higher unit fuel prices are expected to have a dampening effect on net economic returns.

INNOVATIONS

The Northern Prawn Fishery industry works closely with us and cooperates through co-management arrangements to assist 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 analysis as part of a project ‘monitoring interactions with bycatch species using crew-member observer data collected in the Northern Prawn Fishery: 2017–19’. The industry also assists in facilitating the supply of a trawl vessel and crew for Commonwealth Scientific and Industrial Research Organisation scientists to undertake the annual, independent scientific monitoring program. The data collected in this program is an integral part of the Northern Prawn Fishery stock assessment.

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.

In February 2019 the NPF Industry Pty Ltd together with AFMA facilitated a strategic planning workshop to guide the development of a new five year strategic research plan. The workshop had strong participation with numerous skippers, fishing business owners, scientists and fishery managers supporting discussions. Key recommendations included improving understanding of sawfish interactions and population dynamics, maintaining strong economic performance and continuing effective research and data collection to ensure sustainability and address emerging issues.

EXTERNAL REVIEWS

The Northern Prawn Fishery was re-accredited under Part 13 and species included in the Northern Prawn Fishery Management Plan were added to the List of Exempt Native Specimens under Part 13A of the *Environment Protection and Biodiversity Conservation Act 1999*. The re-approval applies for a further five years from December 2018.

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 2018, the fishery was granted recertification after an independent assessment, reaffirming the industry's commitment to the world's best standard on sustainability and management.

EMERGING ISSUES

Throughout 2018–19, heavy new investment into prawn aquaculture, as well as loss of domesticated aquaculture stock through the prawn white spot virus outbreak in Queensland saw increased interest in the Northern Prawn Fishery as a source of black tiger prawn (*P. monodon*) as aquaculture broodstock. This has been managed in the past through additional permits issued to trawlers to specifically target black tiger prawns outside of the main fishing seasons of the fishery.

The increased demand (and indications of greater needs in the future) present several management challenges for AFMA and the fishery. The minor role that black tiger prawns have played on the fishery in the past has led to a generally poor understanding of the stock status and the key drivers of that status. We have initiated a project to use available information to determine the likely sustainable harvest levels of black tiger prawns.

Detailed stakeholder consultation, innovation and commercial relationships will also be essential in order to find the right balance between the needs of the aquaculture industry and the existing management arrangements and statutory fishing rights in the Northern Prawn Fishery.



North West Slope and the Western Deepwater Trawl Fisheries




 Estimated Catch
Confidential

STOCK STATUS OF TARGET SPECIES

Common name (<i>scientific name</i>)	Latest available status assessment			
	2017		2018	
	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	Orange	Green	Orange
Ruby snapper (<i>Etelis carbunculus</i>)	Green	Orange	Green	Green

Source: Patterson, H, Williams, A, Woodhams, J and Curtotti, R 2019, *Fishery status reports 2019*, 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 Fishery or the Western Deepwater Trawl Fishery. 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

Fishing Mortality Not subject to overfishing
Biomass Not overfished

 Uncertain

Fishing Mortality Subject to overfishing
Biomass Overfished

ecosystems. The permit conditions include specific gear limitations to reduce bycatch and move on provisions if fishing gear interacts with sponges or corals.

The permit conditions in both fisheries were reviewed at the end of 2018–19 and permits re-granted for a further five years.

ANALYSIS OF PERFORMANCE

During the past five years, North West Slope Trawl and Western Deepwater Trawl Fisheries have experienced low but stable levels of fishing effort with modest increases recorded in 2017–18 and the 2018–19 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. Recent increases in catch have occurred in the North West Slope scampi fishery as market opportunities improve.

In December 2017 the North West Slope Trawl and the Western Deepwater Trawl fisheries were declared as approved Wildlife Trade Operations for three years until December 2020.

Stakeholders in the North West Slope and Western Deepwater Trawl fisheries met during October 2018 to consider management arrangements. Key recommendations emerging from the meeting included support for reviewing the harvest strategy in 2019–20 and updating the statement of management arrangements.

These updates will be guided by the revised Commonwealth Harvest Strategy Policy and Guidelines and will include a review of the Ecological Risk Assessment and Ecological Risk Management framework for the fisheries. Under the existing harvest strategy, analysis of catch and effort data is conducted annually to assist in the management of the fisheries.

EXTERNAL REVIEWS

No external reviews were completed during 2018–19.



Small Pelagic Fishery



Estimated Catch
9733 tonnes
(as at 12 June)



STOCK STATUS OF TARGET SPECIES

Common name <i>(scientific name)</i>	Latest available status assessment			
	2017		2018	
	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>)				

Source: Patterson, H, Williams, A, Woodhams, J and Curtotti, R 2019, *Fishery status reports 2019*, Australian Bureau of Agricultural and Resource Economics and Sciences, Canberra. CC BY 4.0.

MANAGEMENT PLANS/ARRANGEMENTS

The Small Pelagic Fishery is managed in accordance with the *Small Pelagic Fishery Management Plan 2009*. The management arrangements include the allocation of statutory fishing rights, area based catch limits and rules governing gear that may be used. There were no changes to the *Small Pelagic Fishery Management Plan 2009* in 2018–19. The performance criteria detailed in the fishery management plan were all met in 2018–19.

Fishing Mortality Not subject to overfishing
Biomass Not overfished

Uncertain

Fishing Mortality Subject to overfishing
Biomass Overfished

ANALYSIS OF PERFORMANCE

Harvest Strategy

The Small Pelagic Fishery Harvest Strategy was reviewed and updated in 2017, with all aspects of the harvest strategy now quantitatively tested. The reference points and harvest rates were found to meet the biological, ecological and economic requirements of the fishery.

The harvest strategy uses Daily Egg Production Method surveys to provide an estimated biomass for each of the four Small Pelagic Fishery stocks. These surveys, along with an annual review of catch and effort data, are used to inform the catch limits set for commercially caught species in the fishery.

Performance – sustainability and economic returns

The results of the 2017–18 survey of redbait west were considered by the Small Pelagic Fishery Scientific Panel and South East Management Advisory Committee during 2018–19. As a result, this stock moved into the highest tier of the harvest strategy with the updated biomass estimate supporting an increased total allowable catch for the 2019–20 season.

The completion of this survey for redbait west means that all stocks have now had at least one survey completed. A further survey was undertaken for the jack mackerel east stock in 2018–19 with the results expected to become available in 2019–20.

Due to limited fishing effort, the total allowable catches for 2018–19 for the seven target stocks were under caught.

Performance – status of bycatch

During 2018–19 we finalised a review of the Small Pelagic Fishery Dolphin Mitigation Strategy. The strategy aims to minimise dolphin interactions in the midwater trawl sector of the fishery by creating incentives for fishers to innovate and adopt best practice to minimise interactions.

The Ecological Risk Assessment for the mid-water trawl sector of the Small Pelagic Fishery was published in March 2019. No species, habitat or community was assessed to be at high risk from fishing activity in the Small Pelagic Fishery. The report by the Commonwealth Scientific and Industrial Research Organisation applied the recently revised methodology for conducting ecological risk assessments for Commonwealth fisheries. The results of this assessment, along with other relevant information, will be used to prioritise future bycatch management.



EXTERNAL REVIEWS

The Small Pelagic 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 primary operator in the fishery is currently undergoing full assessment as a sustainable fishery by the Marine Stewardship Council, which is an independent global certifier of sustainable fisheries. In June 2019, the draft independent assessment report was released for public comment with a decision on certification to be made in 2019–20.


Small pelagics

Photo courtesy Clayton McCloud AFMA Media Library



Southern and Eastern Scalefish and Shark Fishery




 Estimated Catch
16 032 tonnes

STOCK STATUS OF TARGET SPECIES

Common name <i>(scientific name)</i>	Latest available status assessment			
	2017		2018	
	Fishing mortality	Biomass	Fishing mortality	Biomass
Commonwealth Trawl and Scalefish Hook sectors				
Blue grenadier <i>(Macruronus novaezelandiae)</i>				
Eastern school whiting <i>(Sillago flindersi)</i>				
Gemfish, western zone <i>(Rexea solandri)</i>				
Jackass morwong <i>(Nemadactylus macropterus)</i>				
Pink ling <i>(Genypterus blacodes)</i>				
Ribaldo <i>(Mora moro)</i>				
Commonwealth Trawl Sector				
Flathead <i>(Neoplatycephalus richardsoni</i> and 4 other spp.)				
John dory <i>(Zeus faber)</i>				
Mirror dory <i>(Zenopsis nebulosa)</i>				
Ocean jacket, eastern zone <i>(Nelusetta ayraud)</i>				
Orange roughy, Cascade Plateau <i>(Hoplostethus atlanticus)</i>				
Oreodory: smooth: <i>(Pseudocyttus maculatus)</i>				



Fishing Mortality Not subject to overfishing

 Uncertain

Fishing Mortality Subject to overfishing

Biomass Not overfished

 Uncertain

Biomass Overfished



Common name (<i>scientific name</i>)	Latest available status assessment			
	2017		2018	
	Fishing mortality	Biomass	Fishing mortality	Biomass
Cascade Plateau and non-Cascade Plateau				
Royal red prawn (<i>Haliporoides sibogae</i>)				
Silver trevally (<i>Pseudocaranx georgianus</i>)				
Silver warehou (<i>Seriolella punctata</i>)				
East Coast Deepwater Trawl Sector				
Alfonsino (<i>Beryx splendens</i>)				
Great Australian Bight Trawl Sector				
Bight redfish (<i>Centroberyx gerrardi</i>)				
Deepwater flathead (<i>Neoplalycephalus conatus</i>)				
Ocean jacket, west (<i>Nelusetta ayraud</i>)				
Shark Gillnet and Shark Hook sectors				
Elephantfish (<i>Callorhynchus milii</i>)				
Gummy shark (<i>Mustelus antarcticus</i>)				
Sawshark (<i>Pristiophorus cirratus</i> , <i>P. nudipinnis</i>)				
Commonwealth Trawl and Scalefish Hook sectors				
Blue-eye trevally (<i>Hyperoglyphe antarctica</i>)				
Ocean perch (<i>Helicolenus barathri</i> , <i>H. percoides</i>)				
Commonwealth Trawl Sector				
Oreodory – other; 3 spp. (<i>Neocyttus rhomboidalis</i> , <i>Alloctytus niger</i> , <i>A. verrucosus</i>)				
Orange roughy, southern & western zones (<i>Hoplostethus atlanticus</i>)				
Redfish, eastern (<i>Centroberyx affinis</i>)				
Commonwealth Trawl and Scalefish Hook sectors				
Gemfish, eastern zone (<i>Rexea solandri</i>)				
Blue warehou (<i>Seriolella brama</i>)				

 **Fishing Mortality** Not subject to overfishing
Biomass Not overfished

 Uncertain

 **Fishing Mortality** Subject to overfishing
Biomass Overfished

Common name (<i>scientific name</i>)	Latest available status assessment			
	2017		2018	
	Fishing mortality	Biomass	Fishing mortality	Biomass
Gulper sharks (<i>Centrophorus harrissoni</i> , <i>C. moluccensis</i> , <i>C. zeehaani</i>)	Uncertain	Overfished	Uncertain	Overfished
Shark Gillnet and Shark Hook sectors				
School shark (<i>Galeorhinus galeus</i>)	Uncertain	Overfished	Uncertain	Overfished
Commonwealth Trawl Sector				
Deepwater sharks, eastern & western zones (18spp.)	Not subject to overfishing	Uncertain	Uncertain	Uncertain
Great Australian Bight Trawl Sector				
Orange roughy (<i>Hoplostethus atlanticus</i>)	Not subject to overfishing	Uncertain	Not subject to overfishing	Uncertain

Source: Patterson, H, Williams, A, Woodhams, J and Curtotti, R 2019, *Fishery status reports 2019*, Australian Bureau of Agricultural and Resource Economics and Sciences, Canberra. CC BY 4.0.

MANAGEMENT PLANS/ARRANGEMENTS

The Southern and Eastern Scalefish and Shark Fishery continues to be managed in accordance with the *Southern and Eastern Scalefish and Shark Fishery Management Plan 2003*. The fishery has seven sectors that are managed through a combination of 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. The Southern and Eastern Scalefish and Shark Fishery sectors include:

Commonwealth South East Trawl Sector

East Coast Deepwater Trawl Sector

Great Australian Bight Trawl Sector

Scalefish Hook Sector*

Shark Hook Sector*

Shark Gillnet Sector*

Trap Sector*

*collectively called the Gillnet Hook and Trap Sector

 **Fishing Mortality** Not subject to overfishing
Biomass Not overfished

 Uncertain

 **Fishing Mortality** Subject to overfishing
Biomass Overfished



ANALYSIS OF PERFORMANCE

Performance – status of fish stocks

The table above shows that there are several Southern and Eastern Scalefish and Shark Fishery stocks that are considered to be overfished. All of these stocks overlap jurisdictional boundaries, meaning they are caught in a combination of commonwealth and state fisheries, complicating management. Commonwealth rebuilding strategies are in place for blue warehou, eastern gemfish, redfish, school shark and orange roughy. Each of these strategies implement incidental total allowable catches and management arrangements to prevent targeting and promote recovery of the stock to the limit reference point. AFMA continues to work with state agencies to pursue complementary arrangements in overlapping fisheries.

Stock assessments were updated in 2018 for a number of Southern and Eastern Scalefish and Shark Fishery species. Assessments for blue grenadier, John dory, jackass morwong west and pink ling west estimated the current biomass, or a proxy thereof, is above the target reference point. Assessments for blue-eye trevalla, deepwater shark east, deepwater shark west, jackass morwong east, mirror dory, pink ling east and silver warehou showed that the current biomass, or a proxy thereof, is between the limit reference point and the target reference point. For species assessed as being between the limit and target reference points, catches are set at a level that will allow the stock to recover to the target.

While they were assessed in 2018 as being between the catch per unit effort limit and target reference point, eastern and western stocks of deepwater shark have changed from ‘not subject to overfishing’ in 2017 to ‘uncertain’ with respect to fishing mortality in the 2018 Australian Bureau of Agricultural and Resource Economics and Sciences Status Reports. Deepwater shark is a multi-species stock and is becoming increasingly difficult to assess due to the impact of large closed areas and uncertainty in historical catch and discard information, including species composition. Total catch in the east (58.2 tonnes), which includes reported landings and estimates of discards, exceeded the recommended biological catch (9 tonnes) in 2018. While a substantial portion of the species distribution exists inside closures, and catches in the west remain below the western recommended biological catch, there is no reliable estimate of biomass, which makes a comparison of total catch against a recommended biological catch difficult for both 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 the 2018–19 season, 11 of the top 30 species were Southern and Eastern Scalefish and Shark Fishery quota species: bight redfish, blue eye trevalla, blue grenadier, deepwater flathead, eastern

school whiting, gummy shark, orange roughy eastern, pink ling east, pink ling west, school shark and tiger flathead. All of these species except school shark, which is a rebuilding species, have targets based on maximum economic yield.

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 – blue-eye trevalla, orange roughy east and pink ling east – while between the limit reference point and target reference point, are assessed as requiring rebuilding. Two stocks are assessed as being above their target biomass – western pink ling and blue grenadier.



Fisheries Officer Dylan Maskey – Domestic Compliance – Quota species weight verification Pink Ling
 Photo courtesy Alex Illes AFMA Media Library

Performance – reliability of information

Discard reporting by shark gillnet, shark hook and scalefish hook vessels continued to be monitored in 2018–19 by comparing logbook reported discards against electronic monitoring reviews. While reporting by fishers is improving, it is better for quota species than bycatch species.

A trial is currently underway to better understand the ability of electronic monitoring to provide information on catch and effort data in the Commonwealth Trawl Sector. This will be considered alongside a suite of alternative data collection and monitoring options to find the most cost-effective approach for the fishery.



Performance – status of bycatch

In 2018 we undertook a review of the Gillnet Dolphin Mitigation Strategy that was originally introduced in May 2017. This review was conducted in consultation with the Commonwealth Marine Mammal Working Group, the South East Management Advisory Committee and the public. This review led to several changes to improve the implementation of the strategy, including facilitating better use of electronic monitoring footage and management measures to ensure that low effort operators are not unduly penalised for low levels of interactions. The most significant change was the adoption of a spatial management measure to encourage operators to move away from a high-risk area off South Australia should a significant number of interactions occur.

In addition to offal retention requirements in high risk areas to be introduced from 1 November 2019, AFMA are currently working with industry to develop mitigation options to further reduce seabird interactions with otter board trawl vessels. Industry are also undertaking a project to develop a seal mitigation device for otter board trawl vessels which will investigate the use of a device to close the trawl net and stop the ingress of seals when the net is being hauled.

EXTERNAL REVIEWS

A workshop was held in February 2019 to provide advice on implementing recommendations from recent strategic research projects relevant to the Southern and Eastern Scalefish and Shark Fishery, in particular:

- *SESSF Monitoring and Assessment – Strategic Review (FRDC 2014-203) (SMARP)*
- *SESSF Declining Indicators (FRDC 2016-146).*

An implementation plan has been developed to prioritise the recommendations which include approaches for future monitoring and assessment options and developing additional or alternative indicators for use in future assessments and harvest strategies.

A key component of this is the development of a new Southern and Eastern Scalefish and Shark Fishery harvest strategy (FRDC 2018-021) which will consider alternative approaches to multi-species harvest strategies, including monitoring and assessment options identified in the SMARP project.

Southern Squid Jig Fishery


 Estimated Catch
246 tonnes



STOCK STATUS OF TARGET SPECIES

Common name (scientific name)	Latest available status assessment			
	2017		2018	
	Fishing mortality	Biomass	Fishing mortality	Biomass
Gould's squid (<i>Nototodarus gouldi</i>)	Green	Green	Green	Green

Source: Patterson, H, Williams, A, Woodhams, J and Curtotti, R 2019, *Fishery status reports 2019*, Australian Bureau of Agricultural and Resource Economics and Sciences, Canberra. CC BY 4.0.

MANAGEMENT PLANS/ARRANGEMENTS

The Southern Squid Jig Fishery is managed in accordance with the *Southern Squid Jig Fishery Management Plan 2005* and the *Arrow Squid Fishery Harvest Strategy*. The management arrangements include regulating the type and amount of fishing gear able to be used. There were no changes to the *Southern Squid Jig Fishery Management Plan 2005* in 2018–19.

ANALYSIS OF PERFORMANCE

Status of fish stocks

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

Fishing Mortality Not subject to overfishing
Biomass Not overfished

 Uncertain

Fishing Mortality Subject to overfishing
Biomass Overfished



Effort and catch in the Southern Squid Jig Fishery continues to vary between seasons and has been relatively low in recent years despite an increase to 817 tonnes during 2017–18. Catch during 2018–19 was 241 tonnes, well below the initial 3000 trigger in the harvest strategy and has not resulted in further analyses and management responses being triggered.

An ongoing challenge for the squid fishery is locating commercially viable aggregations of squid, an issue exacerbated by a small fleet size. Despite low catches, the price received was the highest reported in recent years.

Squid boat Port Fairy Victoria

Photo courtesy Clayton McCloud AFMA Media library



Eastern Tuna and Billfish Fishery



 Estimated Catch
4337 tonnes

STOCK STATUS OF TARGET SPECIES

Common name <i>(scientific name)</i>	Latest available status assessment			
	2017		2018	
	Fishing mortality	Biomass	Fishing mortality	Biomass
Striped marlin (<i>Tetrapturus audax</i>)				
Albacore (<i>Thunnus alalunga</i>)				
Yellowfin tuna (<i>Thunnus albacares</i>)				
Bigeye tuna (<i>Thunnus obesus</i>)				
Swordfish (<i>Xiphias gladius</i>)				

Source: Patterson, H, Williams, A, Woodhams, J and Curtotti, R 2019, *Fishery status reports 2019*, 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 *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 fishery is managed through output controls (total allowable commercial catches and individually transferable quotas) and input controls (e.g. limited entry and gear restrictions).

During the period 2018–19 the fishery switched to a calendar year season, initiated a project to update the harvest strategies for Broadbill Swordfish and Striped Marlin, conducted a revised Ecological Risk Assessment and developed an *ETBF Fishery Management Strategy*. The Fishery Management Strategy describes the operational processes AFMA employs to meet the requirements of the higher level *ETBF Fishery Management Plan 2010*. Performance criteria detailed in the fishery management plan were met in 2018–19.

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



ANALYSIS OF PERFORMANCE

Status of stocks

Overall, Eastern Tuna and Billfish Fishery catches of key commercial species were around 13 per cent lower in 2018 relative to the 2017, with reduced catches apparent for each of the main species. The availability of many of these species to the fishery varies between years. A relatively high proportion of the total allowable commercial catches were caught for swordfish and striped marlin but less so for yellowfin tuna and less than half the total allowable commercial catches set for albacore tuna and bigeye tuna were caught. Domestically, the total allowable commercial catches of all the key commercial species are currently considered to be appropriate and of no concern to the status of these regional stocks.

There are currently three major research projects underway in the fishery. The first aims to use genetic information to assess connectivity between target species in the Eastern Tuna and Billfish Fishery and the broader Pacific Ocean. The second project aims to investigate oceanographic impacts on the fishery to better understand inter-annual variations in catches, interactions between fishery sectors, connectivity and longer term potential climate change impacts. The third project is looking to update and improve the Eastern Tuna and Billfish Fishery Harvest Strategy for Swordfish and Striped Marlin, which is used as the basis for setting total allowable commercial catches for those species.

The Eastern Tuna and Billfish Fishery is part of the broader Western and Central Pacific tuna fishery managed under the Western and Central Pacific Fisheries Commission. The most recent Western and Central Pacific Fisheries Commission assessments for each of the five target stocks indicate that none of these stocks are overfished or subject to overfishing.

An ecological risk assessment for the fishery was completed in mid-2019 and indicates that the Eastern Tuna and Billfish Fishery longline fishery as a whole does not pose a high risk to the ecological sustainability of general bycatch, protected species or by-product species.

Fishery management arrangements

Since July 2015 all boats fishing more than 30 days a year in the Eastern Tuna and Billfish Fishery have been required to 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 to Eastern Tuna and Billfish Fishery operators to inform them

of their reporting performance. Since the implementation of e-monitoring, analyses conducted by the Australian Bureau of Agricultural and Resource Economics and Sciences has indicated an improvement in logbook reporting. The improved logbook reporting will enable AFMA to make better risk assessments and better focus resources to minimise the impact of fishing on the marine environment.

Between May and November each year, we also implemented a southern bluefin tuna zone in the fishery to help ensure that any southern bluefin tuna caught is covered by quota and minimise discarding. To enter the zone, Eastern Tuna and Billfish Fishery operators are required to hold a minimum amount of southern bluefin tuna quota and maintain an operational electronic monitoring system on board. The southern bluefin tuna zone location is reviewed weekly using sea surface temperature maps and industry catch information.

In 2018–19, we also initiated a project to update and improve the Eastern Tuna and Billfish Fishery Harvest Strategy, revised the ecological risk assessment for the Eastern Tuna and Billfish Fishery longline fishery and finalised the development of an integrated Fisheries Management Strategy that updates and combines previous fishery strategies and action plans into a single strategy to operationalise the *Eastern Tuna and Billfish Fishery Management Plan 2010*.

In relation to protected species, an increase in seabird interactions in the southern half of the Eastern Tuna and Billfish Fishery was reported in the 2017–18 and 2018–19 summer seasons. AFMA is currently responding to that increase as required under the Seabird Threat Abatement Plan 2018. AFMA is also continuing to review turtle and marine mammal interaction data to better understand the fisheries interactions with these species. AFMA has now transitioned the Eastern Tuna and Billfish Fishery fishing season to the calendar year (from 1 January 2019), following advice from AFMA Management and the Tropical Tuna Management Advisory Committee.

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 2018–19, as in previous years, Eastern Tuna and Billfish Fishery management arrangements were consistent with Western and Central Pacific Fisheries Commission measures.

One significant operator in the Eastern Tuna and Billfish Fishery has achieved certification from the Marine Stewardship Council for catches of yellowfin tuna, swordfish and albacore.



FEATURE STORY

Thwarting the high seas tuna plunderers

REGIONAL EFFORTS TO PROTECT TUNA AND BILLFISH STOCKS FROM ILLEGAL FISHING

Protecting Australia's tuna and billfish stocks starts well beyond the national borders. Many of the tuna and billfish species important to Australia's fisheries occur over large areas of ocean and are targeted by the commercial fleets of many nations. Managing and monitoring these stocks relies on international cooperation and recent developments in electronic surveillance technology have provided some additional tools to assist flag States in monitoring their fleets.

Australia's commercial tuna longline fisheries have among the strongest monitoring and compliance systems in the world, but monitoring of international longline fleets, particularly on the high seas, outside of Australia's jurisdiction pose big risks to stock sustainability. Given the migratory nature of these species, unreliable data relating to fishing activity in waters adjacent to Australia can have flow-on implications for the availability of tuna and billfish to Australia's recreational and commercial fishers.

UNKNOWN NUMBERS

One of the biggest threats is fishing by licensed longline boats that under-report, misreport and/or do not report catch. As scientific assessments of tuna and billfish population health rely heavily on fisheries catch and biological data, if a large proportion of fish are being taken without being recorded, managers could think the stocks are healthy when they are not, and fail to take action in time.

In contrast to regional purse seine fisheries, which have 100 per cent human observer coverage, most of the large distant-water tuna longline fleets in the Pacific Ocean have very low observer coverage, especially on the high seas. In addition to limited space, working conditions on many of these boats are often cramped and in some cases, can be considered unsafe for human observers.

With electronic monitoring on all longline fleets in the south-eastern Pacific region, managers would be far better informed of the catch of tuna and billfish, and keep fishing pressure to sustainable levels.

Photo courtesy AFMA media library



ENHANCED MONITORING FOR ALL

AFMA's multifaceted program to combat illegal fishing includes monitoring control, surveillance and enforcement activities such as capacity building, education and outreach programs. AFMA routinely participates in regional monitoring control, surveillance and enforcement operations involving counterparts from many Pacific island countries as well as the United States, France, New Zealand, Indonesia and Timor Leste.

A key initiative that AFMA, the broader Australian Government and our Pacific island country partners are working on is supporting the roll-out of electronic logbook reporting and electronic monitoring (a system of video cameras) on tuna longline fleets in the region.

Australia implemented electronic monitoring on 100 per cent of boats in its domestic Eastern Tuna and Billfish Fishery in 2015 and strong momentum is building for this to occur in domestic longline fisheries across the region. Eight Pacific island nations have implemented or are trialling electronic monitoring in their fleets. Recognition of the benefits of electronic monitoring is driving the development of regional standards to support consistent monitoring of vessel activities. Electronic monitoring systems are able to collect a range of routine data on fishing activity, are able to work 24 hours a day and the footage can be viewed multiple times to ensure accurate data is available to our scientists and compliance officers.

These initiatives strive towards maintaining healthy and sustainable tuna and billfish stocks, a goal that is so important to regional, artisanal, commercial and recreational fisheries alike.

Yellowfin Tuna
*Photo courtesy
WaterFrame/Alamy.com*



Southern Bluefin Tuna Fishery




 Estimated Catch
6181.7 tonnes

STOCK STATUS OF TARGET SPECIES

Common name (scientific name)	Latest available status assessment			
	2017		2018	
	Fishing mortality	Biomass	Fishing mortality	Biomass
Southern Bluefin Tuna (<i>Thunnus maccoyii</i>)				

Source: Patterson, H, Williams, A, Woodhams, J and Curtotti, R 2019, *Fishery status reports 2019*, 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*. It is managed through a system of output controls in the form of individually transferable quotas, which are allocated as statutory fishing rights under the management plan. The performance criteria detailed in the management plan were all met in 2018–19.

The Commission for the Conservation of Southern Bluefin Tuna sets an annual global total allowable catch. From the global total allowable catch national allocations are provided to all members. Prior to the commencement of the fishing 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.

The Southern Bluefin Tuna Fishery is an approved wildlife trade operation for the purposes of Parts 13 and 13A of the *Environment Protection and Biodiversity Conservation Act 1999* until 13 December 2019.

Fishing Mortality Not subject to overfishing
 Biomass Not overfished

 Uncertain

 Fishing Mortality Subject to overfishing
 Biomass Overfished



ANALYSIS OF PERFORMANCE

Performance – quota setting

The domestic total allowable catch for the 2017–18 Southern Bluefin Tuna fishing season was 6165 tonnes. When undercatch from the previous season is added the effective total allowable catch becomes 6527 tonnes.

The AFMA Commission set the 2018–19 total allowable catch as 6165 tonnes after accepting an undertaking from the Australian Southern Bluefin Tuna Industry Association to voluntarily set aside 250 tonnes of the quota to account for other sources of mortality, including mortality from recreational fishing.

The total catch in the fishery, for the 2017–18 fishing season, was 6159 tonnes. Concession holders in the ranching sector of the fishery took approximately 83 per cent of the catch. The remaining catch was taken by longline.

The Commission for the Conservation of Southern Bluefin Tuna allows up to 20 per cent of any uncaught national allocation to be carried forward into the next fishing season. Australia advised that it would carry forward 118 tonnes of uncaught quota from the 2017–18 fishing season into the 2018–19 season.

Performance – status of fish stocks

The Commission for the Conservation of Southern Bluefin Tuna management procedure specifies that a full quantitative stock assessment should be undertaken every three years. The 2017 stock assessment suggested that the stock remains at a low state, estimated to be 13 per cent of the initial spawning stock biomass, and below the level to produce maximum sustainable yield.

There has been improvement since previous stock assessments, which indicated the stock was at 5.5 per cent of original biomass in 2011 and 9 per cent in 2014. The current fishing mortality rate is below the level associated with maximum sustainable yield meaning that overfishing is not currently occurring.

Internationally, the Commission for the Conservation of Southern Bluefin Tuna management procedure is considered a success in that it has been instrumental in addressing the previous sharp decline in the stock and facilitating recovery towards agreed targets.

Performance – economic returns

The majority of the southern bluefin tuna total allowable catch continues to be taken by the purse seine sector in South Australia, for subsequent grow out by the ranching sector. Historically the purse seine catch was taken in the Great Australian Bight south of Ceduna. However, in recent years the majority of the catch has been taken in areas to the east of Kangaroo Island. As these areas are closer to the aquaculture zone in Port Lincoln, the time the fish spend in the tow cage before transfer to farms has been reduced.

The amount of fish taken by longliners on the east coast depends primarily on access to available quota from the ranching sector and the seasonal availability of fish. In the 2017–18 fishing season 1034 tonnes was caught compared to 731 tonnes in the previous season.

EXTERNAL REVIEWS

A management procedure is a pre-agreed set of rules that can specify changes to the total allowable catch based on updated monitoring data. In 2011 the Commission for the Conservation of Southern Bluefin Tuna adopted a management procedure to guide its global total allowable catch setting. The management procedure is tuned to a 70 per cent probability of rebuilding the stock to the interim rebuilding target reference point of 20 per cent of the original spawning stock biomass by 2035.

The Commission for the Conservation of Southern Bluefin Tuna has decided to develop a new management procedure to guide the setting of total allowable catches from 2021. It will take into account changes in data availability, in particular, changing the recruitment monitoring series from an aerial survey of juveniles to a juvenile gene tag/recapture program.



Western Tuna and Billfish Fishery




 Estimated Catch
267.5 tonnes

STOCK STATUS OF TARGET SPECIES

Common name (<i>scientific name</i>)	Latest available status assessment			
	2017		2018	
	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>Kajikia audax</i>)	Red	Yellow	Red	Red

Source: Patterson, H, Williams, A, Woodhams, J and Curtotti, R 2019, *Fishery status reports 2019*, 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 2018–19.

Fishing Mortality Not subject to overfishing

Biomass Not overfished

Uncertain

Fishing Mortality Subject to overfishing

Biomass Overfished

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 2018–19, catch levels for the main target species were similar to 2017–18 and consistent with average levels from recent years. 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 and striped marlin are now also considered overfished. Updated stock assessments for both striped marlin and yellowfin tuna were completed in 2018.

AFMA cooperates with the Department of Agriculture to encourage Indian Ocean Tuna Commission to implement robust catch controls and country-specific allocations to rebuild overfished stocks and manage all stocks into the future.


Fishery management arrangements

Since July 2015 active boats in the Western Tuna and Billfish Fishery have been required to have electronic monitoring – 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 to Western Tuna and Billfish Fishery operators to inform them of their reporting performance. Since the implementation of electronic monitoring, preliminary analysis has indicated an improvement in logbook reporting. Improved logbook reporting in fisheries with electronic monitoring has enabled us to make better risk assessments and better focus resources to minimise the impact of fishing on the marine environment. AFMA continues to monitor protected species interactions in the fishery but these occur at a very low level, in part due to the low level of fishing effort.



Heard and McDonald Islands Fishery





Estimated Catch

3030 tonnes
PATAGONIAN TOOTHFISH

448.9 tonnes
MACKEREL ICEFISH



STOCK STATUS OF TARGET SPECIES

Common name <i>(scientific name)</i>	Latest available status assessment			
	2017		2018	
	Fishing mortality	Biomass	Fishing mortality	Biomass
Mackerel icefish <i>(Champscephalus gunnari)</i>				
Patagonian toothfish <i>(Dissostichus eleginoides)</i>				

Source: Patterson, H, Williams, A, Woodhams, J and Curtotti, R 2019, *Fishery status reports 2019*, 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 compliant with the performance criteria outlined in the management plan. Four boats operated in the fishery during 2018–19. Three of these boats longlined and one boat both trawled and longlined. There were no changes to the *Heard Island and McDonald Islands Fishery Management Plan 2002* during the 2018–19 period.

Fishing Mortality Not subject to overfishing
Biomass Not overfished

Uncertain

Fishing Mortality Subject to overfishing
Biomass Overfished

ANALYSIS OF PERFORMANCE

Performance – status of fish stocks

In November 2018, the AFMA Commission set the Heard Island and McDonald Islands Fishery total allowable catch at 3525 tonnes for Patagonian toothfish and 443 tonnes for Mackerel icefish for the 2018–19 fishing year. Commissioners recognised that the total allowable catch level had also been agreed to by the Commission for Conservation of Antarctic Marine Living Resources (to which Australia is a member), and that this catch limit is not expected to unreasonably impact on long term sustainability of Patagonian toothfish stocks.

The Sub-Antarctic Resource Assessment Group and Sub-Antarctic Management Advisory Committee also supported the Heard Island and McDonald Islands Fishery total allowable catches for the 2018–19 fishing year.

Performance – status of bycatch

Three ecological risk assessments were completed for the Heard Island and McDonald Islands Fishery in 2018, using the ‘ecological risk assessment for effects of fishing’ method. All three assessments showed improvements compared to the previous assessments in 2009. Only one component required further assessment – community – which was partially due to paucity of data on ecosystem impacts of fishing for toothfish. Ecosystem models of the region are currently being developed and will be used to assess the wider ecosystem effects of fishing in the future.

The core longline fishing season extends from 1 May to 14 September. Under trial, longlining was permitted from 1 April 2018 to 30 November 2018 for approved vessels. Strict rules are in place around interactions with seabirds during the autumn and spring extension periods, when seabird activity is known to increase around Heard Island and McDonald Islands. If three or more seabirds are caught and killed by fishing gear during the extension periods, that vessel can no longer fish by longline in the extension periods. No boat triggered this provision in 2018–19.

Bycatch is generally low in the Heard Island and McDonald Islands Fishery and catch limits were not exceeded in 2018–19.



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 Commission for the Conservation of Antarctic and Marine Living Resources meet 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. The management of the fishery is certified as sustainable by the Marine Stewardship Council.

Macquarie Island Toothfish Fishery




 Estimated Catch
474.8 tonnes

STOCK STATUS OF TARGET SPECIES

Common name (scientific name)	Latest available status assessment			
	2017		2018	
	Fishing mortality	Biomass	Fishing mortality	Biomass
Patagonian toothfish (<i>Dissostichus eleginoides</i>)	Green	Green	Green	Green

Source: Patterson, H, Williams, A, Woodhams, J and Curtotti, R 2019, *Fishery status reports 2019*, 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*. It is managed through a system of output controls in the form of individually transferable quotas, which are allocated as statutory fishing rights under the management plan. All operations conducted in the fishery were compliant with the performance criteria outlined in the management plan. As at June 2019, one boat had operated in the fishery during the 2018–19 fishing season.

There were no changes to the *Macquarie Island Toothfish Fishery Management Plan 2006* during the 2018–19 fishing period.

Fishing Mortality Not subject to overfishing
Biomass Not overfished

 Uncertain

Fishing Mortality Subject to overfishing
Biomass Overfished



ANALYSIS OF PERFORMANCE

Performance status of fish stocks

In November 2017, the AFMA Commission set the Macquarie Island Toothfish Fishery total allowable catch for Patagonian toothfish at 450 tonnes.

The Macquarie Island Toothfish Fishery has been divided into three regions, noting that the 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 beneficial in improving scientific knowledge and reducing uncertainty in the stock assessment.

Performance status of bycatch

Bycatch is generally low in the Macquarie Island Toothfish Fishery. Catch limits of 50 tonnes for any one species were set for 2018–19, consistent with previous years. These catch limits were not exceeded in 2018–19, and have never been exceeded for any one species in a season.

EXTERNAL REVIEWS

There has been no external review of the fishery in 2018–19.

High Seas Permits



Estimated catch 2018–19

174.5 tonnes

Major species:

- Redthroat emperor
- Hapuku
- Flame snapper
- Sea bream snapper
- Jackass morwong
- Bass groper
- Yellowtail kingfish
- Blue-eye trevalla

MANAGEMENT PLANS/ARRANGEMENTS

High Seas Permits allow Australian flagged vessels to fish for non-highly migratory species in the areas of water covered under South Pacific Regional Fisheries Management Organisation and the Southern Indian Ocean Fisheries Agreement.

High Seas Permits are granted by season which lasts from 1 January to 31 December. There are currently six High Seas Permits. Six vessels are licensed to fish in the South Pacific Regional Fisheries Management Organisation area and five vessels are licensed to fish in the Southern Indian Ocean Fisheries Agreement area. The main gears used by High Seas Permit holders are midwater trawl, demersal trawl and automatic longline (demersal longline).

In 2019 a new conservation and management measure for bottom fishing in the South Pacific Regional Fisheries Management Organisation Convention area was adopted by the South Pacific Regional Fisheries Management Organisation Commission. This measure implements a spatial management approach to prevent significant adverse impacts on vulnerable marine ecosystems and establishes a joint fishing footprint for Australian and New Zealand licensed vessels. The measure was introduced through permit conditions in April 2019.

ANALYSIS OF PERFORMANCE

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.



Non-operational fisheries

Commercial operators did not operate in the following Commonwealth fisheries during 2018–19.

NORFOLK ISLAND FISHERY

The Norfolk Island Inshore Fishery and the Norfolk Island Offshore Demersal Finfish Fishery do not have formal management plans and there are no current commercial fishing concessions. Through a Memorandum of Understanding with AFMA, the Norfolk Island Inshore Fishery is managed by the Norfolk Island Regional Council in accordance with the Norfolk Island Inshore Fishery Policy 2009.

In 2018, AFMA and the Norfolk Island Fishing Association, in collaboration with the Norfolk Island Regional Council, commenced a review of the Policy that is still ongoing.

No stock assessments or biomass estimates for species taken within the Norfolk Island fisheries 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			
	2017		2018	
	Fishing mortality	Biomass	Fishing mortality	Biomass
Indian Ocean skipjack tuna (<i>Katsuwonus pelamis</i>)	Green	Green	Green	Green
Western and Central Pacific Ocean skipjack tuna (<i>Katsuwonus pelamis</i>)	Green	Green	Green	Green

Source: Patterson, H, Williams, A, Woodhams, J and Curtotti, R 2019, *Fishery status reports 2019*, 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.

There has been little or no annual effort in the fishery since 2008 for economic reasons. There were no new management arrangements implemented in the fishery in 2018–19. There are 19 Eastern Skipjack Tuna Fishery permits and 14 Western Skipjack Tuna Fishery permits, however no Australian vessels are currently targeting skipjack tuna.

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

SOUTH TASMAN RISE FISHERY

Stock status of target species

Common name (scientific name)	Latest available status assessment			
	2017		2018	
	Fishing mortality	Biomass	Fishing mortality	Biomass
Orange roughy (<i>Hoplostethus atlanticus</i>)				

Source: Patterson, H, Williams, A, Woodhams, J and Curtotti, R 2019, *Fishery status reports 2019*, 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.

The South Tasman Rise orange roughy stock is the only high-seas stock that has been assigned a status classification by Australian Bureau of Agricultural Resource Economics and Sciences. 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.

A number of stock assessments were undertaken for orange roughy stocks in the South Pacific Regional Fisheries Management Organisation and the Southern Indian Ocean Fisheries Agreement area of competence. These assessments have been accepted by both regional fisheries management organisations. Catch limits were introduced for orange roughy in South Pacific Regional Fisheries Management Organisation in early 2019 and limits for Southern Indian Ocean Fisheries Agreement will be introduced in late 2019.

 **Fishing Mortality** Not subject to overfishing
Biomass Not overfished

 Uncertain

 **Fishing Mortality** Subject to overfishing
Biomass Overfished







PART 4

Management and accountability

Corporate governance practices

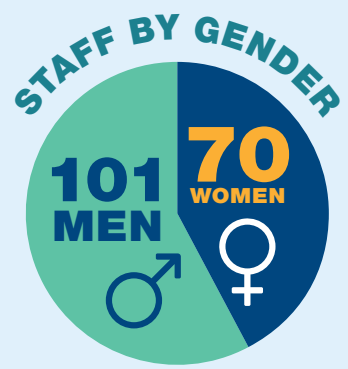
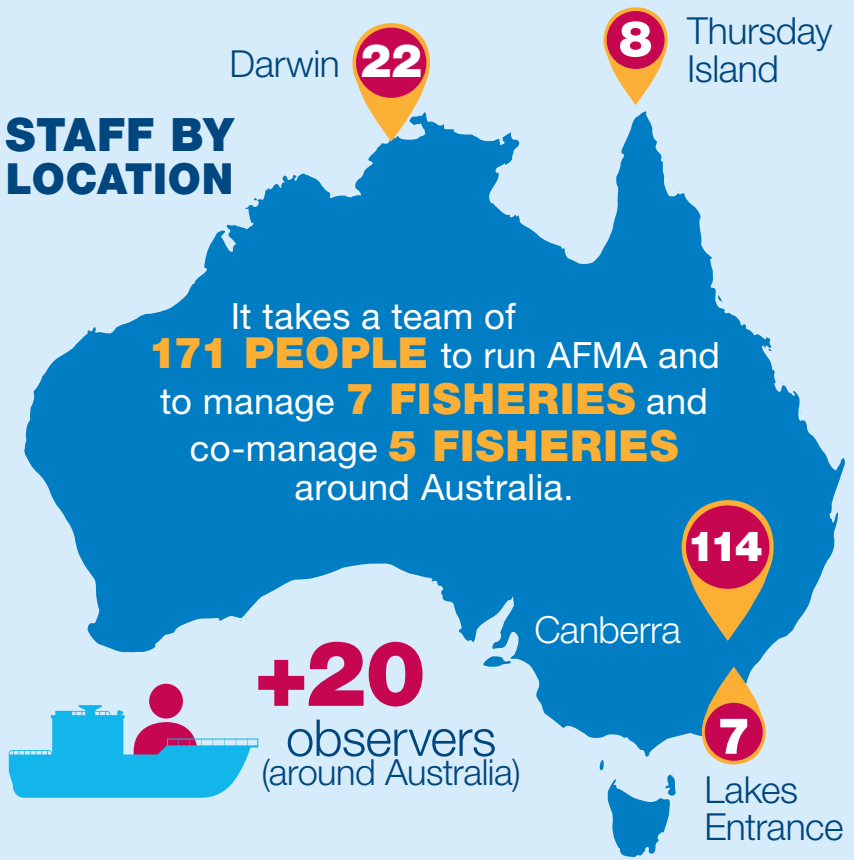
Purchasing

People management

Torres Strait

Photo courtesy Matt Daniel, AFMA Media Library

STAFF BY LOCATION



 **100%**
COMPLIANCE WITH FINANCE LAW

No significant matters reported under finance law.

Corporate governance practices

GOVERNING BODY

AFMA as a non-corporate statutory body forms part of the Commonwealth government. It is governed by a Commission which is responsible for exercising functions and powers in relation to domestic fisheries management. The Chief Executive Officer is responsible for assisting the Commission, in giving effect to its decisions. In addition 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 section 91 of the *Fisheries Administration Act 1991*.

The Minister for Agriculture appoints the chairperson, part-time commissioners and the Chief Executive Officer. Following advice from the chairperson, the minister appoints a part-time commissioner as deputy-chairperson. The minister is also the approving authority for AFMA's Corporate Plan, Annual Operational Plan and all Fishery Management Plans determined by AFMA.

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* and is also appointed as an AFMA Commissioner.

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 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's Executive Secretary. Where a commissioner declares they have an interest in a matter under consideration by the Commission it will initiate procedures to safeguard the integrity of the Commission's decisions.



Performance review

The Commission conducts a simple review of its performance at each Commission meeting. These documented reviews address the effectiveness of the Commission in its decision making, corporate governance and maintenance of stakeholder relationships. With the commencement of a new Commission in July 2019, AFMA has taken the opportunity to seek views from industry bodies as to how the Commission could strengthen its stakeholder engagement.

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.

In June 2017, the internal auditor in collaboration with AFMA Management and the AFMA Audit and Risk Committee established a Strategic Internal Audit Plan for 2017–2019. The Strategic Internal Audit Plan outlines the intended audits that will be conducted over the three year period. These proposed audits are intended to address high level risks that have been identified as part of our Risk Management Framework.

Drawing on this plan, the independent auditor completed four audits during 2018–19 on the following areas of AFMA's business operations:

AFMA Fisheries Monitoring performance audit

This audit focused on assessing the performance of AFMA's e-monitoring contractors in monitoring Commonwealth fisheries (where e-monitoring is used) during the period 1 July 2017 to 30 June 2018.

Review of accuracy of costs within the current Cost Recovery model

This audit focused on the use of business area section plans that are used to input into the Financial Management Information System and Cost Recovery Model to ensure all costs that are allocated to activities are supported by defensible data and based on appropriate assumptions.

ICT Security performance audit

The focus of this audit was to assess the strength and maturity level of the governance control framework that AFMA has in place to manage its ICT risks and security.

Annual Performance Statements performance audit

This audit focused on reviewing the framework and processes AFMA has in place to support effective performance reporting to meet relevant legislative obligations and more broadly performance delivery standards and Key Performance Indicators (KPIs).

AFMA Management has endorsed and implemented the majority of the recommendations from these audits. Work on outstanding endorsed recommendations will be undertaken during 2019–20 and monitored by the AFMA Audit and Risk Committee.

We have also established a number of standing committees which provide oversight and governance over other key business operational activities. These committees include:

- **Strategic Delivery Committee** – oversees the delivery of all key project works that directly align with AFMA's Strategic goals or Annual Operational Plan objectives.
- **Data and Information Governance Committee** – provides a strategic approach to managing data, information and records to reduce business risk, increase accountability, and improve operational efficiencies.
- **Security Governance Committee** – reviews and monitors AFMA's security governance arrangements against the security threats and vulnerabilities identified by government and faced by AFMA in delivering its objectives.
- **Risk Management Committee** – provides oversight from a cross-agency perspective on the management and control of AFMA's business risks and to support the implementation of the agencies risk management framework.

The Chief Executive Officer, as required under the *Public Governance, Performance and Accountability Act 2013*, has maintained the **Audit and Risk Committee** to also provide independent internal scrutiny of AFMA business 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 Audit Office). The Audit Office examines the strength of our internal controls to obtain reasonable assurance as to whether our 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.

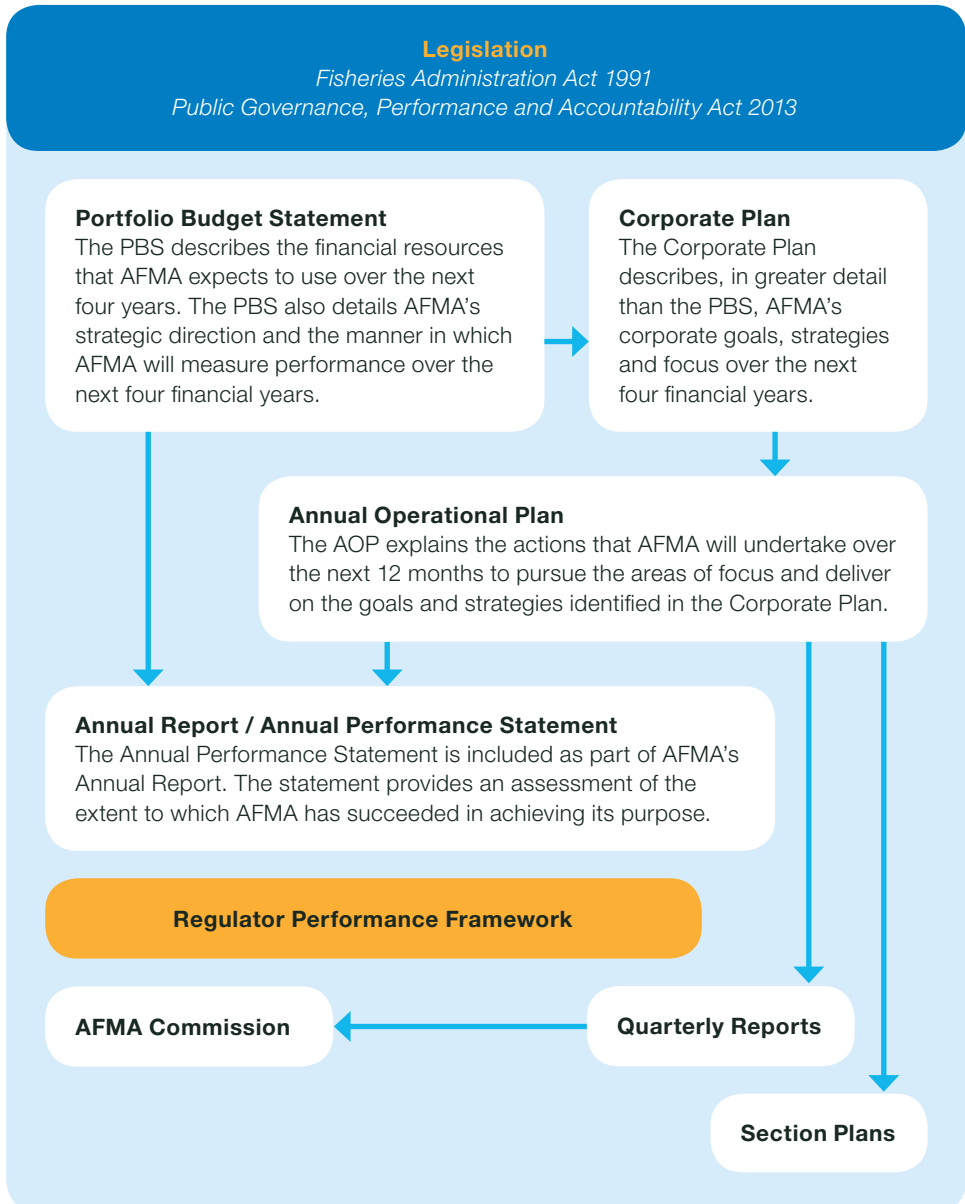
The Audit Office retains an understanding of our business, the environment in which we operate, our objectives and strategies and internal controls. This includes acquiring an understanding of the information systems and related business processes relevant to our financial reporting objectives (including 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.

Our performance is also subject to review through the Senate Estimates process. 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'.

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 effective governance. The key elements are:



Performance monitoring

We prepare three planning documents and a performance reporting document each year. In addition, we undertake an annual self-assessment of our regulatory operations and performance. Monitoring of progress and accountability for delivering outputs is a key responsibility for our staff. Individual performance agreements and reviews of periodic reports by managers, committees, Senior Executives, the Commission and stakeholders all help ensure that we remain on target. Each quarter the AFMA Commission receives a report on progress against the strategic actions contained in the Annual Operational Plan.

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 our objectives as outlined in our Annual Operational 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 our staff are assessed throughout the reporting period in accordance with our performance development scheme.

RISK MANAGEMENT

The AFMA Risk Management Framework incorporates a Risk Management Policy and Risk Management Guidelines that are consistent with the Commonwealth Risk Management Policy and international standards (ISO 31000:2018).

To support the framework, we are developing a statement of Risk Appetite. This document is currently in consultation and will articulate our position with regards to specific risk categories.

The framework is aligned with our corporate goals to ensure all our staff remain focused on achieving those goals while managing the identified risks associated with them. This approach ensures that our staff at all levels of the agency are responsible for participating in risk management processes. It also delivers cost-efficient fisheries management by allowing our managers to make informed decisions and assign resources effectively.

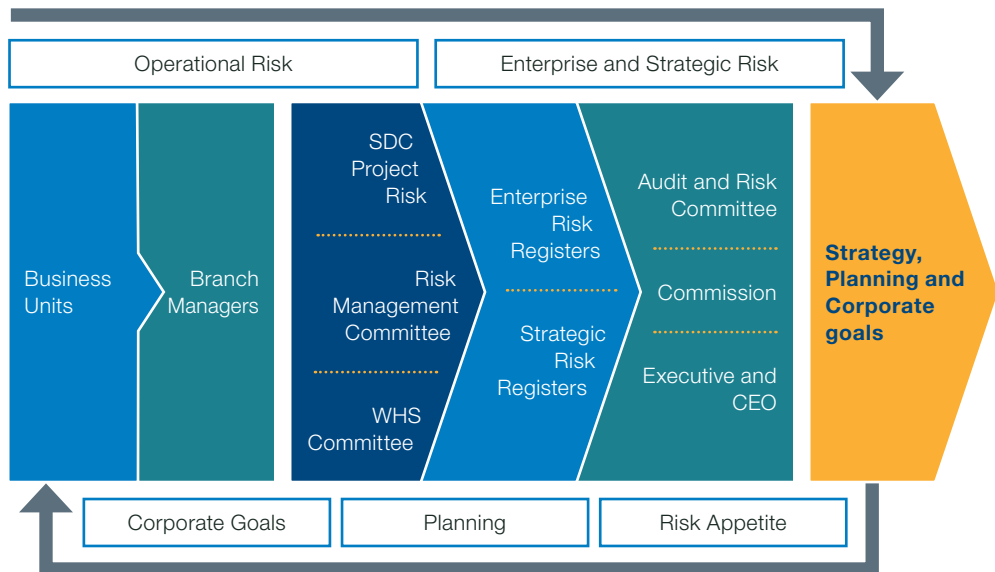
Oversight of risk management activities is provided by the AFMA Audit and Risk Committee who provide external expertise and the Risk Management Committee which is comprised of representatives from across AFMA. AFMA's Risk and Assurance Manager supports staff to manage risk by providing tools and advice on risk management practices.

We maintain operational, enterprise and strategic risk monitoring and reporting processes in accordance with our Risk Management Policy and Risk Management Guidelines.

AFMA’s Risk Management Framework assists in the identification, management and escalation of operational risks and a consolidated view of entity risks at the Enterprise and Strategic levels.

Our Risk Management Framework incorporates reporting, assessment and business process; aligned with both the Commonwealth Risk Management Policy and relevant standards. Key organisational risks are detailed in the Enterprise and Strategic Risk registers, and include staff safety and well-being, cybersecurity as well as strategic risks in relation to fisheries management and compliance. The registers identify specific and appropriate controls, and are updated every six months.

AFMA’s risk management process is illustrated below:



Business Continuity

AFMA’s Business Continuity Plan is a living document and requires updating after each walkthrough, bench or live exercise to incorporate the results of these activities. The Plan provides guidance to AFMA Management in establishing alternative arrangements and enables the priority allocation of resources to critical business processes to ensure that we are able to continue to function effectively during and 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 includes procedures for all phases of recovery as defined in the Business Continuity Strategy document. This plan is separate from AFMA ICT Disaster Recovery Plan, which focuses on the recovery of technology facilities and platforms, such as critical applications, databases, servers or other required technology infrastructure. The Business Continuity Plan is tested, reviewed and updated annually, and monitored by the AFMA Audit and Risk Committee.

Project Management Framework

AFMA's Strategic Delivery Framework supports the planning and delivery of key projects across the organisation. The framework has been developed to support improved governance and oversight of all key projects required to be delivered to meet AFMA's Annual Operational and/or Corporate Plans. The framework provides increased accuracy in allocating, resourcing and managing project deliverables.

The Strategic Delivery Committee, made up of AFMA's Executive, oversees the delivery of relevant key project work. Meetings during 2018–19 reviewed a number of business cases. Projects initiated during the year included upgrades to AFMA's ICT (further outlined below, in Information Management) and the transition of the Canberra office to its new location.

The Strategic Delivery Framework provides defined project management processes, coordination and systematic reporting. For further information on the Strategic Delivery Committee see Appendix 1.

Data and Information Management

During 2018–19 the Technology and Digital Services (TDS) team progressed significantly in the delivery of the outcomes associated with the 2018–19 ICT Strategy. The strategy comprises four key programs of work, including;

1. Reliable Business Systems – reducing the work required to maintain and support old applications and infrastructure, and better utilise TDS resources.
2. Mobility and Flexibility – enabling our staff to be mobile, enabling them to work more collaboratively across our various offices and remotely in the field, both nationally and internationally.
3. Improved Business Engagement – supporting our business areas through an effective service delivery model that meets operating needs.
4. Data and Client Services – harnessing the value of data and analytics by implementing a modern architecture and leveraging innovative technology, in the pursuit of enhanced service delivery for us and our clients.

In delivering this work the TDS team focused on the underlying technology to stabilise the operating environment and subsequently modernise the technology in support of a more mobile, agile and collaborative agency. Underpinning these deliverables was a progression into the Microsoft cloud, which extended to the delivery of a new operating environment in line with the Australian Government's Common Operating Environment guidelines and the provision of laptops to all our staff.

The delivery of new technology also provided an opportune time to focus efforts on reviewing and enhancing our cyber security posture and in particular, compliance against Australian Cyber Security Centre's Essential 8 mandates. Through these efforts we are well positioned to counter cyber security threats and are confident the safeguards we have applied are strong and fit for purpose to protect our key assets.

The delivery of these items were fundamental to the success of the Canberra Relocation project, which introduced a new agile approach to how AFMA conducts its work, and greatly supported mobility and collaboration within the new work environment.

The relocation to our new Canberra office also presented further opportunities in our efforts to meet the Australian Government Digital 2020 policy. The team actively contributed towards the internal *PaperLite* strategy, which drastically reduced our paper holdings and commenced digitising internal processes to remove the need for paper into the future. This initiative saw an estimated 1430 boxes (approximately 112 000 files) containing official records relocated offsite with the intention to sentence all files and log these into our records compliant Electronic Document Management System.

Following the delivery of these key outcomes, the team progressed its work into the Data and Client Services program, and commenced activities to deliver the e-Fish project, and subsequently commenced an internal project to digitise the capture of key external data, such as logbook and catch disposal records. The Agency Data Capture Project was initiated to commence this work, which delivered a proof of concept demonstrating how Application Programming Interfaces (APIs) can be used effectively to capture key data and integrate these into the AFMA architecture. Through the next phase of the Agency Data Capture project, we are eager to progress the use of modern standardised technology (APIs) to better capture and integrate the data we value to start driving improved business performance and evidence based decision making.



FEATURE STORY

Canberra Office Relocation Project

In early 2019, AFMA Canberra office began operating out of its new office space in the Majura Park Precinct of the Canberra Airport.

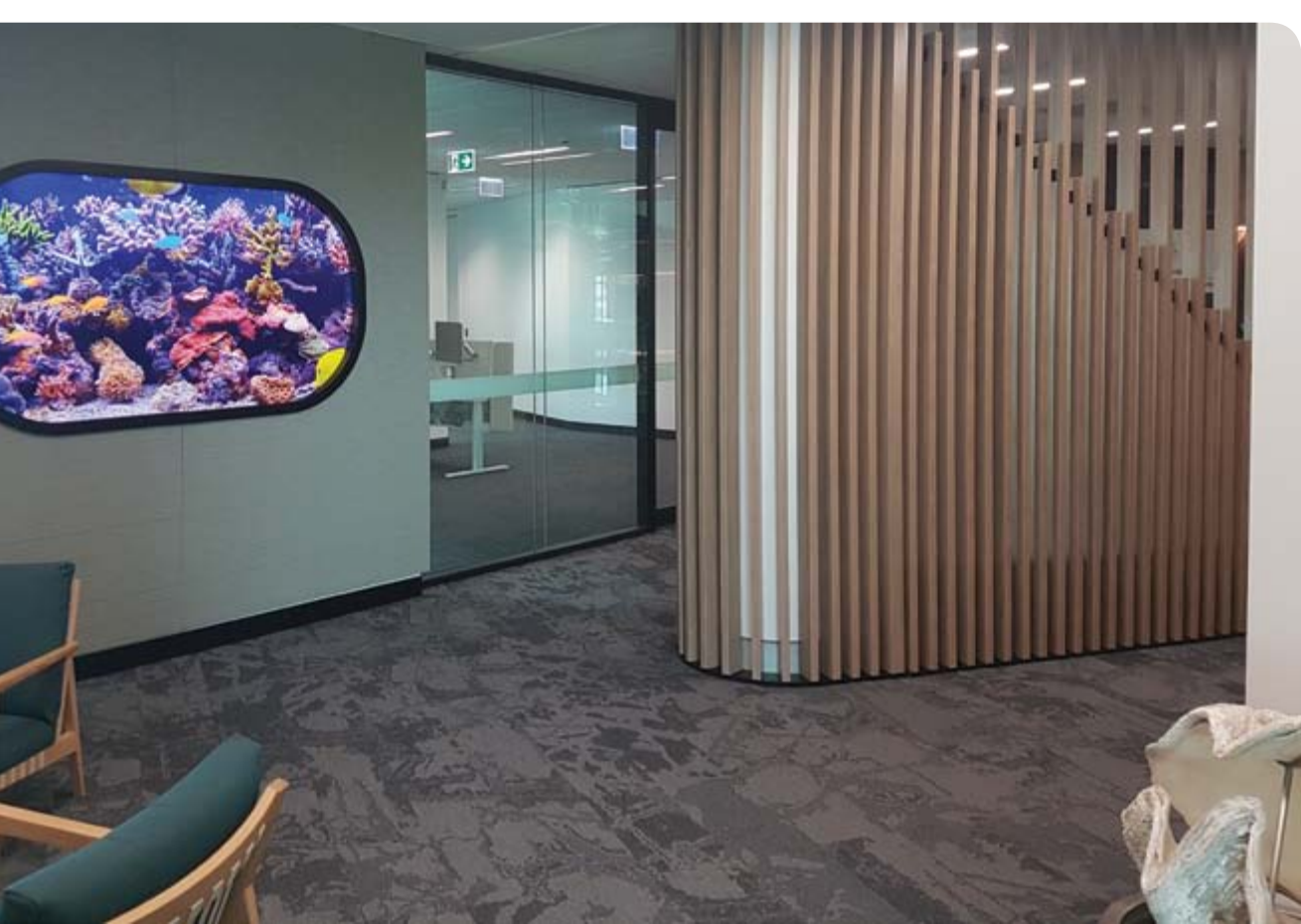
There were several catalysts for the move, the key being our existing lease agreement expiring on 31 December 2018, triggering increased on-going rental costs if we remained. The opportunity to relocate also facilitated us delivering on a number of Government initiatives namely: delivery of cost effective utilisation of office accommodation to government, improved ICT capability to deliver cost effective business outcomes and meeting the *Commonwealth's Digital Continuity 2020 Policy*. It also provided opportunities to explore new and innovative approaches to the way we wished to work as an agency into the future.

Against this backdrop in April 2018, we commenced our journey by testing the market through the newly introduced Whole of Australian Government Property Leasing Strategy to identify potential new premises.

Along the way we engaged a range of consultants and project managers to assist and guide us in identifying cost effective accommodation options, consult and engage our staff through the design, fit-out and relocation stages and to support our staff through the change management process.

Through extensive staff consultation the new workspace has been designed to embrace adaptive and agile working arrangements, have more space for collaboration and focused work across the agency through a variety of spaces to support different tasks and activities and take advantage of natural light, all key identified deliverables sought by our staff as part of the move.

To support our new work practices, we also upgraded our ICT environment to enable a mobile and collaborative workforce, reducing sedentary work practices. Our Technology and Digital Services team deployed a new operating environment with laptops provided to all staff and introduced Microsoft Teams (softphone solution) across all our offices. This allowed staff to utilise all collaborative spaces in the office through Wi-Fi technology, whilst still remaining connected to our secure network. Adopting cloud base technology we reduced our reliance on infrastructure support, reducing both costs and ICT risks.



Through the use of selected staff champions as Relocation Ambassadors our staff were kept informed and engaged throughout the process. Change Management and leadership training provided by our Workplace Group was rolled out to support our Senior Managers and Managers through this dynamic period of change for the agency.

Our new workspace now supports more agile and collaborative work practices enabled through the provision of mobile technologies and flexible physical settings which in turn support a more cost efficient and productive workforce.

The result of our journey have delivered some very tangible results for AFMA, as illustrated by the various infographics and whilst the journey was intense and exceptionally challenging along the way, our dedicated project team delivered the new office on time, under budget and without any disruption to operational services. The design and fit-out was also recognised in the ACT Master Builder's 2019 Building Excellence Awards in the Commercial Fitout, Refurbishment or Alteration \$1 million – \$5 million category.

The move to a new, flexible and mobile working environment, along with other changes faced by the organisation has presented challenges to staff. Work is now underway to consolidate the positives and address areas for improvement that have been identified. The end result will ensure that AFMA can be on the front foot in continuing to deliver efficient, cost-effective and accountable management of Commonwealth fisheries resources.



Fraud Control

The AFMA Fraud Control Framework addresses internal fraud perpetrated within AFMA. The AFMA Fraud Policy applies to all our staff (and contractors) and outlines our zero tolerance policy. We have 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 Fraud Policy and Fraud 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 our Fisheries Operations Branch, or in some cases the Australian Federal Police. Please refer to section 2.3 on page 37 for further information.

AUDIT AND RISK COMMITTEE

AFMA's Audit and Risk Committee provides independent assurance and advice to the Chief Executive Officer on AFMA's financial reporting, performance monitoring, systems of risk oversight and management and systems of internal control. The Committee's role in reviewing AFMA's treatment of strategic risks is also directly relevant to the work of the AFMA Commission.

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 2018–19 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 2018–19 AFMA continued to maintain a strong push on improved performance with respect to our responsibilities under the Commonwealth Procurement Rules. Our staff are kept well informed of any changes in procurement rules through our internal communication such as intranet news stories, revised templates and targeted training sessions.

Our approach to procurement and contract management is based on a self-service model enabling our staff 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 our staff to utilise. Importantly, training in procurement and contract management was delivered to all Executive Level staff 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 with all our staff across the agency.

CONTRACTS

Australian National Audit Office Access clauses

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

Exempt Contracts

The Chief Executive Officer did not exempt any contracts let during 2018–19 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.

People Management

OUR EMPLOYEES

As at 30 June 2019, AFMA employed 171 employees (based on head count): 149 were ongoing and 22 were non-ongoing. These numbers do not include seven employees on long-term leave.

We had 114 employees located in our Canberra office, 22 employees located in our Darwin office, eight employees in Thursday Island and seven in Lakes Entrance. A further 20 casual field observers who undertake duties on commercial fishing vessels, located around Australia.

Our employment profile has not significantly changed from 2017–18. The proportion of part-time employees (excluding casual observers) has decreased slightly to 9.3 per cent in 2018–19 compared to 11.3 per cent in 2017–18.

The proportion of females has increased to 40.9 per cent from 39.4 per cent in the previous financial year. The percentage of women at EL1–EL2 levels for 2018–19 has increased to 37.0 per cent from 28.9 per cent in the previous year.

There has been a decrease in the number of employees from non-English speaking backgrounds with six employees in 2018–19, down from eight in 2017–18.

As a comparison with the 2017–18 financial year, the number of employees who have at least one parent from a non-English speaking background has decreased to 25 with the number of employees identifying as being Aboriginal or Torres Strait Islander increasing slightly from seven to eight. In addition, employees who identified themselves as having a disability remained static at one in 2018–19.

Equal opportunity profile of AFMA employees as at 30 June 2019

Level	NESB1	NESB2	People with disability	Aboriginal and Torres Strait Islander	Women	Men	Total employees at level
APS 2–4	0	4	0	5	20	35	55
APS 5–6	6	15	1	2	32	37	69
EL1	0	3	0	1	14	16	30
EL2	0	1	0	0	3	10	13
SES	0	2	0	0	1	3	4
Total	6	25	1	8	70	101	171

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.

Total SES includes AFMA Chief Executive Officer



Non-ongoing employees employed by location, gender and employment status as at 30 June 2019

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
APS 3–4	Canberra	0	1	8	0	9
APS 5–6	Canberra	0	0	0	1	1
Total		0	1	20	1	22

* These figures include 20 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 2019

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
APS 3–4	Canberra	3	6	1	7	17
	Darwin	0	3	0	2	5
	Lakes Entrance	0	0	0	1	1
	Thursday Island	0	2	0	0	2
APS 5–6	Canberra	5	21	0	24	50
	Darwin	0	3	0	10	13
	Lakes Entrance	0	4	0	1	5
	Thursday Island	0	2	0	2	4
EL1	Canberra	4	9	1	15	29
	Darwin	0	1	0	1	2
	Lakes Entrance	0	0	0	1	1
	Thursday Island	0	0	0	1	1
EL2	Canberra	0	2	0	9	11
	Darwin	0	0	0	1	1
	Thursday Island	0	1	0	0	1
SES	Canberra	0	1	0	2	3
	Darwin	0	0	0	1	1
Total		12	57	2	78	149

This table excludes seven employees who were on long-term leave as at 30 June 2019 and includes three ongoing APS employees on temporary transfer to AFMA. These figures relate to the nominal occupants of the position and not employees who may be acting at a higher classification as at 30 June 2019. This SES figure also includes AFMA's Chief Executive Officer.

TERMS AND CONDITIONS OF EMPLOYMENT

AFMA's Enterprise Agreement 2016

AFMA's Enterprise Agreement 2016 contains employment terms and conditions for all our employees (excluding Senior Executive Service Officers). Salary increases for all non-SES employees with effect from 23 June 2019 are provided under a Section 24(1) determination.

AFMA's Enterprise Agreement 2016 provides for the Chief Executive Officer and an employee covered by the agreement, to enter into an individual flexibility agreement. The terms of employment that may be varied under the Enterprise Agreement include (but are not limited to) hours of work, overtime rates, penalty rates, allowances, remuneration and leave.

AFMA entered into 51 individual flexibility agreements for 42 employees during 2018–19 as outlined in the table below and of these, nine employees entered into multiple agreements therefore the number of agreements is higher than the number of employees.

Individual flexibility agreements for 2018–19

Classification	Number
APS 1	0
APS 2	1
APS 3	0
APS 4	4
APS 5	7
APS 6	12
EL1	19
EL2	8

Remuneration

With effect from 23 June 2019, AFMA's salary ranges are contained in a Section 24(1) determination. The salary minimum and maximum amounts at each classification as at 30 June 2019 are shown in the table below.



Salary ranges for non-Senior Executive employees

Classification	Minimum	Maximum
APS 1	\$44 718	\$54 369
APS 2	\$56 026	\$62 214
APS 3	\$61 326	\$69 343
APS 4	\$69 310	\$77 097
APS 5	\$76 385	\$84 171
APS 6	\$85 417	\$98 272
EL1	\$105 075	\$121 503
EL2	\$123 275	\$149 526

AFMA does not provide performance bonuses.

HUMAN RESOURCE MANAGEMENT

Ethical Standards

In working towards AFMA's goals and objectives, employees 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 Code of Conduct and Ethics Policy

Australian Public Service Employee Census

Our employees are eligible and encouraged to participate in the annual Australian Public Service Employee Census. The census gathers feedback and allows us to address specific issues and shape future priorities. The Census is undertaken in May–June each year.

Results from the Census undertaken in May–June 2018 were positive, indicating that employees had a strong personal attachment to AFMA, enjoy working in their current role and are proud to work in the agency. The results also indicated that employees had the opportunity to apply what they learn in their day-to-day work and the appropriate skills, capabilities and knowledge to do their job and an increase in employees believing the agency was committed to creating a diverse workforce.

In the 2019 APS Employee Census, AFMA's response rate to this survey was 73.9 per cent, an increase from 69 percent for the previous year. This was below the average of the APS which saw an overall participation rate of 77 per cent.

Results to this census were far less positive, with levels of staff satisfaction lower compared to 2018 and to the APS more generally. AFMA has instituted a process to determine the root cause of some of the declines and seek continuous improvement. While it does seem that much of the decrease in morale and satisfaction has been driven by the large changes that AFMA has experienced (refer to Part 1 Outlook), there are opportunities for internal development and changed practice that should address many of the concerns raised.

AFMA Rewards and Recognition Program

We recognise that building a culture that values its employees and recognises performance is critical to retaining the best people. The annual AFMA achievement awards recognise individual and team achievements throughout the year. Nominations are sought from staff and the recipients agreed by the AFMA Executive Team. The awards are presented in December each year by the AFMA Chief Executive Officer.

The recipient of the 2018 Individual Achievement Award was Mick Roses, Chief Information Officer recognised for his strong leadership, vision, team spirit and personal drive to transform AFMA's ICT capability.

Two groups were presented with the 2018 Team Achievement Award. The Lakes Entrance Office Project team (Scott Connors, Brendan Kearney, Stewart Cross, Mick Roses and Dave Newton), in recognition of their commitment and dedication in reaching AFMA's goal to establishing a presence in the regional town of Lakes Entrance. The second team award was presented to the Thursday Island Domestic Compliance Team (of John Jones and Lyndon Peddell) in recognition of their commitment and dedication in the work undertaking for the transition of the Domestic Compliance Program from the Queensland Government to AFMA.

The Good Citizen award was presented to Don Bromhead for exemplifying corporate citizenship within AFMA and for being always willing to assist individual staff with scientific matters.

Ian Butler was the recipient of the Collaboration and Mentoring Award in recognition of his professionalism and willingness to invest time and provide support for AFMA's Graduate Program.

The Innovation Award was awarded to Sarah Schofield for her innovation in the way AFMA engages with industry and government stakeholders in producing a series of educational videos for the community and in reviewing the way the agency distributes information to ensure maximum engagement from broadcast and online publications.



The Unsung Hero award was awarded to Liana Douglas in recognition of her exceptional work in the introduction of EDRMS and the *PaperLite Strategy*.

At the ceremony, AFMA also provided ten-year service pins to 11 employees.

Development Awards

Each year, we offer employees the opportunity to nominate for an annual development award. The intention of the award is to recognise and reward performance on the part of the individual whilst providing an opportunity for personal development that benefits both the individual and AFMA.

During 2018–19, AFMA awarded the development awards which supported employees to:

- attend a suite of training in various aspects of technology One Cloud
- attend the Fish Biology Conference in Canberra
- attend the ANU National Security College Professional short course – Risk for National Security Practitioners or Antarctica
- attend Data Sharing in Governance Conference in Canberra.

Performance Management

The work that all our employees do is crucial to the achievement of our goals. AFMA's performance management scheme is a collaborative, ongoing process between a manager and their employee/s that all employees are required to participate in.

The performance cycle ensures that:

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

The aim of our performance management scheme is to ensure all staff have the right tools and processes to help meet key deliverables. The scheme is also an important tool to ensure that underperformance is identified early so it can be addressed quickly and effectively.

TRAINING AND DEVELOPMENT

AFMA's 2018–19 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 results from the 2018 APS Employee Census.

We provided a number of in-house courses during 2018–19 that covered a range of key areas including change, leadership, wellbeing, culture, procurement and contract management. Employees were also required to complete two mandatory online training courses through Learnhub (our on-line training tool). These were Respectful Workplaces and Difficult Conversations in the Workplace. Further to this, employees in consultation with their managers, also completed a third module identified to assist them in performing their current role.

In consultation with their managers in developing individual capability plans, employees were also able to enrol in relevant training and development opportunities that aligned with their specific role and responsibilities.

STUDY ASSISTANCE PROGRAM

Our study assistance program assists our staff to pursue studies that are directly related to our business, including 10 employees for studies in various areas including marine and Antarctic science, communications, environmental, economics and legal studies.

EMPLOYMENT PROGRAMS

Graduate Development Program

We partner with the Department of Agriculture in the recruitment and delivery of the annual Graduate Development Program. The program includes a combination of on-the-job-training, mentoring, an industry visit and a formal training program. We engaged two graduates in 2018 and 2019 intakes. As part of the program, each graduate is required to complete three rotations with the first and third rotation completed in AFMA and the second rotation undertaken at the Department of Agriculture. We also hosted two graduates from the Department of Agriculture during the second rotation.

In October 2018, the graduates undertook an industry visit to Western Australia that focused on stakeholder perspectives on the drivers for underperforming fisheries. The industry visit provided graduates with valuable on the job learning experiences including an opportunity to meet with stakeholders.



Indigenous Australian Government Development Program

In focusing on building a more diverse workforce, we also participated in the Indigenous Australian Government Development Program. The Indigenous Australian Government Development Program is an entry-level employment and development 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 Indigenous Australian Government Development Program in September 2017 who successfully completed the program in December 2018.

Australian National University Internships Program

The Australian National Internships Program gives undergraduate and postgraduate students an opportunity to work with Commonwealth agencies. During 2018–19, we hosted one student who contributed to reviewing the implementation of e-monitoring in the Eastern Tuna and Billfish Fishery.

DIVERSITY

We are committed to fostering a diverse workplace free from discrimination and harassment, an environment that recognises and values the individual differences of employees, and fosters the contributions of people with different backgrounds, experiences and perspectives.

Our commitment extends to attracting and recruiting people from diverse backgrounds and wherever possible, participation in whole of APS Programs.

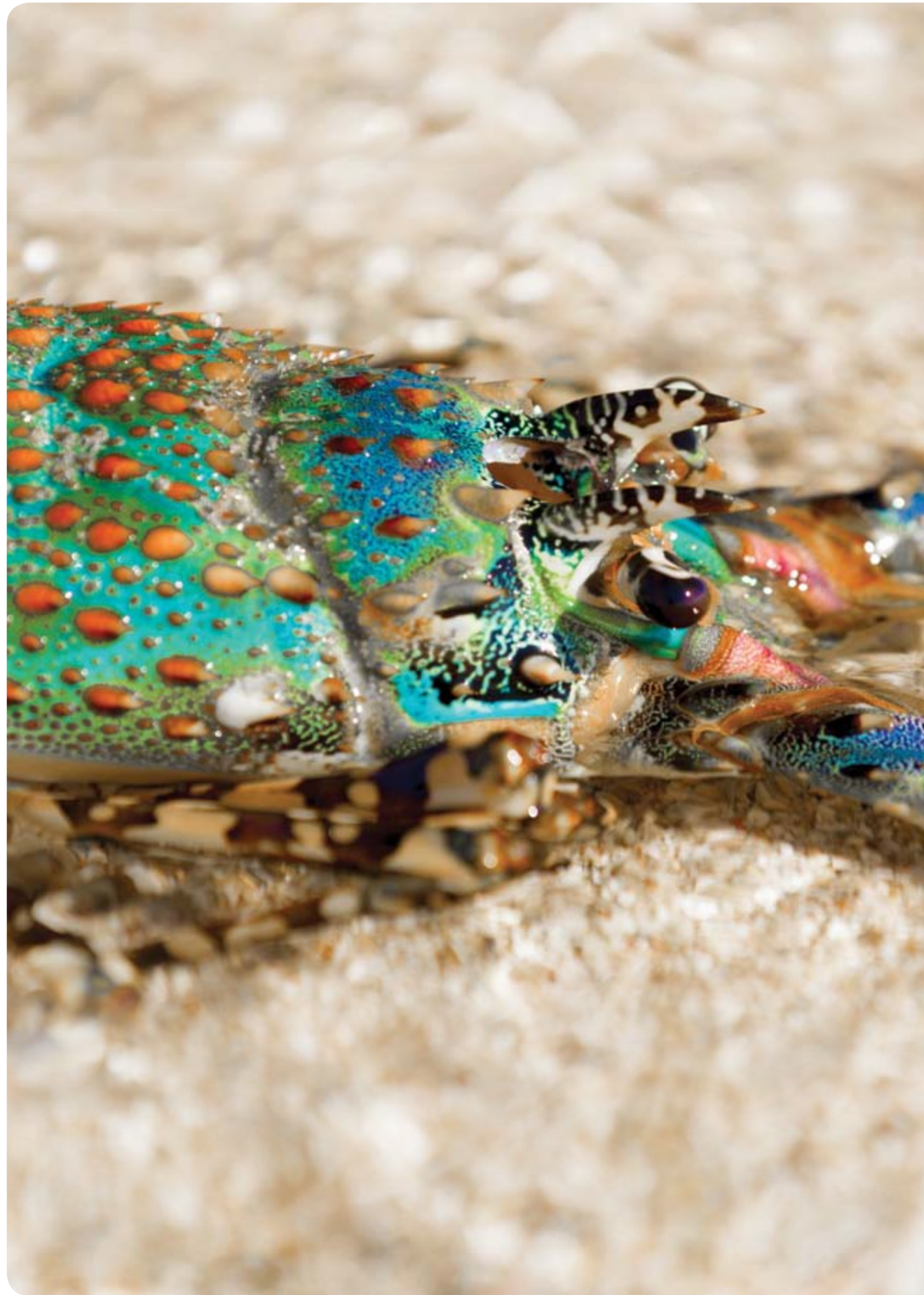
Our employees are also able to participate in diversity networks and related events hosted by the Department of Agriculture.

There was also an opportunity for a number of our staff to attend a variety of workshops and conferences that focused on diversity. These workshops included:

- Women in Leadership Conference.
- Australian Human Resources Institute Inclusion and Diversity Conference.
- NAIDOC week celebrations including participate in the NAIDOC week football competition.
- Reconciliation day presentation hosted by Australian Research Council.

Observer Brendan Meteyard, Southern Ocean
Photo courtesy AFMA Media Library







PART 5

Financial performance report and statements

Statement of financial performance

Australian National Audit Office report

Financial statements

Tropical Rock Lobster, Torres Strait

Photo courtesy Matt Daniel, AFMA media library

Statement of Financial Performance

FINANCIAL RESULTS

AFMA reported a deficit attributable to the Australian Government of \$3.366 million for the 2018–19 financial year, well within the budgeted operating loss of \$3.620 million. AFMA's approved operating loss took account of the planned Canberra office relocation project.

AFMA's total departmental expenditure was \$40.6 million against budget expenditure of \$40.7 million. Employee expenditure was some \$0.5 million lower than budget, mainly due to lower Average Staffing Levels across the agency.

Supplier expenditure was \$0.8 million higher than budget mainly due to higher consultancy and contractor costs for the project to transition the financial management information system (Technology One) to the cloud along with additional support in the communications team. Additional expenditure was also incurred for legal services and settlements.

AFMA's administered expenditure relating to the caretaking and disposal of illegal foreign fishing vessels was \$0.8 million, \$4.7 million lower than budget. Costs for the caretaking and disposal of illegal foreign fishing vessels were lower due to lower vessel apprehensions than budgeted.





INDEPENDENT AUDITOR'S REPORT

To the Assistant Minister for Forestry and Fisheries

Opinion

In my opinion, the financial statements of the Australian Fisheries Management Authority for the year ended 30 June 2019:

- (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 2019 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 2019 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 the financial statements.

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* (the Code) to the extent that they are not in conflict with the *Auditor-General Act 1997*. 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, as applicable, matters related to going concern 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



Sean Benfield

Executive Director

Delegate of the Auditor-General

Canberra

13 September 2019



Australian Fisheries
Management Authority
Financial Statements
for the period ended 30 June 2019

Australian Fisheries Management Authority

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

for the period ended 30 June 2019

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Australian Fisheries Management Authority

for the period ended 30 June 2019

Statement by the Chief Executive Officer and the Chief Finance Officer

In our opinion, the attached financial statements for the year ended 30 June 2019 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.



Waz Norris
Chief Executive Officer
10 September 2019



Robert Gehrig
Chief Finance Officer
10 September 2019

Australian Fisheries Management Authority

STATEMENT OF COMPREHENSIVE INCOME

for the period ended 30 June 2019

	Notes	2019 \$'000	2018 \$'000	2019 Original Budget \$'000
NET COST OF SERVICES				
Expenses				
Employee benefits	1.1A	20,864	20,630	21,383
Suppliers	1.1B	18,523	17,548	17,742
Depreciation and amortisation	2.2A	1,118	991	1,599
Finance costs	2.4A	21	–	–
Write-down and impairment of other assets	1.1C	30	(9)	–
Impairment allowance on financial instruments	1.1D	11	19	–
Total expenses		40,567	39,179	40,724
Own-Source Income				
Own-source revenue				
Sale of goods and rendering of services	1.2A	3,027	3,104	2,423
Rental income	1.2B	321	696	428
Interest	1.2C	14	38	–
Total own-source revenue		3,362	3,838	2,851
Gains				
Resources received free of charge		43	43	45
Total gains		43	43	45
Total own-source income		3,405	3,881	2,896
Net (cost of) services		(37,162)	(35,298)	(37,828)
Revenue from Government	1.3A	33,796	34,398	34,208
Deficit attributable to the Australian Government		(3,366)	(900)	(3,620)
OTHER COMPREHENSIVE INCOME				
Items not subject to subsequent reclassification to net cost of services				
Changes in asset revaluation surplus		(37)	(20)	–
Total other comprehensive (loss)		(37)	(20)	–
Total Comprehensive (loss)		(3,403)	(920)	(3,620)

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

Budget Variances Commentary

Own-source revenues were higher than budgeted by \$0.5 million primarily due to higher services income for Vessel Monitoring Systems and observer fee for service income

Suppliers were \$0.8 million higher than the Original Budget. The key drivers included:

- higher compliance costs associated with satellite monitoring;
- higher than forecast legal costs and legal settlement costs; and
- higher consultancy and contractor costs primarily related to AFMA communications team and transition of the financial management information systems to the cloud.

Depreciation and amortisation was \$0.5 million lower as budgeted depreciation was set using historical averages. Going forward AFMA's depreciation and amortisation expense will increase substantially from 2019–20 onwards due to the amortisation of Right of Use lease assets under AASB 16 and the Canberra office lease fit-out in 2018–19.



Australian Fisheries Management Authority

STATEMENT OF FINANCIAL POSITION

for the period ended 30 June 2019

	Notes	2019 \$'000	2018 \$'000	2019 Original Budget \$'000
ASSETS				
Financial Assets				
Cash and cash equivalents	2.1A	8,959	14,238	–
Trade and other receivables	2.1B	1,324	1,662	8,779
Total financial assets		10,283	15,900	8,779
Non-Financial Assets				
Land	2.2A	975	975	975
Buildings	2.2A	5,417	1,200	2,929
Plant and equipment	2.2A	1,802	578	2,025
Computer software	2.2A	435	389	169
Other non-financial assets	2.2B	412	235	698
Total non-financial assets		9,041	3,377	6,796
Total assets		19,324	19,277	15,575
LIABILITIES				
Payables				
Suppliers	2.3A	–	2	2,302
Other payables	2.3B	5,937	3,581	1,080
Total payables		5,937	3,583	3,382
Provisions				
Employee provisions	5.1A	5,442	5,082	5,325
Other provisions	2.4A	127	–	–
Total provisions		5,569	5,082	5,325
Total liabilities		11,506	8,665	8,707
Net assets		7,818	10,612	6,868
EQUITY				
Contributed equity		12,808	12,199	12,962
Reserves		3,773	4,202	4,221
(Accumulated deficit)		(8,763)	(5,789)	(10,315)
Total equity		7,818	10,612	6,868

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

Budget Variances Commentary

Cash at end of the reporting period was \$9.0 million higher due to Department of Finance (DoF)'s Central Budget Management System (CBMS) classifying special accounts as a receivable at the time of the 2018–19 budget statements. DoF has since reclassified special accounts as cash equivalents in CBMS to match financial reporting requirements.

Non-financial assets were \$2.2 million higher than the Original Budget primarily due to additional leasehold fit-out purchased with the move to the new Canberra office.

Payables were \$2.6 million higher than the Original Budget primarily due to the negotiation of a Canberra office lease incentive valued at \$2.0 million.

Australian Fisheries Management Authority

STATEMENT OF CHANGES IN EQUITY

for the period ended 30 June 2019

	2019 \$'000	2018 \$'000	2019 Original Budget \$'000
CONTRIBUTED EQUITY			
Opening balance			
Balance carried forward from previous period	12,199	11,734	12,365
Transactions with owners			
Departmental capital budget	609	465	597
Total transactions with owners	609	465	597
Closing balance as at 30 June	12,808	12,199	12,962
RETAINED EARNINGS			
Opening balance			
Balance carried forward from previous period	(5,789)	(4,889)	(6,695)
Adjusted opening balance	(5,789)	(4,889)	(6,695)
Comprehensive income			
Deficit for the period	(3,366)	(900)	(3,620)
Total comprehensive income	(3,366)	(900)	(3,620)
Transfers between equity components	392	-	-
Closing balance as at 30 June	(8,763)	(5,789)	(10,315)
ASSET REVALUATION RESERVE			
Opening balance			
Balance carried forward from previous period	4,202	4,222	4,221
Adjusted opening balance	4,202	4,222	4,221
Comprehensive income			
Other comprehensive income	(37)	(20)	-
Total comprehensive income	(37)	(20)	-
Transfers between equity components	(392)	-	-
Closing balance as at 30 June	3,773	4,202	4,221
TOTAL EQUITY			
Opening balance			
Balance carried forward from previous period	10,612	11,067	9,891
Adjusted opening balance	10,612	11,067	9,891
Comprehensive income			
Surplus/(Deficit) for the period	(3,366)	(900)	(3,620)
Other comprehensive income	(37)	(20)	-
Total comprehensive income	(3,403)	(920)	(3,620)
Transactions with owners			
Departmental capital budget	609	465	597
Total transactions with owners	609	465	597
Closing balance as at 30 June	7,818	10,612	6,868

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 than the Original Budget. The variance comprises a higher opening balance for equity of \$0.7 million and lower than forecast operating loss in 2018–19 of \$0.2 million.



Australian Fisheries Management Authority

CASH FLOW STATEMENT

for the period ended 30 June 2019

	Notes	2019 \$'000	2018 \$'000	2019 Original Budget \$'000
OPERATING ACTIVITIES				
Cash received				
Appropriations		34,309	34,350	40,021
Sales of goods and rendering of services		5,656	3,382	2,851
Net GST received		1,876	1,474	–
Total cash received		41,841	39,206	42,872
Cash used				
Employees		20,472	20,707	21,383
Suppliers		21,106	18,300	17,697
Total cash used		41,578	39,007	39,080
Net cash from/(used by) operating activities		263	199	3,792
INVESTING ACTIVITIES				
Cash used				
Purchase of property, plant and equipment		6,151	462	4,807
Total cash used		6,151	462	4,807
Net cash from/(used by) investing activities		(6,151)	(462)	(4,807)
FINANCING ACTIVITIES				
Cash received				
Contributed equity – departmental capital budget		609	465	597
Total cash received		609	465	597
Net cash from/(used by) financing activities		609	465	597
Net increase in cash held		(5,279)	202	(418)
Cash and cash equivalents at the beginning of the reporting period		14,238	14,036	418
Cash and cash equivalents at the end of the reporting period	2.1A	8,959	14,238	–

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

Budget Variances Commentary*Operating Activities*

Sales of goods and services cash received was \$2.8 million higher than the Original Budget primarily due to the negotiation of a Canberra office lease incentive valued at \$2.0 million and higher services income for Vessel Monitoring Systems and observer fee for service income.

Supplier cash used was \$3.4 million higher than estimated primarily due to higher compliance costs associated with satellite monitoring, higher than forecast legal costs and legal settlement costs; and higher consultancy and contractor costs and higher than forecast GST paid.

Investing Activities

Total cash used was \$1.3 million higher than estimated in the Original Budget primarily as a result of purchases of leasehold improvements and property, plant and equipment related to the Canberra office relocation.

Cash held at end of reporting period

Cash at end of the reporting period varies due to Department of Finance (DoF)'s Central Budget Management System (CBMS) classifying special accounts as a receivable at the time of the 2018–19 budget statements. DoF has since reclassified special accounts as cash equivalents in CBMS to match financial reporting requirements.

Australian Fisheries Management Authority

ADMINISTERED SCHEDULE OF COMPREHENSIVE INCOME

for the period ended 30 June 2019

	Notes	2019 \$'000	2018 \$'000	2019 Original Budget \$'000
NET COST OF SERVICES				
Expenses				
Suppliers		810	1,102	5,506
Impairment allowance on financial instruments		224	–	–
Total expenses		1,034	1,102	5,506
Income				
Revenue				
Non-taxation revenue				
Fees and fines		21	20	–
Other revenue		15	16	–
Total non-taxation revenue		36	36	–
Total revenue		36	36	–
Total income		36	36	–
Net cost of services		(998)	(1,066)	(5,506)
(Deficit)		(998)	(1,066)	(5,506)
Total Comprehensive loss		(998)	(1,066)	(5,506)

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

Budget Variances Commentary*Expenses*

Suppliers expenses were \$4.7 million 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.



Australian Fisheries Management Authority

ADMINISTERED SCHEDULE OF ASSETS AND LIABILITIES

for the period ended 30 June 2019

	Notes	2019 \$'000	2018 \$'000	2019 Original Budget \$'000
ASSETS				
Financial assets				
Trade and other receivables	3.1B	433	295	1,190
Total financial assets		433	295	1,190
Total assets administered on behalf of Government		433	295	1,190
LIABILITIES				
Payables				
Suppliers	3.2A	411	57	168
Total payables		411	57	168
Total liabilities administered on behalf of Government		411	57	168
Net assets		22	238	1,022

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

Budget Variances Commentary

Payables were \$0.2 million higher due to higher accrued expenditure at year-end resulting from vessel apprehension and disposal late in the financial year.

Australian Fisheries Management Authority

ADMINISTERED RECONCILIATION SCHEDULE

for the period ended 30 June 2019

	2019 \$'000	2018 \$'000
Opening assets less liabilities as at 1 July	238	236
Net (cost of)/contribution by services		
Income	36	36
Expenses	(1,034)	(1,102)
Transfers (to)/from the Australian Government:		
Appropriation transfers from Official Public Account		
Annual appropriations	805	1,094
Appropriation transfers to Official Public Account		
Transfers to OPA	(23)	(26)
Closing assets less liabilities as at 30 June	22	238

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 2019

	Notes	2019 \$'000	2018 \$'000	2019 Original Budget \$'000
OPERATING ACTIVITIES				
Cash received				
Fees		15	16	–
Fines		9	6	–
Net GST received		43	12	–
Total cash received		67	34	–
Cash used				
Suppliers		501	1,079	5,506
Total cash used		501	1,079	5,506
Net cash flows from/(used by) operating activities		(434)	(1,045)	(5,506)
Cash from Official Public Account				
Appropriations		457	1,071	5,506
		457	1,071	5,506
Cash to Official Public Account for:				
Appropriations		(23)	(26)	–
Cash and cash equivalents at the end of the reporting period		–	–	–

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 2019

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 are 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 2018–19 was \$38,160,000 (2017–18 was \$36,364,000).

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 AFMA 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) *Public Governance, Performance and Accountability (Financial Reporting) Rule 2015* (FRR); 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 2018–19 financial statements, accounting policies are consistent with the previous year unless otherwise stated.



Australian Fisheries Management Authority
**NOTES TO AND FORMING PART OF
THE FINANCIAL STATEMENTS**
for the period ended 30 June 2019

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 16 Leases from 1 July 2019. AASB 16 requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. A lessee is required to recognise a right-of-use asset representing its right to use the underlying leased asset and a lease liability representing its obligations to make lease payments. AASB 16 requires enhanced disclosure for both lessees and lessors to improve information disclosed about an entity's exposure to leases.

AFMA expects to apply AASB 15 Revenue from Contracts with Customers from 1 July 2019. AASB 15 contains a single model that applies to contracts with customers and two approaches to recognising revenue: at a point in time or over time. The model features a contract-based five-step analysis of transactions to determine whether, how much and when revenue is recognised.

AFMA expects to apply AASB 1058 Income of Not-for-Profit Entities from 1 July 2019. AASB 1058 replaces the income recognition requirements relating to private sector not-for-profit (NFP) entities, as well as the majority of income recognition requirements relating to public sector NFP entities previously reflected in AASB 1004 Contributions.

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, 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 2019.

Australian Fisheries Management Authority
**NOTES TO AND FORMING PART OF
 THE FINANCIAL STATEMENTS**
 for the period ended 30 June 2019

Financial performance

This section analyses AFMA's financial performance for the year ended 30 June 2019.

Note 1.1 Expenses

	2019 \$'000	2018 \$'000
Note 1.1A Employee benefits		
Wages and salaries	15,992	16,089
Superannuation:		
Defined contribution plans	1,892	1,819
Defined benefit plans	1,027	1,111
Leave and other entitlements	1,953	1,611
Total employee benefits	20,864	20,630

Accounting Policy

Accounting policies for employee related expenses is contained in the People and relationships section.

Note 1.1B: Suppliers		
Goods and services		
Research	3,466	3,686
Surveillance and compliance	1,343	1,281
Consultants and contractors	5,251	4,779
Travel and meetings	2,213	1,949
Information technology and communications	1,477	1,388
Training and development	319	362
Building repairs and outgoings	456	361
General administrative	1,525	1,202
Total goods and services	16,050	15,008
Goods supplied	224	199
Services rendered	15,826	14,809
Total goods and services supplied or rendered	16,050	15,008
Other suppliers		
Operating lease rentals	2,357	2,175
Workers compensation expenses	116	365
Total other suppliers	2,473	2,540
Total suppliers	18,523	17,548

Leasing commitments

AFMA leases office accommodation in Canberra, Darwin and Lakes Entrance. From 1 September 2018 AFMA entered into a new Canberra office lease ending on 30 November 2028 with an optional three year extension period. The Darwin lease ended at 30 June 2018 and AFMA is currently in negotiations for extending this arrangement.

Commitments for minimum lease payments in relation to non-cancellable operating leases are payable as follows:		
Within 1 year	929	1,010
Between 1 to 5 years	4,068	70
More than 5 years	9,315	–
Total operating lease commitments	14,312	1,080



Australian Fisheries Management Authority
**NOTES TO AND FORMING PART OF
 THE FINANCIAL STATEMENTS**

for the period ended 30 June 2019

Note 1.1 Expenses (continued)

	2019 \$'000	2018 \$'000
Note 1.1C: Write-Down and Impairment of Assets		
Asset write-downs and impairments from:		
Impairment of property, plant and equipment	30	(9)
Total write-down and impairment of assets	30	(9)
Note 1.1D: Impairment Loss Allowance on Financial Instruments		
Impairment on trade and other receivables	11	19
Total impairment on financial instruments	11	19

Note 1.2 Own Source Revenue

Note 1.2A: Sale of Goods and Rendering of Services		
Rendering of services	3,027	3,104
Total sale of goods and rendering of services	3,027	3,104
Note 1.2B: Rental Income		
Operating lease:		
Sublease – Canberra office	124	536
Sublease – Thursday Island office	153	75
Employee car parking	44	85
Total rental income	321	696

Leasing commitments receivable

AFMA in its capacity as a lessor sub-leases office accommodation on Thursday Island. All commitments are GST exclusive.

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

Within 1 year	141	384
Between 1 to 5 years	448	589
Total sub-lease commitments receivable	589	973

Note 1.2C: Interest		
Interest	14	38
Total interest	14	38

Note 1.3 Revenue from Government

Note 1.3A: Revenue from Government		
Appropriations:		
Departmental appropriation	19,908	20,049
Special Appropriation (Levies and licensing charges) ¹	13,888	14,349
Total revenue from Government	33,796	34,398

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 2019

Accounting Policies – Departmental 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 2019

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

	2019 \$'000	2018 \$'000
Note 2.1A: Cash and Cash Equivalents		
Cash in special accounts	8,661	13,938
Cash on hand or on deposit	298	300
Total cash and cash equivalents	8,959	14,238
The closing balance of cash in special accounts does not include amounts held in Trust. See Note 4.2 Special Accounts and Note 7.2 Assets held in Trust for more information.		
Note 2.1B: Trade and Other Receivables		
Good and services receivables		
Goods and Services	595	404
Total goods and services receivables	595	404
Appropriations receivables		
Departmental Capital Budget	-	513
Total appropriations receivables	-	513
Other receivables		
GST receivable from the Australian Taxation Office	310	316
Accrued Revenue	419	429
Total other receivables	729	745
Total trade and other receivables (gross)	1,324	1,662
Less impairment allowance		
Goods and services	-	-
Total impairment allowance	-	-
Total trade and other receivables (net)	1,324	1,662

Credit terms for Goods and Services were within 30 days for 2019 (2018: 30 days)

Australian Fisheries Management Authority
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Note 2.2: Non-financial assets

Reconciliation of the Opening and Closing Balances of Property, Plant and Equipment and Intangibles for 2019

	Land \$'000	Buildings \$'000	Plant and equipment \$'000	Computer Software \$'000	Total \$'000
As at 1 July 2018					
Gross book value	975	1,545	862	6,303	9,685
Accumulated depreciation, amortisation and impairment	–	(345)	(284)	(5,914)	(6,543)
Net book value 1 July 2018	975	1,200	578	389	3,142
Additions:					
By purchase	–	4,528	1,764	–	6,292
Internally developed	–	–	–	378	378
Reclassification of assets	–	71	–	(71)	–
Depreciation and amortisation expense	–	(382)	(479)	(257)	(1,118)
Disposals	–	(331)	(181)	(83)	(595)
Accumulated amortisation of disposed assets	–	331	120	79	530
Net book value 30 June 2019	975	5,417	1,802	435	8,629
Net book value as of 30 June 2019 represented by:					
Gross book value	975	5,750	2,274	6,527	15,526
Accumulated depreciation, amortisation and impairment	–	(333)	(472)	(6,092)	(6,897)
Total as at 30 June 2019	975	5,417	1,802	435	8,629

Contractual commitments for the acquisition of property, plant, equipment and intangible assets

As at 30 June 2019 AFMA has contractual commitments of \$40,000 (2018: \$0) relating to intangible asset development.



Australian Fisheries Management Authority
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Note 2.2 Non-financial assets (continued)

	2019 \$'000	2018 \$'000
Note 2.2B Other Non-Financial Assets		
Prepayments	412	235
Total other non-financial assets	412	235

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

	2019 \$'000	2018 \$'000
Note 2.3A: Suppliers		
Trade creditors and accruals	-	2
Total supplier payables	-	2

Settlement is usually made within 30 days.

Note 2.3B: Other Payables		
Accrued expenses	2,551	2,628
Lease incentives	2,092	10
Operating lease rentals	415	154
Wages and salaries	198	169
Unearned revenue	681	620
Total other payables	5,937	3,581

Total other payables are expected to be settled in:

No more than 12 months	3,570	3,417
More than 12 months	2,367	164
Total other payables	5,937	3,581

Note 2.4 Other Provisions

	Provision for restoration \$'000	Total \$'000
Note 2.4A: Other Provisions		
As at 1 July 2018	-	-
Additional provisions made	106	106
Unwinding of discount or change in discount rate	21	21
Total as at 30 June 2019	127	127

AFMA currently has 1 (2018: 0) agreement for the leasing of premises which have provisions requiring AFMA to restore the premises to their original condition at the conclusion of the lease. AFMA has made a provision to reflect the present value of this obligation for the Majura Park office in Canberra.

Australian Fisheries Management Authority
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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 for AFMA's Canberra office. These costs are included in the value of AFMA's buildings with a corresponding provision for the 'make good' recognised

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.



Australian Fisheries Management Authority

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

for the period ended 30 June 2019

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 AFMA 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:

	2019	2018
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 2019. 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 (2018: 3 to 10 years).

All software assets were assessed for indications of impairment as at 30 June 2019."

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 2018–19.

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, AFMA 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 2019

Assets and liabilities administered on behalf of the Government

This section analyses assets used to conduct operations and the operating liabilities incurred as a result 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 Financial Assets

	2019 \$'000	2018 \$'000
Note 3.1A: Cash and Cash Equivalents		
Cash on hand or on deposit	-	-
Total cash and cash equivalents	-	-
Note 3.1B: Trade and Other Receivables		
Fees and charges		
Fees and charges receivable – external parties	314	511
Total fees and charges receivable	314	511
Other receivables		
Appropriation Receivable	371	23
GST receivable from Australian Taxation Office	38	36
Total other receivables	409	59
Total trade and other receivables (gross)	723	570
Less impairment allowance		
Fees and charges	(290)	(275)
Total impairment allowance account	(290)	(275)
Total trade and other receivables (net)	433	295

Receivables are expected to be recovered within 12 months.

Receivables were aged as follows		
Not overdue	400	59
Overdue by:		
61 to 90 days	2	-
More than 90 days	321	511
Total receivables (gross)	723	570
Impairment allowance aged as follows		
Overdue by:		
More than 90 days	(290)	(275)
Total impairment allowance	(290)	(275)

Credit terms for goods and services were within 30 days (2018: 30 days).

	2019 Fees and charges \$'000	2018 Fees and charges \$'000
Reconciliation of the Impairment Allowance		
Opening balance	(275)	(338)
Amounts written off	209	63
Movement recognised in net surplus	(224)	-
Closing balance	(290)	(275)



Australian Fisheries Management Authority

NOTES TO THE SCHEDULE OF ADMINISTERED ITEMS

for the period ended 30 June 2019

Note 3.2 Administered – Liabilities

	2019 Fees and charges \$'000	2018 Fees and charges \$'000
Note 3.2A: Suppliers		
Trade creditors and accruals	410	23
GST payable	1	34
Total suppliers	411	57
Suppliers expected to be settled		
No more than 12 months	411	57
Total suppliers	411	57

Australian Fisheries Management Authority
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Funding

This section identifies AFMA's funding structure.

Note 4.1 Appropriations

Note 4.1A: Annual Appropriations ('Recoverable GST exclusive')

Annual Appropriations for 2019

	Annual Appropriation \$'000	Adjustments to appropriation \$'000	Total appropriation \$'000	Appropriation applied in 2018 (current and prior years) \$'000	Variance ¹ \$'000
Departmental					
Ordinary annual services	19,908	–	19,908	19,908	–
Departmental Capital Budget ²	781	–	781	972	(191)
Equity injections	–	–	–	150	(150)
Total departmental	20,689	–	20,689	21,030	(341)
Administered					
Ordinary annual services					
Administered items ¹	5,506	–	5,506	437	5,069
Total administered	5,506	–	5,506	437	5,069

Notes:

- The variance of \$5,069,000 for Administered funds remained as unspent and will be returned to consolidated revenue. In 2018–19 AFMA spent available DCB from current and previous years, including unspent equity injections on the Majura Park office fit-out.
- 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
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Note 4.1 Appropriations (continued)

Annual Appropriations for 2018

	Annual Appropriation \$'000	Adjustments to appropriation \$'000	Total appropriation \$'000	Appropriation applied in 2018 (current and prior years) \$'000	Variance ¹ \$'000
Departmental					
Ordinary annual services	20,049	–	20,049	20,049	–
Departmental Capital Budget ²	465	–	465	417	48
Total departmental	20,514	–	20,514	20,466	48
Administered					
Ordinary annual services					
Administered items	5,424	–	5,424	1,070	4,354
Total administered	5,424	–	5,424	1,070	4,354

Notes:

1. The variance of \$4,354,000 for Administered funds remained as unspent and was 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.

Australian Fisheries Management Authority
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Note 4.1 Appropriations (continued)

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

	2019 \$'000	2018 \$'000
Departmental		
Cash and Cash equivalents	298	300
Appropriation Act (No. 1) 2017–18 (Capital Budget – DCB) – Non Operating	-	48
Supply Act (No.1) 2016–2017 (Capital Budget – DCB) – Non Operating	-	144
Appropriation Act (No. 2) 2016–17 – Equity Injections	-	150
Appropriation Act (No. 1) 2015–16 (Capital Budget – DCB) – Non Operating	-	171
Total departmental	298	813
Administered		
Appropriation Act (No. 1) 2018–19	5,069	-
Appropriation Act (No. 1) 2017–18	-	4,354
Total administered	5,069	4,354

Note 4.1C: Special Appropriations ('Recoverable GST exclusive')

Authority	Type	Purpose	Appropriation applied	
			2019 \$'000	2018 \$'000
Fisheries Administration Act 1991; Section 94C, Departmental	Unlimited Amount	To provide an appropriation for adjusted levy amounts and other receipts specified by s94C of the Fisheries Administration Act 1991	13,888	14,349
Total			13,888	14,349



Australian Fisheries Management Authority
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Note 4.2: Special Accounts

	AFMA Special Account (Departmental) ¹		AFMA Services for Other Entities and Trust Moneys Special Account (Special Public Money) ²	
	2019	2018	2019	2018
	\$'000	\$'000	\$'000	\$'000
Balance brought forward from previous period	14,238	14,036	254	–
Increases:				
Appropriation for reporting period	21,030	20,466	–	–
Special appropriation (Fisheries Administration Act 1991 – Section 94C)	13,888	14,349	–	–
Other receipts	7,532	4,856	66	255
Total increases	42,450	39,671	320	255
Decreases:				
Employee payments	(20,472)	(20,707)	–	–
Supplier payments	(21,106)	(18,299)	–	–
Purchase of property, plant and equipment	(6,151)	(463)	–	–
Repayments debited from the special account	–	–	(9)	(1)
Total decrease	(47,729)	(39,469)	(9)	(1)
Total balance carried to the next period	8,959	14,238	311	254
Balance represented by:				
Cash – held in the Official Public Account	8,661	13,938	–	–
Cash – held by the agency	298	300	311	254
Total balance carried to the next period	8,959	14,238	311	254

- 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."
2. Appropriation: *AFMA Services for Other Entities and Trust Moneys Special Account (Special Public Money)*
 Establishing Instrument: *Public Governance, Performance and Accountability Act 2013*; section 78.
 Purpose: For amounts that are held on trust or otherwise for the benefit of a person other than the Commonwealth.

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Note 4.3 Regulatory Charging Summary

	2019 \$'000	2018 \$'000
Amounts applied		
Departmental		
Special appropriations (including special accounts)	14,830	15,042
Total amounts applied	14,830	15,042
Expenses		
Departmental	14,887	14,638
Total expenses	14,887	14,638
Revenue		
Departmental	14,830	15,042
Total revenue	14,830	15,042

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
- Licensing/Registration and Revenue Collection
- Policy Support

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

Note 4.4: Net Cash Appropriation Arrangements

	2019 \$'000	2018 \$'000
Total comprehensive income less depreciation/amortisation expenses previously funded through revenue appropriations	2,685	293
Plus: depreciation/amortisation expenses previously funded through revenue appropriation ¹	717	627
Total comprehensive deficit as per the Statement of Comprehensive Income	(3,403)	(920)

- ¹ Depreciation and amortisation expenditure represented above refers to the government funded portion of AFMA's total depreciation and amortisation charges. In 2018–19 AFMA received \$401,000 (2017–18: \$364,000) in funding for depreciation and amortisation through cost recovery arrangements.



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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: Employees

	2019 \$'000	2018 \$'000
Note 5.1: Employee Provisions		
Leave	5,442	5,082
Total employee provisions	5,442	5,082
Employee provisions are expected to be settled in:		
No more than 12 months	4,230	3,777
More than 12 months	1,212	1,305
Total employee provisions	5,442	5,082

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.

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. AFMA 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
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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:

	2019 \$'000	2018 \$'000
Salary and other allowances	1,243,698	1,319,586
Post-employment benefits	215,035	222,245
Other long-term benefits	66,888	116,352
Total key management personnel remuneration expenses¹	1,525,621	1,658,183
The total number of key management personnel that are included in the above table are:	12	10

¹ The 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 AFMA.

Note 5.3: Related Party Disclosures

Related party relationships

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

Transactions with related parties:

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 AFMA, it has been determined that there are no related party transactions to be separately disclosed.



Australian Fisheries Management Authority
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Managing Uncertainty

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

Note 6.1 Contingent Liabilities and Contingent Assets

- * AFMA entered negotiations with Department of Prime Minister & Cabinet (PM&C) regarding month-to-month rent payable to PM&C for 2018–19. The maximum contingent liability for rent payable by AFMA is \$65,000.
- * AFMA paid \$107,273 for the award of 'party to party' costs associated with a Federal Court case settled in 2018–19.

Note 6.2 Financial Instruments

	2019 \$'000	2018 \$'000
Note 6.2A Categories of Financial Instruments		
Financial Assets under AASB 139		
Loans and receivables		
Cash and cash equivalents		14,238
Receivables for goods and services		833
Total loans and receivables		15,071
Financial Assets under AASB 9		
Financial assets at amortised cost		
Cash and cash equivalents	8,959	
Receivables for goods and services	1,014	
Total financial assets	9,973	15,071
Financial Liabilities		
Financial liabilities measured at amortised cost		
Trade creditors	–	2
Total financial liabilities	–	2

Classification of financial assets on the date of initial application of AASB 9.

Financial assets class	Note	AASB 139 original classification	AASB 9 new classification	AASB 139 carrying amount at 1 July 2018 \$'000	AASB 9 carrying amount at 1 July 2018 \$'000
Cash and cash equivalents	2.1A	Loans and receivables	Amortised Cost	14,238	14,238
Trade receivables	2.1B	Loans and receivables	Amortised Cost	833	833
Total financial assets				15,071	15,071

Reconciliation of carrying amounts of financial assets on the date of initial application of AASB 9.

	AASB 139 carrying amount at 1 July 2018	Reclassification	Remeasurement	AASB 9 carrying amount at 1 July 2018
Financial assets at amortised cost				
Loans and receivables				
Cash and cash equivalents	14,238	-	-	14,238
Loans and receivables	833	-	-	833
Total amortised cost	15,071	-	-	15,071

1. The change in carrying amount for financial assets at amortised cost based on measurement under AASB 139 is \$0.
The change in measurement on transition to AASB 9 is \$0.

	2019 \$'000	2018 \$'000
Note 6.2B Net Gains or Losses on Financial Assets		
Financial Assets at amortised cost		
Interest revenue	14	38
Impairment	(11)	(19)
Net gains/(losses) on financial assets at amortised cost	3	19
Net gains on financial assets	3	19

The net interest income/(expense) from financial assets not at fair value through profit or loss is \$3,000 (2018: \$19,000).



Note 6.3 Administered Financial Instruments

	2019 \$'000	2018 \$'000
Note 6.3A Categories of Financial Instruments		
Financial Assets under AASB 139		
Loans and receivables		
Receivables for goods and services		236
Total loans and receivables		236
Financial Assets under AASB 9		
Financial assets at amortised cost		
Cash and cash equivalents	-	
Receivables for goods and services	24	
Total financial assets	24	236
Financial Liabilities		
Financial liabilities measured at amortised cost		
Trade creditors	410	23
Total financial liabilities	410	23

Classification of financial assets on the date of initial application of AASB 9.

Financial assets class	Note	AASB 139 original classification	AASB 9 new classification	AASB 139 carrying amount at 1 July 2018 \$'000	AASB 9 carrying amount at 1 July 2018
Cash and cash equivalents	3.1A	Loans and receivables	Amortised Cost	-	-
Trade receivables	3.1B	Loans and receivables	Amortised Cost	236	236
Total financial assets				236	236

Reconciliation of carrying amounts of financial assets on the date of initial application of AASB 9.

	AASB 139 carrying amount at 1 July 2018	Reclassification	Remeasurement	AASB 9 carrying amount at 1 July 2018
Financial assets at amortised cost				
Loans and receivables				
Loans and receivables	236	-	-	236
Total amortised cost	236	-	-	236

1. The change in carrying amount for financial assets at amortised cost based on measurement under AASB 139 is \$0. The change in measurement on transition to AASB 9 is \$0.

Note 6.3 Administered Financial Instruments (continued)

	2019 \$'000	2018 \$'000
Note 6.3B Net Gains or Losses on Financial Assets		
Financial Assets at amortised cost		
Impairment	224	-
Net gains/(losses) on financial assets at amortised cost	224	-
Net gains on financial assets	224	-

The net interest income/(expense) from financial assets not at fair value through profit or loss is (\$114,000) (2018: \$0).

Accounting Policies – Financial Instruments**Financial Assets**

Trade receivables, loans and other receivables that are held for the purpose of collecting the contractual cash flows where the cash flows are solely payments of principal and interest, that are not provided at below-market interest rates, are subsequently measured at amortised cost using the effective interest method adjusted for any loss allowance.

With the implementation of AASB 9 Financial Instruments for the first time in 2019, AFMA classifies its financial assets in the following categories:

- a) financial assets at fair value through profit or loss;
- b) financial assets at fair value through other comprehensive income; and
- c) financial assets measured at amortised cost.

The classification depends on both AFMA's business model for managing the financial assets and contractual cash flow characteristics at the time of initial recognition. Financial assets are recognised when AFMA becomes a party to the contract and, as a consequence, has a legal right to receive or a legal obligation to pay cash and derecognised when the contractual rights to the cash flows from the financial asset expire or are transferred upon trade date.

Comparatives have not been restated on initial application.

Financial Assets at Amortised Cost

Financial assets included in this category need to meet two criteria:

1. the financial asset is held in order to collect the contractual cash flows; and
2. the cash flows are solely payments of principal and interest (SPPI) on the principal outstanding amount.

Amortised cost is determined using the effective interest method.

Impairment of Financial Assets

Financial assets are assessed for impairment at the end of each reporting period based on Expected Credit Losses, using the general approach which measures the loss allowance based on an amount equal to lifetime expected credit losses where risk has significantly increased, or an amount equal to 12-month expected credit losses if risk has not increased.

The simplified approach for trade, contract and lease receivables is used. This approach always measures the loss allowance as the amount equal to the lifetime expected credit losses.

A write-off constitutes a derecognition event where the write-off directly reduces the gross carrying amount of the financial asset.



Accounting Policies – Financial Instruments (continued)

Financial Liabilities at Amortised Cost

Financial liabilities, including borrowings, 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 interest basis.

Supplier and other payables are recognised at amortised cost. Liabilities are recognised to the extent that the goods or services have been received (and irrespective of having been invoiced).

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.

Note 6.4 Fair Value Measurement

Note 6.4A Fair Value Measurement

The fair value of financial instruments approximates their carrying amounts.

Note 6.4B Administered – Fair Value Measurement

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 2019

Other Information

Note 7.1 Aggregate Assets and Liabilities

	2019 \$'000	2018 \$'000
Note 7.1A Aggregate Assets and Liabilities		
Assets expected to be recovered in:		
No more than 12 months	10,695	16,135
More than 12 months	8,629	3,142
Total assets	19,324	19,277
Liabilities expected to be recovered in:		
No more than 12 months	7,800	7,196
More than 12 months	3,706	1,469
Total liabilities	11,506	8,665
Note 7.1B Administered – Aggregate Assets and Liabilities		
Assets expected to be recovered in:		
No more than 12 months	433	295
Total assets	433	295
Liabilities expected to be recovered in:		
No more than 12 months	411	57
Total liabilities	411	57

Note 7.2 Assets Held in Trust

Note 7.2A 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.

	2019 \$'000	2018 \$'000
Cash at bank – monetary asset		
As at 1 July	254	–
Receipts	66	255
Payments	(9)	(1)
As at 30 June	311	254
Total monetary assets held in trust	311	254







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

Appendix 12:
Key Management
Personnel remuneration report

John dory

Photo courtesy [BluePlanetArchive.com](https://www.blueplanetarchive.com)

APPENDIX 1

Commission and executive

AFMA Commissioners are appointed for their 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. The new legislative amendments added expertise on matters relating to recreational or Indigenous fishing. Future appointments to the Commission will take the new requirements into consideration.



AFMA Commissioners from left to right: Mr Ian Cartwright, Mr Andrew Pearson (Executive Secretary), Mr Richard Stevens OAM, Prof Keith Sainsbury, Ms Renata Brooks, (front row) Dr James Findlay (CEO), Ms Helen Kroger (Chairman), Ms Catherine Cooper (Deputy Chair)

The following Commissioners held appointments during the reporting period 2018–19:

Ms Helen Kroger – Chairman

Helen has held leadership positions in the private, public and not for profit sectors for the last 20 years. She is a former Liberal Senator for Victoria, Government Whip and active former member of numerous key Senate and Joint Committees. She has extensive board experience and advises corporations on regulatory and compliance, governance, communications and stakeholder management issues.

Dr James Findlay – Chief Executive Officer

(1 July 2018 to 23 November 2019)

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 Wez Norris – Chief Executive Officer *(appointed March 2019)*

Wez is an AFMA Commissioner and the newly appointed Chief Executive Officer. He has a Bachelor of Applied Science in Natural Systems and Wildlife Management from the University of Queensland. He has worked for Queensland Fisheries, previously at AFMA, as the Manager of the Eastern Tuna and Billfish Fishery, and then spent 10 years as the Deputy Director-General at the Pacific Islands Forum Fisheries Agency, in the Solomon Islands. He has worked on a number of significant fisheries reform projects, including prawn trawl, hand-line and hand-collectable fisheries, and also held positions in the Torres Strait and in a Ministerial Office.

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.

Ms Renata Brooks

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 2018–19. The table below shows the number of meetings Commissioners attended.

Commissioner	Meetings attended
Ms Helen Kroger	5
Dr James Findlay	3
Mr Richard Stevens OAM	4
Mr Ian Cartwright	5
Prof Keith Sainsbury	5
Ms Catherine Cooper	5
Ms Renata Brooks	5
Ms Anna Willock	1 (March 2019)
Mr Wez Norris	1 (May 2019)

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

- Chief Executive Officer – Dr James Findlay (1 July to 23 November 2018)
- Acting Chief Executive Officer – Ms Anna Willock (December 2018 to April 2019)
- Chief Executive Officer – Mr Wez Norris (appointed April 2019)
- Executive Manager, Fisheries Management Branch – Dr Nick Rayns (1 July to 30 November 2018)
- Acting Executive Manager, Fisheries Management Branch – Ms Anna Willock (April to 30 June 2019)
- General Manager, Operations Branch – Mr Peter Venslovas
- General Manager, (Chief Operations Officer), Corporate Services Branch – Mr John Andersen
- Executive Secretary – Mr Andrew Pearson
- Chief Finance Officer – Mr Robert Gehrig

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 to the Chief Executive Officer 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 controls associated with – governance, risk management, compliance and business continuity management arrangements.

The Committee held four meetings during the reporting period.



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

Permanent Advisers

The Committee has regular observers attending including:

- Mr John Andersen (General Manager Corporate Services Branch)
- Mr Robert Gehrig (Chief Finance Officer)
- Mr Michael Roses (Chief Information Officer)
- Mr Cameron Pietsch (AFMA Risk Manager)
- Audit representatives from Bellchambers Barrett (AFMA's internal audit providers), Nexia (contracted external auditors) and the Australian National Audit Office.

AFMA's Executive Secretariat provides administrative support to 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
- 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 in 2018–19.

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)
- Mr James van Meurs (Committee Secretary)

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
- Australian Bureau of Agricultural and Resource Economics and Sciences
- Persons associated with Indigenous fisheries
- Persons associated with Recreational fisheries

STRATEGIC DELIVERY COMMITTEE

The Strategic Delivery Committee met throughout 2018–19 to provide Executive oversight of all AFMA significant projects. The Strategic Delivery Committee uses a risk-based tiered approach to prioritise projects undertaken by the agency to ensure appropriate governance and monitoring arrangements are in place. Each project is assessed based on risk factors that weigh the alignment and impact of the project on our corporate objectives. The Strategic Delivery Committee monitors resources assigned and budget impacts, to ensure that milestones/targets are met to achieve project success.



Major projects reviewed by the Strategic Delivery Committee in 2018–19 included development and implementation of the AFMA ICT Strategic Plan, establishment of the Lakes Entrance office in Victoria and the relocation of AFMA's headquarters in Canberra to Majura Park, Canberra Airport.

The AFMA Risk Manager provides co-ordination and administrative support to the Strategic Delivery Committee.

Membership

- Mr John Andersen (Chair and General Manager Corporate Services Branch)
- Ms Anna Willock (Executive Manager, Fisheries Management Branch)
- Mr Peter Venslovas (General Manager, Fisheries Operations Branch)
- Mr Robert Gehrig (Chief Finance Officer)
- Mr Michael Roses (Chief Information Officer)
- Mr Tod Spencer (Senior Manager, National Compliance Strategy)
- Mr Cameron Pietsch (Risk Manager)

DATA AND INFORMATION GOVERNANCE COMMITTEE

AFMA extended the duties of its previous Information and Governance Committee to include the responsibilities of managing the agency's data management holistically within the agency. The newly formed Data and Information Management Committee (the Committee) is responsible for ensuring that data and information is treated as an asset and supports organisational outcomes. It ensures that risk and compliance issues are identified and addressed for as long as the data and information is required.

The Committee provides a strategic oversight to managing data, information and records to reduce business risk, increase accountability, and improve operational efficiencies. The Committee provides oversight to ensure data and information integrity and reliability, are searchable, accessible and that appropriate access controls are employed.

The Committee provides governance and oversight on a range of initiatives to improve our data and information governance processes which are linked to the AFMA ICT Strategic Plan. The Committee also considers the impacts the Government's Digital Transformation Agenda has on the agency and ensures that Whole of Government initiatives are taken into account when designing and implementing systems that involve public and stakeholders.

Existing AFMA information governance documents are being reviewed and a consultant has been engaged to develop an overarching Information Management Strategy which will provide a pathway for meeting the requirements of the Australian Government's *Digital Continuity 2020 Policy*.

Membership

- Mr John Andersen (Chair and General Manager Corporate Services Branch)
- Mr Michael Roses (Chief Information Officer)
- Mr Ryan Murphy (Senior Manager, Fisheries Services)
- Mr Tod Spencer (Senior Manager, National Compliance Strategy)
- Mr Thomas Kaufhold (Senior Records Management Officer and Secretariat)
- Ms Kerry Smith (Senior Manager, Foreign Compliance)
- Mr Cameron Pietsch (Risk Manager)

SECURITY GOVERNANCE COMMITTEE

The AFMA Security Governance Committee met quarterly during 2018–19 to consider the current security governance arrangements and the security threats and vulnerabilities to AFMA. The Committee reviews our personnel, physical and information security arrangements and ensures compliance with the Protective Security Policy Framework. In 2018–19 the Committee reviewed AFMA's Security Governance hierarchy, responded to the "Essential 8" information security mitigation measures recommended by the Australian Signals Directorate, drafted a Data Breach Response Plan and updated personnel security vetting procedures.

Membership

- Mr John Anderson (Chair and General Manager Corporate Services Branch)
- Mr Michael Roses (Chief Information Officer)
- Mr Scott Connors (Senior Manager, Security and Property)
- Mr Dave Newton (Senior Network Engineer)
- Mr Cameron Pietsch (Risk Manager)



APPENDIX 2

Civil Litigation Outcomes

The following table identifies civil litigation outcomes associated with matters open in 2018–19.

Matter	Fishery	Outcome/Status
Federal Court		
Aregar & Damaryanta v the Commonwealth of Australia & AFMA Attempts to challenge a foreign fishing vessel apprehension	Foreign	Finalised. Criminal Appeal decision delivered 13 April 2018. – Aregar v Cox (2018) NTCA 3
Abdul Khamid B Yatno v Commonwealth of Australia & Anor Attempts to challenge a foreign fishing vessel apprehension	Foreign	Finalised. Civil and Criminal Proceedings. Civil Proceedings have been adjourned <i>sine die</i> (no fixed date) pending the outcome of Criminal Proceedings
Malu Lamar (Torres Strait Islander) Corporation RNTBC v Findlay (as delegate of the Protected Zone Joint Authority)	Torres Strait	Finalised. Verbal reasons were handed down on 27 July 2018, with the effect that the decision to put the hookah prohibition in place on 30 April 2018 was quashed. The respondent, by agreement, paid \$118,000 in legal costs to the applicant in November 2018.
Malu Lamar (Torres Strait Islander) Corporation RNTBC v Protected Zone Joint Authority and the Assistant Minister for Agriculture and Water Resources	Torres Strait	Finalised. Matter was dismissed on 20 June 2019 on the basis that the applicant failed to appear and to prosecute their case. Costs are payable by Malu Lamar, subject to agreement between the parties.
Statutory Fishing Rights Allocation Review Panel		
Nil		
Administrative Appeal Tribunal		
Nil		
Fair Work Commission		
Nil		

Significant matters

Malu Lamar (Torres Strait Islander) Corporation RNTBC v Protected Zone Joint Authority and the Assistant Minister for Agriculture and Water Resources – challenge to the validity of the Torres Strait Fisheries (Quota for Tropical Rock Lobster (Kaiaar)) Management Plan 2018 and the Torres Strait Fisheries Amendment (Tropical Rock Lobster) Management Instrument 2018.

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 and the AFMA Commission 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 and the AFMA Commission in its role to regulate commercial fishing in Commonwealth fisheries, particularly the setting of catch limits and conditions.

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 Sydney, New South Wales during 2018–19. The committee made recommendations to the AFMA Commission on total allowable commercial catch limits for the Eastern Tuna and Billfish Fishery species and a change to the Eastern Tuna and Billfish Fishery season to run on a calendar year. The committee also discussed:

- the tuna fishery budgets, protected species issues
- the finalisation of an Eastern Tuna and Billfish Fishery management strategy and progress towards a revised Eastern Tuna and Billfish Fishery ecological risk assessment
- 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, South Australia during 2018–19. It made recommendations to the AFMA Commission in relation to total allowable catches for quota species. The committee also discussed:



- co-management arrangements between AFMA and the Great Australian Bight Industry Association
- changes to observer requirements under the Great Australian Bight Orange Roughy Research Program
- changes to catch triggers for GABT species in the Southern and Eastern Scalefish and Shark Fishery Harvest Strategy.

Northern Prawn Management Advisory Committee

The committee met once in Brisbane, Queensland during 2018–19 and welcomed a new Chair, Mr John Glaister. At the meeting the committee:

- considered the outcomes of the strategic planning workshop held in February 2019 and recommended key priorities for inclusion in the Five Year Strategic Research Plan commencing in 2019
- discussed sawfish interactions and made recommendations supporting the development of an updated bycatch strategy in 2019
- reviewed draft revisions to the NPF Management Plan and recommended that the changes progress to final legal review before being considered for final endorsement
- supported the development of a Fisheries Management Strategy for the NPF and recommended that the draft Ecological risk Assessment and proposed species categorisation be submitted to the Management Advisory Committees for consideration to assist with guiding updates to the NPF harvest strategy and bycatch strategies.

Southern Bluefin Tuna Management Advisory Committee

The committee met once in 2018–19 in Port Lincoln, South Australia.

The committee discussed:

- the research outcomes from the 2018 Commission for the Conservation of Southern Bluefin Tuna Scientific Committee meeting and issues relating to the fishery budget and its expenditure
- overcatch provisions for the fishery and provided a recommendation to the AFMA Commission on this issue.

Bass Strait Central Zone Scallop Fishery Management Advisory Committee

The committee met once during 2018–19 in Melbourne, Victoria.

The committee made recommendations to the AFMA Commission for the 2019 season on total allowable catch and closures in accordance with the harvest strategy for the Bass Strait Central Zone Scallop Fishery. The committee also:

- provided advice regarding research priorities for the fishery, proposed changes to the *Bass Strait Central Zone Scallop Fishery Management Plan 2002*
- discussed ongoing refinements to catch landing requirements aimed at strengthening and simplifying reporting arrangements.

South East Management Advisory Committee

The committee met four times in 2018–19 in Canberra and Melbourne, Victoria.

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
- provided advice on the dolphin mitigation strategies for gillnets and the Small Pelagic Fishery.

Sub-Antarctic Management Advisory Committee

The committee held two meetings in 2018–19, one meeting via teleconference and one meeting in Hobart, Tasmania.

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 made recommendations on total allowable catch for Patagonian toothfish as well as catch limits for bycatch species in the Macquarie Island Toothfish Fishery.

The committee discussed:

- the outcomes of the 2018 meeting of the Commission for the Conservation of Antarctic Marine Living Resources
- lost longline gear in the Heard Island and McDonald Islands Fishery
- the extension of the Macquarie Island Toothfish Fishery longline season.



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 on our website at afma.gov.au

APPENDIX 5

Work Health and Safety

WORK HEALTH AND SAFETY PERFORMANCE

AFMA recognises its responsibility and obligations as outlined in the *Work Health and Safety Act 2011*, and is committed to creating and maintaining a safe and healthy environment for all of its employees, contractors, consultants and visitors. Health and wellbeing is considered to be of utmost importance and the need to integrate health and safety into all aspects of our work, whether in the office or in the field is paramount.

The Work Health and Safety (WHS) Committee is a joint management and staff committee that is committed to creating and maintaining a safe and healthy environment for all of its staff, contractors, consultants and visitors.

The WHS Committee:

- assists with the development, implementation, review and update of policies and procedures in relation to WHS
- conducts incident reporting
- oversees the implementation of preventive measures
- assists in the distribution and awareness of WHS information to staff.

The WHS Committee met four times during the 2018–19 financial year.

HEALTH AND SAFETY INITIATIVES

We continued to recognise the importance for a healthy workplace including mental health and general wellbeing. The 2018–19 health and wellbeing program offered staff specific initiatives including onsite health checks and influenza vaccinations. The program also included various seminars and workshops on topics such as heart health, meditation and healthy eating. We also promoted R You OK Day, Movember and National Safe Work month.

As part of the AFMA Induction Program, all new employees are provided with information on workstation setup and access to the Work, Health and Safety Information including policies, guidelines and factsheets. As part of the Canberra office relocation project to Majura Park, we engaged a company to provide advice and information to staff regarding workstation set ups in an activity based environment and by providing well-being welcome packs.



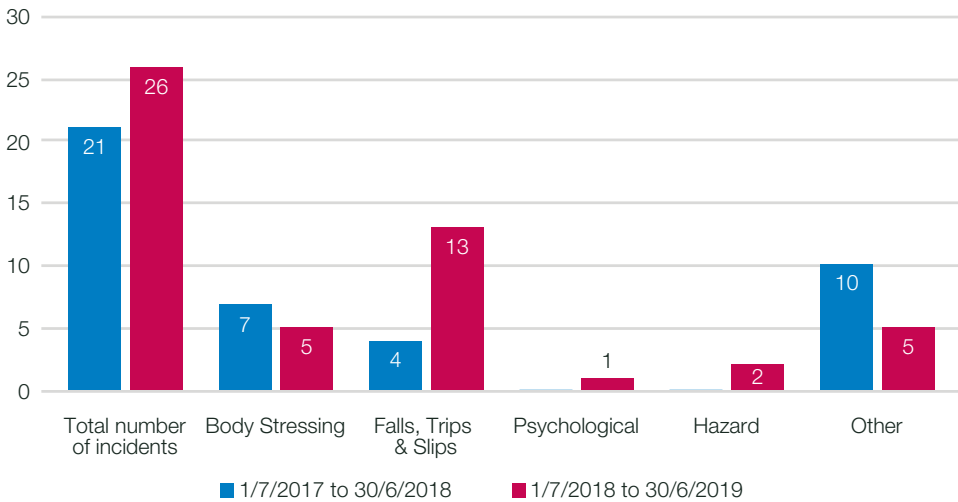
AFMA has sit-stand workstations in the Canberra office and sit-stand workstations across all other AFMA offices which can be used by all staff on a booking basis.

ACCIDENT OR DANGEROUS OCCURRENCE STATISTICS

In 2018–19 AFMA recorded 26 incidents relating to accidents or near-misses (see *Figure 2*). This rate has increased from 21 in 2017–18.

There was an increase overall in the number of incidents reported in the category of falls/trips/slips. The agency monitors and assesses all incidents and hazards and reports to the AFMA Commission and the agency’s WHS Committee. Where identified, modifications and changes to work practices and training and awareness programs are implemented.

Figure 2: AFMA work health and safety incident reports comparison



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 2018–19 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. None of these incidents required Comcare to take any remedial action against AFMA.

APPENDIX 6

Ecologically sustainable development and environmental performance

LEGISLATION ACCORDING WITH 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, we draw 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.

AFMA is transitioning to a Fisheries Management Strategy reporting framework where, on a fishery by fishery basis, all of the relevant parts of our strategies and management arrangements are compiled into a comprehensive document about each fishery. These Fisheries Management Strategies documents will be used for reporting purposes.

AFMA has completed and published ecological risk management reports for all Commonwealth fisheries to address identified fishing risks. The number of species remaining at high potential risk across all Commonwealth fisheries is 100, which is 5 per cent of all species assessed. It is expected that the number of "potential high risk" fisheries will be reduced in some fisheries they are reassessed under the new Ecological Risk Assessment methodology using improved information gathered through increased observer coverage and the introduction of e-monitoring. The initial three reassessments resulted in a significant reduction in the number of "potential



high risk species” identified, that is, in the Eastern Tuna and Billfish Fishery from seven to one species and Small Pelagic Fisheries (Mid Water Trawl) Fishery from eight to zero species. The Heard Island and McDonald Islands Fishery continues to have no identified “potential high risk species”. However, recent reassessments of the Southern Shark and Scalegfish Fishery has resulted in an increase in the number of potential high risk identified due to the application of new biological reference points for sharks and rays.

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 our 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 (Section 148) or where a determination is made, that a management plan is not required for a Commonwealth fishery (Section 149). 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 (Section 152). 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 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 to AFMA through our logbooks, which we in turn provide regular reports on 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

We take 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.

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. The results of these assessments are reported above. A further four assessments were advance during 2018–19 and another six assessments expected to be commenced during 2019–20. Further research into the identification and management of risks posed to habitats and communities was undertaken during the 2017–19, and a draft a strategy prepared during 2018–19.



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.

We are 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 promotes a clean and green operating environment when conducting its operations to minimise our impact on the environment. To achieve this we are continually reviewing our operational activities to look for opportunities to minimise waste and limit the impact of our environmental footprint.

Demonstrating this commitment, in selecting our new Canberra office, we chose an environmentally rated building that has an overall 4.5 star energy rating; the building has been engineered to include significant measures to enhance its environmental performance. The building uses tri-generation technology, black water recycling, rain water collection and solar powered hot water as well as being modelled to exceed a 4.5 star NABERS energy rating when fully occupied. The Canberra Office is certified as a 5 Star Green Star building and registered with the Green Building Council of Australia. Our Darwin office also has a 5.5 star National Australian Built Environment Rating System energy rating and a five Star Green star rating.

In addition all our offices 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.

We currently purchase 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. We continue to review and implement regular energy improvements across our Canberra, Darwin, Lakes Entrance and Thursday Island sites. This has included purchasing more energy efficient equipment when required.

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 and laptop computers to further reduce the reliance on paper documents, in line with the Commonwealth's *Digital 2020 Policy*. AFMA has issued mobile devices to all staff in the form of new laptop computers and associated Standard Operating Environments in line with AFMA's ICT Strategic Plan that supports and enhances our organisational capability and functionality as well as improves flexible working arrangements for our staff.

Nationwide AFMA leases four motor vehicles. We have changed our 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 including the utilisation of Vehicle Telematics, a comprehensive reporting suite that captures daily activity, mileage, odometer and unauthorised vehicle use.

Our continued commitment to reducing our impact on the environment also extends to reducing our staff's general office waste through implementing a composting and commingled recycling system in place for our Canberra office.



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 2018–19, 30 new consultancy contracts were entered into and this resulted in expenditure of \$2.567 million for the period. In addition, 34 ongoing consultancy contracts were active during 2018–19 resulting in expenditure of \$2.904 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 2018–19 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 PRACTICES SUPPORT SMALL AND MEDIUM ENTERPRISES

As a government organisation that interfaces with many small and medium enterprises as part of our daily engagement 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 specifically specify that officials should consider in the procurement process, 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 2018–19

	Actual available appropriation 2018–19 \$'000	Payments made 2018–19 \$'000	Balance remaining 2018–19 \$'000
Ordinary annual services			
Departmental appropriation			
Departmental appropriation	20,689	21,030	(341)
s. 74 Retained revenue receipts	7,533	7,533	-
Total	28,222	28,563	(341)
Administered expenses			
Outcome 1	5,506	437	5,069
Total	5,506	437	5,069
Total ordinary annual services A	33,728	29,000	4,728
Special Accounts			
Opening balance	14,238		
Appropriation receipts	34,918		
Non-appropriation receipts to			
Special Accounts	7,533		
Payments made		47,730	
Total Special Accounts B	56,689	47,730	8,959
Total resourcing and payments (A+B)	90,417	76,730	13,687
Less appropriations drawn from annual or special appropriations above and credited to special accounts and/or payments to corporate entities through annual appropriations	(28,221)	(28,562)	341
Total net resourcing for AFMA	62,196	48,168	14,028

Reader note: All figures are GST exclusive.



APPENDIX 11

Expenses by outcomes

Expenses for Outcome 1

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.	2018–19 Budget \$'000	2018–19 Actual expenses \$'000	2018–19 Variance \$'000
Programme 1.1: Australian Fisheries Management	(a)	(b)	(a) – (b)
Administered expenses			
Ordinary annual services (Appropriation Bill No. 1)	5,506	437	5,069
Departmental expenses			
Departmental appropriation ¹	24,780	27,441	(2,661)
Special accounts	14,300	13,888	412
Expenses not requiring appropriation in the budget year ²	1,644	1,223	421
Total for Programme 1.1	46,230	42,989	3,241
Outcome 1 Totals by appropriation type			
Administered expenses			
Ordinary annual services (Appropriation Bill No. 1)	5,506	437	5,069
Departmental expenses			
Departmental appropriation ¹	24,780	27,441	(2,661)
Special accounts	14,300	13,888	412
Expenses not requiring appropriation in the budget year ²	1,644	1,223	421
Total expenses for Outcome 1	46,230	42,989	3,241
Average staffing level (number)	177.0	166.9	10.1

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.

Note: Departmental appropriation splits and totals are indicative estimates and may change in the course of the budget year as government priorities change.



APPENDIX 12

Key Management Personnel remuneration report

During the reporting period ended 30 June 2019, the Australian Fisheries Management Authority had 12 executives who meet the definition of key management personnel.

The table below provides disaggregated information disclosed in Note 5.2 Key Management Personnel Remuneration in AFMA's 2018–19 financial statements.

Key Management Personnel Position	Term as KMP	Base salary	Bonuses Other benefits & allowances	Short Term Benefits	Post-Superannuation employment contributions	Long service leave	Other long-term benefits	Other long-term benefits	Termination benefits	Total remuneration
James Findlay Chief Executive Officer	Part year – terminated 23 November 2018	129,160	-	-	20,970	13,596	-	-	-	163,726
Wez Norris Chief Executive Officer	Part year – commenced 8 April 2019	86,042	-	-	11,989	1,961	-	-	-	99,991
Nick Rayns Executive Manager	Part year – terminated 1 February 2019	108,387	13,929	-	28,205	37,747	-	-	-	188,268
Anna Willock Acting Chief Executive Officer/ Executive Manager	Part year – commenced 8 April 2019 (Executive Manager) Part year – commenced 26 November 2018 (acting CEO)	203,736	-	-	29,219	3,697	-	-	-	236,652
John Andersen General Manager	Full year	206,522	22,353	-	44,538	5,081	-	-	-	278,494
Peter Venslovas General Manager	Full year	188,123	22,514	-	39,622	4,806	-	-	-	255,065
Helen Kroger Commissioner (Chair)	Full year	75,116	-	-	11,568	-	-	-	-	86,684
Renata Brooks Commissioner	Full year	37,563	-	-	5,785	-	-	-	-	43,348
Ian Cartwright Commissioner	Full year	37,563	-	-	5,785	-	-	-	-	43,348
Catherine Cooper Commissioner	Full year	37,563	-	-	5,785	-	-	-	-	43,348
Keith Sainsbury Commissioner	Full year	37,563	-	-	5,785	-	-	-	-	43,348
Richard Stevens Commissioner	Full year	37,563	-	-	5,785	-	-	-	-	43,348
Total		1,184,902	58,796	-	215,034	66,888	-	-	-	1,525,620

Notes:

1. Some of the figures are impacted by the duration by service as a KMP.
2. The remuneration of the AFMA Chief Executive and AFMA Commissioners is made under the sub-section 7(3) and 7(4) of the *Remuneration Tribunal Act 1973*. The remuneration of AFMA Senior Executive Service officers is determined by the AFMA Chief Executive under subsection 24(1) of the *Public Service Act 1999*.
3. There is a \$1 rounding difference between the table above and Note 5.2 in AFMA's 2018–19 financial statements.







PART 7

Glossary and indexes

Compliance index

Glossary

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Torres Strait

Photo courtesy Matt Daniel AFMA Media Library

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Glossary

Australian Fishing Zone

Under the *Fisheries Management Act 1991*, the Australian fishing zone means:

- (a) the waters adjacent to Australia within the outer limits of the exclusive economic zone adjacent to the coast of Australia; and
- (b) 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 us, 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 (branch lines 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.



Southern Bluefin Tuna
Photo courtesy Alamy.com

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