



Australian Government

Australian Fisheries Management Authority

A collage of four images: top-left shows a close-up of a fishing net; top-right shows a large school of fish swimming in blue water; bottom-left shows several scallops; bottom-right shows a dense school of fish swimming in blue water.

ANNUAL
REPORT
09|10

AFMA Annual Report 2009–10

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Designed by: CRE8IVE

Contact officer: Sophie Dening

Postal address: PO Box 7051

Canberra Business Centre

Canberra ACT 2610

Office address: 73 Northbourne Ave

Canberra ACT 2600

Phone enquiries: 02 6225 5431

Email: info@afma.gov.au

Website – homepage: www.afma.gov.au

Web address for report:

<http://www.afma.gov.au/information/publications/corporate/annual/default.htm>



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Australian Fisheries Management Authority

ANNUAL
REPORT
09|10



Australian Government
Australian Fisheries Management Authority

5 October 2010

Senator the Hon Joe Ludwig
Minister for Agriculture, Fisheries and Forestry
Parliament House
CANBERRA ACT 2600

Dear Minister

We have much pleasure in presenting the annual report of the Australian Fisheries Management Authority for the financial year ended 30 June 2010.

The Annual Report has been prepared in accordance with the requirements of section 87 of the *Fisheries Administration Act 1991*.

We give the report to you for presentation to Parliament on behalf of the Authority under section 87(1) of the *Fisheries Administration Act 1991*.

Yours sincerely

The Hon Michael Egan FAICD
Chairman

Dr James Findlay
Acting Chief Executive Officer
Statutory Agency Head

Canberra Office
PO Box 7051
Canberra Business Centre ACT 2610
Phone 02 6225 5555
Fax 02 6225 5500
ABN: 81 098 497 517

Darwin Office
GPO Box 131
Darwin NT 0801
Phone 08 8943 0333
Fax 08 8942 2897

Thursday Island Office
PO Box 376
Thursday Island QLD 4875
Phone 07 4069 1990
Fax 07 4069 1277

WWW.AFMA.GOV.AU
AFMA Direct 1300 723 621

Protecting our fishing future

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 2010, as forecast in the Agriculture, Fisheries and Forestry Portfolio Budget Statements 2009–10.

PART 1 – OVERVIEW

Part 1 provides an overview of AFMA's roles and responsibilities and how it has performed throughout the year. This includes the Chairman's and CEO's Review, a look at our key achievements in 2009–10, as well as developments in our operating environment and an outlook for the year ahead.

PART 2 – PERFORMANCE REPORT

Part 2 explains AFMA's performance management process, then measures the agency's performance against performance indicators and strategies developed prior to the reporting period.

PART 3 – MANAGEMENT AND ACCOUNTABILITY

Part 3 covers AFMA's governance arrangements. This includes financial management, human resource management and risk management practices, as well as stakeholder communications.

PART 4 – OUR FISHERIES

Part 4 gives readers a snapshot of each fishery AFMA manages, and includes a report on the effectiveness of management plans where applicable. Gross value of production data in this section is sourced from ABARE-BRS 2010, *Australian Fisheries Statistics 2009*, Canberra, August.

PART 5 – FINANCIAL STATEMENTS

Part 5 consists of AFMA's financial statements for the 2009–10 financial year, as independently audited by the Australian National Audit Office. These statements include financial performance, financial position and cash flows during the year.

PART 6 – APPENDICES

The appendices include reporting requirements such as civil litigation outcomes, progress against Ministerial Direction, details of the Commission and executive committees, Management Advisory Committee memberships, freedom of information reporting, Commonwealth disability strategy reporting, ecologically sustainable development and environmental performance and consultancy services.

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OVERVIEW



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Chairman and CEOs review

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- Our operating environment
- Outlook for 2010-11
- Environment and sustainability

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CHAIRMAN'S AND CEO'S REVIEW

KEY ACHIEVEMENTS FOR 2009–10

AFMA made steady progress towards our goals for the 2009–2014 period.

We prepared and our Minister approved the Small Pelagic Fishery Management Plan. This takes Commonwealth fisheries a step closer to completing the implementation of the Australian Government's policy preference for management of fisheries by output controls in the form of individual transferable quota. Good progress was also made towards moving the Eastern Tuna and Billfish Fishery and the Northern Prawn Fishery in the same direction.

Our new centralised domestic compliance arrangements are in place and increasing compliance through targeted risk-based operations. The new arrangements are contributing to greater cooperation with industry founded on results.

Illegal fishing in the Australian Fishing Zone (the zone) is being effectively deterred

through the cooperative efforts of Australian Government agencies working through the Border Protection Command, with AFMA providing the fisheries expertise, prosecution briefs and disposal of forfeited boats and equipment. Incursions and apprehensions of fishing boats in the zone are at a 17 year low. Capacity building through officer exchanges and training programs with our regional neighbours, and joint patrols in the Southern Ocean, Timor Sea and Pacific Ocean have made important contributions to this achievement and to future outcomes.

Online licensing and quota trading through our GOFish portal are now in place and gaining acceptance in the fishing industry as a cheaper and more efficient way to access AFMA's licensing services.

Substantial preparations were made to simplify regulations so they are consistent and easy to understand. This included consultations with the fishing industry to identify the best options for common rules across Commonwealth fisheries.



Through the collaborative efforts of Australian Government agencies, including AFMA, illegal fishing in Australia's waters is at an historic low. AFMA continues the "long watch" in our northern and southern waters. Photo – Jason Hamill

Our trials of co-management arrangements in three fisheries are testing how we can use these collaborative approaches to better manage fisheries and build on a maturing relationship with the industry.

Sustainable and environmentally responsible fisheries are the result of this maturing relationship, and the benefits for industry from greater stability are becoming clear. Formal harvest strategies under the Australian Government's Commonwealth Harvest Strategy Policy are in place in all our major fisheries, and these are improving profitability and sustainability of Commonwealth fisheries. This shows that efficient fisheries largely depend on abundant fish stocks.

The recovery of overfished stocks is continuing, but it is a long road in some cases. As we build better knowledge of fish stocks that we were uncertain about, we see some have been overfished and need more help, while others are in good shape. Where populations of fish and other marine animals are found to be excessively affected by fishing, we put in place recovery plans and work with industry to make sure those recovery plans protect vulnerable species and permit sustainable harvesting of target species.

This annual report provides quantitative information on our performance over the past year. It also includes feature stories on how we have worked with the commercial fishing industry and its peak body, researchers and other interested participants in fisheries management to manage increasingly profitable, sustainable and environmentally responsible Commonwealth fisheries.

Financial Performance

AFMA reported an operating loss of \$3.2 million in the 2009-10 financial year, which was within budget expectations. Our total expenditure of \$44.7 million, including

\$4.1 million in Administered expenditure, was \$5.5 million (11 per cent) less than the previous year. This reduction was due to the lapsing of funding provided under the Securing our Fishing Future package, whole-of-government efficiency savings and the winding back of expenditure on business improvement projects.

The operating loss reflected a reduction in levy collections for the return of prior-year over-recoveries and our continued investment in key business improvement projects from surplus cash reserves. These projects included co-management, bycatch and discard initiatives and the continued development of IT systems and infrastructure.

AFMA continues to maintain a strong financial position with sufficient funds available in the AFMA Special Account to meet our liabilities as they fall due.

Budget Outlook

AFMA is budgeting for an operating loss of \$1.5 million in the 2010-11 financial year which represents the completion of a three year investment in key business improvement projects from surplus cash reserves. We expect our Departmental expenditure to reduce by \$3.0 million (7 per cent) over the next two years to return to a balanced budget and achieve savings required for whole-of-government efficiencies.

Administered expenditure is expected to increase by \$3.0 million to complete the construction of illegal foreign fishing vessel disposal facilities in Gove and Broome.

TABLE 1: RESOURCE TABLE

	Actual 2007-08 ¹ \$'000s	Actual 2008-09 \$'000s	Budget 2009-10 \$'000s	Actual 2009-10 \$'000s	Variance between budget and actual 2009-10 \$'000s	Actual 2009-10 \$'000s	Variance between budget and actual 2009-10 \$'000s	Budget 2010-11 \$'000s
PRICE OF AFMA'S OUTCOME - DEPARTMENTAL								
Departmental expenditure								
Employee benefits	18,526	20,317	21,817	21,447	(370)	21,447	(370)	21,034
Suppliers	31,300	23,607	18,033	17,583	(450)	17,583	(450)	16,473
Depreciation and amortisation	797	1,216	1,641	1,475	(166)	1,475	(166)	1,710
Write off and sale of assets	98	115	-	108	108	108	108	-
Total cost of outcome - Departmental	50,721	45,255	41,491	40,613	(878)	40,613	(878)	39,217
Departmental income								
Government appropriations	36,174	25,292	23,018	23,018	-	23,018	-	22,774
Levies and license fees	8,789	8,441	11,184	11,288	104	11,288	104	13,071
Levy subsidies ²	5,250	3,000	-	-	-	-	-	-
Other revenue	4,274	2,456	2,350	3,109	759	3,109	759	1,405
Total income - Departmental	54,487	39,189	36,552	37,415	863	37,415	863	37,250
Departmental Surplus (deficit) ³	3,766	(6,066)	(4,939)	(3,198)	1,741	(3,198)	1,741	(1,967)
Staffing levels ⁴	211	215	221	214	(7)	214	(7)	210
PRICE OF AFMA'S OUTCOME - ADMINISTERED								
Administered expenditure								
Illegal foreign fishing vessel disposal ⁵	n/a	4,983	6,927	4,013	(2,914)	4,013	(2,914)	7,146
Impairment of financial assets ⁶	71	-	-	108	108	108	108	-
Total cost of outcome - Administered	71	4,983	6,927	4,121	(2,914)	4,121	(2,914)	7,146
Administered income								

	Actual 2007-08 ¹ \$'000s	Actual 2008-09 \$'000s	Budget 2009-10 \$'000s	Actual 2009-10 \$'000s	Variance between budget and actual 2009-10 \$'000s	%	Budget 2010-11 \$'000s
Levies ⁷	9,366	9,320	11,929	12,337	408	3%	13,816
License fees and other revenue	87	648	155	126	(29)	0%	155
Total income - Administered	9,453	9,968	12,084	12,463	379	3%	13,971
NET COST OF OUTCOME DELIVERY							
Expenditure - combined	50,792	50,238	48,418	44,734	(3,792)	8%	46,363
Cost recovered and other revenue							
Departmental	13,063	10,897	13,534	14,397	863	6%	14,476
Administered	9,453	9,968	12,084	12,463	379	3%	13,971
less levies credited to AFMA Special Account ⁸	(8,789)	(8,441)	(11,184)	(11,288)	(104)	1%	(13,071)
Sub-total cost recovered and other revenue	13,727	12,424	14,434	15,572	1,138	8%	15,376
Net cost of Outcome delivery	37,065	37,814	33,984	29,162	(4,930)	15%	30,987

1 The figures for the 2007-08 financial year represent the AFMA's final year subject to the *Commonwealth Authorities and Companies Act 1997*. AFMA become subject to the *Financial Management and Accountability Act 1997* from 1 July 2008.

2 AFMA received a levy subsidy on a reducing scale through the 'Securing our Fishing Future' package. The subsidy provided in 2007-08 also included \$0.250m to subsidise the cost of the Torres Strait Prawn Fishery.

3 The operating losses between 2008-09 and 2010-11 reflect approved expenditure from cash reserves on information technology and business improvement projects. The budgeted operating loss in 2010-11 also includes the effect of net cash funding arrangements.

4 Includes seasonal observers and temporary (non-ongoing) staff but excludes part-time Board/Commission and Committee members. The staffing levels are calculated using the average full time equivalents throughout each year and differ from the other staffing level tables in this report which are based on headcount.

5 Expenditure for illegal foreign fishing vessel disposal contracts was reclassified as Administered expenditure from 1 July 2008. The budgeted amount for 2010-11 includes funding for the construction of vessel disposal facilities.

6 These amounts reflect the write-off and impairment of receivables for levy and license fees.

7 Amounts invoices for levy and license fees are recognised as Administered revenue and credited to Consolidated Revenue. These amounts include a 'research component' which is collected on behalf of the Fisheries Research and Development Corporation. Actual amounts collected for the AFMA management levy component are available to be credited to the AFMA Special Account as Departmental Revenue in accordance with 594C of the *Fisheries Administration Act 1991*.

8 Reflects the component of Administered levy revenue subsequently credited to the AFMA Special Account and also included as Departmental revenue above.

BUILDING REGIONAL CAPACITY FOR SUSTAINABLE FISHERIES

AFMA is engaging in a number of regional capacity building programs in developing countries to improve understanding of effective fisheries management.

AFMA works in partnership with our regional neighbours to support economically robust and sustainable regional fisheries.

Capacity building programs, undertaken as part of a wider regional engagement program, foster the development of effective fisheries management, and provide tangible support for Australia's National Plan of Action to Prevent, Deter and Eliminate Illegal, Unreported and Unregulated Fishing. AFMA's current and future programs involve a wide range of activities to develop regional fisheries management capacity such as training and officer exchanges, local engagement or education visits, and coordinated enforcement patrols.

In 2009–10, AFMA undertook a fisheries officer training exchange program with Papua New Guinea. The aim was to increase Papua New Guinea's capacity to monitor and enforce fisheries compliance. The program

provided the opportunity for Papua New Guinean and Australian fisheries officers to exchange experiences and gain valuable insights into fisheries issues in the shared waters of the Torres Strait and Arafura Sea.

Two Papua New Guinean officers were in Australia for nine weeks and undertook a Certificate IV in Government Investigations during their stay. They also participated in fisheries patrols with AFMA officers onboard an Australian Customs Vessel.

In other regional capacity building activities, AFMA provided Malaysian fisheries officers with vessel inspection training, and undertook joint fisheries patrols and extensive public information campaigns with Indonesia to raise awareness of illegal fishing issues and the importance of sustainable fish stocks.

With the success of these programs, funding has been secured to undertake new fisheries projects with regional neighbours into 2010–11. These programs continue to support Australia's on-the-water enforcement and enhance the region's ability to prevent, deter and eliminate illegal, unregulated and unreported fishing.



Papua New Guinean exchange fisheries officers with a refitted National Fisheries Authority (of Papua New Guinea) fisheries patrol boat at Thursday Island in 2009.

OUR OPERATING ENVIRONMENT

Australian fish stocks are generally in good shape and continue to improve. Catch levels are set under harvest strategies that provide for more abundant target species than previous settings. Rebuilding and other management strategies are in place for Commonwealth fish stocks that need to be rebuilt and will be refined through experience to ensure they are effective.

Fish stocks managed under international agreements make up a significant portion of Australian fisheries and AFMA provides technical advice to the responsible bodies.

Global economic pressures affect the Australian fishing industry both positively and negatively. While fuel costs have stabilised, the Australian dollar exchange rate is high and international markets are variable. As a result, the industry will continue to adapt to variable economic conditions. Managing fisheries with tradeable access rights and ensuring robust fish stocks is how AFMA assists industry to adapt to these economic conditions.



The commercial fishing industry is a vital part of the economy of regional Australia. *Photo – Matt Daniel*

The cost-effectiveness of fisheries management is an ongoing challenge in Australia's large, diverse and relatively sparsely populated marine environment. The job to tune the costs of management to maximising the net economic returns from the management of fisheries while effectively managing ecological risk is ongoing. The Australian Government's policy settings for fisheries management and cost recovery provide firm incentives for efficiency.

Climate change is a factor AFMA continues to watch closely. We do not anticipate a need for specific fisheries management actions in the near term, beyond the adaptive management approaches we have in place to meet seasonal variability in fisheries such as for Bass Strait scallops. We continue to monitor research into the effects of climate change on the marine environment and fisheries, and the research does predict climate change will affect the distribution and abundance of fish stocks over time.

The South East Asian region and oceans surrounding Australia are heavily fished legally and illegally. Australia works with our neighbours to combat the incidence of illegal fishing. Constant vigilance and capability are essential, and AFMA is a key participant in the Australian Government's efforts to prevent and deter illegal fishing and protect our borders.

OUTLOOK FOR 2010–11

We will implement simplified fishery management rules to make it easier for fishers to comply and for AFMA to administer.

We intend to institute output controls in the form of individual transferable quota in line with Australian Government policy in the Eastern Tuna and Billfish Fishery by the end of 2010 and in the Northern Prawn Fishery by the end of 2011. This will complete the implementation of this long-standing government policy.

We expect to see increasing benefits from the substantial investment in AFMA's information technology and core business processes as these are accepted by the fishing industry.

We expect to decide how to proceed with electronic monitoring of fishing operations, to both improve our ability to verify fishing practices as sustainable and environmentally responsible, and to reduce otherwise increasing monitoring costs on the fishing industry.

We will continue our work with fisheries managers and enforcement officers in nations that share straddling and highly migratory stocks with Australia.

To deter illegal foreign fishing, we will continue to participate in multi-national and bilateral cooperative management, monitoring, control and surveillance activities in the South East Asian, Indian and Southern Oceans and the Western and Central Pacific regions, and in regional management capacity building projects.

ENVIRONMENT AND SUSTAINABILITY

Under the *Fisheries Management Act 1991*, AFMA works to ensure that the exploitation of fisheries resources is conducted in a manner consistent with the principles of ecologically sustainable development and the exercise of the precautionary principle. In this context, AFMA manages the impact of fishing on target species, byproduct, bycatch and the broader marine ecosystem.

Through policies and fishery-specific management arrangements we direct and monitor the steps that licensed fishers take to minimise their impact on the marine ecosystem.

All AFMA managed fisheries are accredited under the *Environment Protection and Biodiversity Conservation Act 1999*.

For more information, see AFMA's report on ecologically sustainable development and environmental performance on page 154.



Prof Glenn Hurry
Chief Executive Officer



The Hon Michael Egan, FAICD
Chairman



AFMA recognises the importance of considering all aspects of the marine environment in managing Australia's fisheries. We direct and monitor the steps taken by licensed fishermen to minimise their impact on the marine ecosystem and continue to work towards ecologically sustainable use of Australia's marine living resources. *Photo – Matt Daniel*

SETTING SUSTAINABLE CATCH LEVELS WITH MAXIMUM ECONOMIC YIELD

AFMA is committed to improving the profitability of Commonwealth fisheries. One of the ways AFMA pursues this objective is through setting sustainable catch levels that result in fish stock levels which maximise profitability over the longer term. This level of catch is referred to as maximum economic yield.

Maximising long term profits has a number of advantages over a biological target such as maximum sustainable yield. These include larger fish stocks, less fishing effort and lower fishing costs. Maximum economic yield is also a long term sustainable harvest level.

Larger fish stocks provide environmental benefits because they are more resilient to environmental changes or influences. Larger fish stocks also result in higher catch

rates, so less fishing effort is required over a season to catch the total harvest. This lower level of fishing effort reduces total fishing costs to improve fishery profitability and the competitiveness of domestic fisheries.

Maximum economic yield has been the target for Tiger Prawns in the Northern Prawn Fishery since 2005. Since its adoption, catch rates have increased substantially and the level of fishing effort has fallen. In the four years from 2006 to 2009, the average level of effective fishing effort fell by 62 per cent and catch rates increased by 44 per cent compared to 1998 to 2001. The size of the Tiger Prawn stocks also continues to grow — this should further improve catch rates and profitability in the coming years.



The bustling activity among the crates of fish for sale at the Sydney Fish Markets. AFMA is committed to improving the profitability of the fisheries we manage.

PERFORMANCE REPORT



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PERFORMANCE MEASUREMENT FRAMEWORK

AFMA's work is directed to achieving the outcome of:

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

AFMA's performance measurement framework is outlined in AFMA's chapter in the 2009–10 Agriculture, Fisheries and Forestry Portfolio Budget Statements.

Our program, entitled *Australian Fisheries Management Authority*, directly reflects our outcome. Under that program, in 2009–10 AFMA pursued its outcome by:

- applying the Commonwealth Fisheries Harvest Strategy Policy and Guidelines to Commonwealth fisheries through fishery harvest strategies
- prioritising fisheries research based on balancing catch and management cost against ecological risk, and using ecological risk assessment and ecological risk management to meet AFMA's responsibilities for environmentally sustainable fisheries

- providing incentives for voluntary compliance through simplified regulation of the commercial fishing industry, effective licensing services and promoting direct industry involvement in managing their fisheries
- deterring illegal fishing in Commonwealth fisheries through targeted enforcement based on compliance risk assessments
- deterring illegal foreign fishing in the Australian Fishing Zone by providing the fisheries focus in the Australian Government border protection arrangements, prosecuting offences and disposing of forfeited boats, gear and catches.

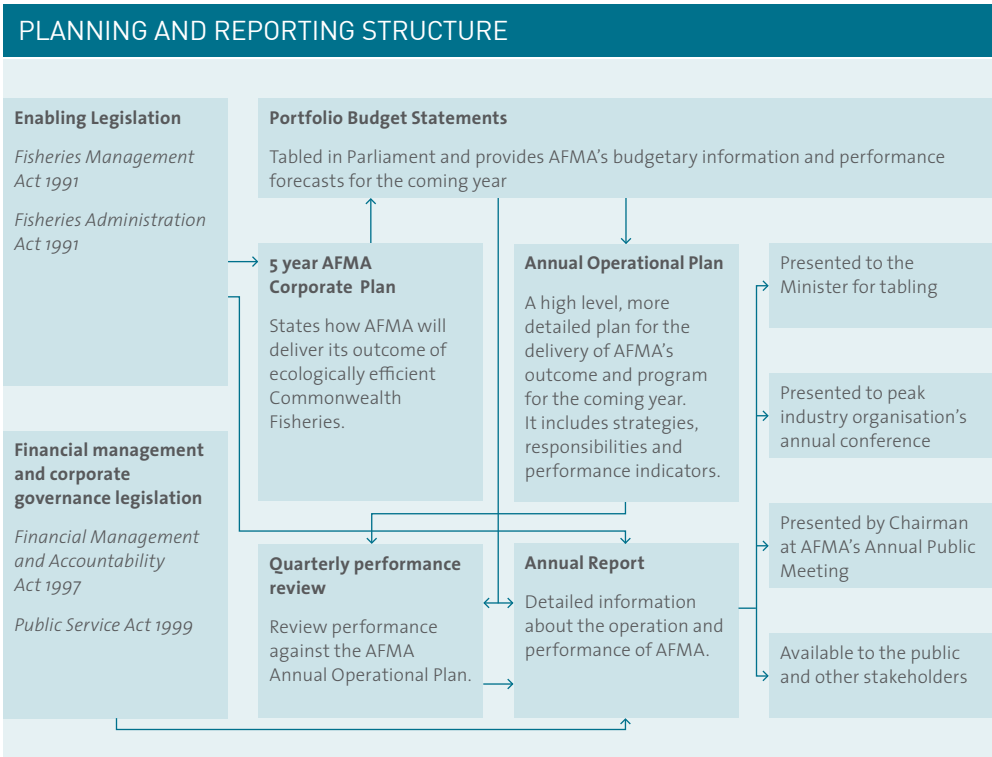
AFMA's 2009–14 Corporate Plan sets the Authority's goals and the strategies to achieve those goals for the reporting year and forward outlook. This is summarised in table 2.

The AFMA program implementing these strategies is more fully described in AFMA's Annual Operational Plan 2009–10 which sets out the intended actions arising from AFMA's Corporate Plan 2009–14. Performance against these intended actions is reported in pages 15 – 27.

For more information on these planning documents, see page 44–45.

TABLE 2:

Corporate Plan 2009–2014	
Goal	Strategy
Complete the implementation of the Australian Government’s policy preference for management by output controls in the form of individual transferable quota	Introduce individual transferable quota management into the Northern Prawn, Eastern Tuna and Small Pelagic fisheries.
Maximise voluntary compliance	Make fisheries management arrangements more uniform, understandable and enforceable.
Effectively deter illegal fishing in Commonwealth fisheries and the Australian Fishing Zone	Maintain a well trained and focussed compliance enforcement team.
Continuously improve the efficiency and cost-effectiveness of fisheries administration	Invest in business processes and technologies that match the core needs of AFMA and its stakeholders.
Recover overfished stocks and prevent overfishing	Focus Australian community funded research on the size and condition of fish stocks and their ecosystems, prioritised by ecological risks, to underpin fishery management actions.
Establish an operational framework for co-management in Commonwealth fisheries.	Trial methods for enabling the industry to take more responsibility for managing the ecological and economic impacts of commercial fishing.



EXPLORING THE USE OF ONBOARD CAMERAS

AFMA has been working in partnership with commercial fishers to evaluate the use of onboard cameras and electronic monitoring equipment as an alternative, cost-effective at-sea monitoring option.

Two trials were started in 2009–10 in the Eastern Tuna and Billfish Fishery and Northern Prawn Fishery.

The Eastern Tuna and Billfish Fishery trial placed systems on boats from October 2009. Ten vessels have been fitted with electronic monitoring equipment and automated video and sensory devices were attached to fishing gear. The system collects video information of sets, hauls and species interaction, as well as the time and location data of all fishing events.

Participating vessels have been operating under normal fishing conditions, including carrying AFMA observers on some trips. The project will compare data collected from the onboard equipment to data collected by AFMA observers and in vessel logbooks.

In the Northern Prawn Fishery, a single vessel trial is underway to assess the application of cameras to monitor protected species interactions and discarding of prawn species. With the fishery moving towards the implementation of quota management, higher onboard observer coverage is expected and electronic monitoring is being assessed as a cost-effective alternative.

The electronic onboard monitoring projects are funded by AFMA and the Fisheries Research and Development Corporation on behalf of the Australian Government. Success will be demonstrated if there are proven reductions in overall management costs, the

quality and reliability of data is enhanced, and confidence in ecologically sustainable fishing practices is achieved.

The final report, including cost benefit analysis, is due before the end of the 2010 calendar year.



Electronic monitoring equipment, such as the camera shown being mounted onto a fishing vessel, has the potential to provide a cost-effective at-sea monitoring option. *Photo – Matt Piasente*

REPORT AGAINST INTENDED ACTIONS

Goal: Complete the implementation of the Australian Government’s policy preference for management by output controls in the form of individual transferable quota

Strategy: Introduce individual transferable quota management into the Northern Prawn, Eastern Tuna and Small Pelagic fisheries

Intended actions in 2009–10	Achieved (✓ / ✗)	Comment
Determine the <i>Small Pelagic Fishery Management Plan</i> and recommend its approval by the Minister	✓	The <i>Small Pelagic Fishery Management Plan</i> was determined on 2 November 2009 and accepted by the Minister on 30 December 2009.
Amend the <i>Northern Prawn Fishery Management Plan</i> to implement individual transferable quotas	In progress	In August 2009, the AFMA Commission agreed to implement output controls in the form of individual transferable quotas in the Northern Prawn Fishery. AFMA is working closely with stakeholders to develop the most cost-effective and practical system for quota. In June 2010, the AFMA Commission agreed to a recommendation made by an Independent Allocation Advisory Panel to translate current gear units to quota units based on a one-for-one translation. An amendment to the <i>Northern Prawn Fishery Management Plan 1995</i> is required to implement quota and drafting has commenced. The fishery is expected to be operating under output controls by January 2012.
Amend the <i>Eastern Tuna and Billfish Management Plan</i> to implement individual transferable quotas	In progress	An Independent Allocation Advisory Panel submitted recommendations to the AFMA Commission on the allocation formula for individual transferable quotas and draft management plan amendments were endorsed by Tropical Tuna Management Advisory Committee and released for public comment.
Implement supporting technology for individual transferable quotas management in the three fisheries.	✓	The various fisheries are all administered through the Pisces licensing application to manage and track individual transferable quotas. Concession holders are able to manage their holdings via the GOFish self service portal. It is possible to report logbook data via e-logs although this is only broadly implemented in the Northern Prawn Fishery. AFMA has run e-monitoring trials of cameras and data loggers in the Eastern Tuna and Billfish and Northern Prawn fisheries for the purposes of improving fishery management outcomes.

IMPROVED PROFITABILITY IN THE SOUTHERN AND EASTERN SCALEFISH AND SHARK FISHERY

A reduction in the number of boats and implementation of the Commonwealth Harvest Strategy Policy have significantly improved profitability in the Southern and Eastern Scalefish and Shark Fishery.

One of AFMA's major goals is to maximise net economic returns from fishing while ensuring ecological sustainability. After several years of low profitability and overfished stocks in the Southern and Eastern Scalefish and Shark Fishery, the Australian Government ran a structural adjustment package in 2006 to reduce the number of Commonwealth fishing concessions. At the same time, AFMA implemented the Commonwealth Harvest Strategy Policy which aims to ensure fish harvests are set at sustainable and profitable levels.

In the Southern and Eastern Scalefish and Shark Fishery this resulted in a reduction in the number of boats operating. From mid 2003 to 2009, the number of boats fell from 97 to 51 in the Commonwealth Trawl Sector and from 120 to 78 in the Gillnet, Hook and Trap Sector. The total profitability of the fleet has markedly improved, and there has been a reduction in the number of fish stocks subject to overfishing.

The Australian Bureau of Agricultural and Resource Economics conducts regular economic surveys of major Commonwealth fisheries. The latest Australian Bureau of Agricultural and Resource Economics survey of the Southern and Eastern Scalefish and Shark Fishery shows that in 2007–08 the Commonwealth Trawl Sector net economic returns had increased to \$7.1m or around 17 per cent of gross fishing revenue. This

compares to negative net economic returns from 2002–03 to 2004–05. The results were similar for the Gillnet Hook and Trap Sector where net economic returns in 2007–08 were estimated at \$5.0m or around 18 per cent of fishing revenue. This compares to an average of \$2.7m over the years from 2002–03 to 2004–05.

While factors outside the control of AFMA, such as fuel and fish prices, can impact on profitability, the reduction in the number of boats and implementation of the Commonwealth Harvest Strategy Policy has had a significant impact. With fish stocks expected to continue to rebuild, in the absence of adverse fishing cost and fish price changes, profitability should continue to improve.



Blue Grenadier catch in the Southern and Eastern Scalefish and Shark Fishery. The reduction in the number of boats operating in this fishery has seen an increase in profitability for fishing operations, with this profitability continuing to improve. *Photo – Tom Glover*

Goal: Maximise voluntary compliance

Strategy: Make fisheries management arrangements more uniform, understandable and enforceable

Voluntary compliance is the idea that compliance is achieved as a result of the community (or individuals) choosing to willingly or voluntarily comply with rules and regulations.

It is important to understand that voluntary compliance is not compliance due to a fear of the consequences of not complying (that is deterrence). Rather, voluntary compliance is the act of complying because of an appreciation of the benefits of rules and regulations.

By reducing the complexity of fishery management rules, it makes them easier to understand and generally consistent across fisheries. It is therefore easier for industry to comply with these rules.

Intended actions in 2009–10	Achieved (✓ / ✗)	Comment
Reform fishery management rules to reduce complexity	In progress	Reform programs are underway. Legislative processes are still to be completed. Consultation with industry has commenced.
Seek amendment of the <i>Fisheries Management Act 1991</i> to allow regulations to be used to implement standard conditions across all fisheries	✓	The Fisheries Legislation Amendment Bill 2010 (No. 2) was introduced to Parliament by the Minister on 26 May 2010.
Implement standard conditions on fishing concessions	In progress	Standardised conditions are being reviewed by established Regulatory Reform Committee and implemented where possible. A standardised rules database is yet to be completed and implemented.
Each management advisory committee meets twice	✗	Schedules of meetings for individual management advisory committees were revised to more accurately and efficiently reflect the needs for consultation and discussion of issues in the relevant fisheries. Each management advisory committee met as scheduled with two management advisory committees meeting three times, three meeting twice and four meeting once. For more information, please see Appendix 4 on page 145–149.
Each resource assessment group meets at least once	✓	Resource assessment groups provided scientific advice for catch setting decisions through the year.
Provide 24 AFMA Update newsletters.	✓	<i>AFMA Update</i> is a fortnightly newsletter published on the AFMA website and emailed to subscribers as an initiative to keep our many stakeholders regularly informed of what is happening at AFMA. Twenty-five <i>AFMA Update</i> newsletters were published in 2009–10.

CENTRALISED DOMESTIC COMPLIANCE PROGRAM – A NEW APPROACH

On 1 July 2009 a new centralised domestic compliance and enforcement program commenced at AFMA.

The new program enables AFMA to efficiently allocate resources to target areas where they are most needed. The program uses a series of steps to identify and assess non compliance risks and then applies the appropriate actions to mitigate those risks. By analysing risk data and intelligence information AFMA is able to prioritise the field activities of fishery officers both at sea and at key ports.

This risk-based compliance approach improves outcomes, efficiently targets resources to the areas of most need and, as a result, reduces industry compliance costs.

AFMA has also retained a general presence and deterrence program. Over the past year AFMA fisheries officers conducted 41 port visits and seven at-sea patrols. Our general presence at fishing ports and at-sea is proving mutually beneficial for AFMA and industry. AFMA is able to directly monitor compliance levels, obtain valuable feedback from industry and provide guidance to industry on compliance issues at the 'wharf'.

The new domestic compliance program is underpinned by two key documents - the *Domestic Compliance Risk Assessment Methodology* and *Domestic Risk Assessment 2009-10*. These documents formalise the process for the new program and provide clarity for stakeholders.

The *AFMA Domestic Compliance and Enforcement Policy* was also formalised in 2009-10, further enhancing transparency to industry on the way the program is delivered across Commonwealth fisheries.

During 2009-10 the centralised team conducted 269 inspections (221 vessels and 48 fish receivers), inspected 3.85 per cent of the reported landings of Commonwealth catch and delivered the new program at a cost reduction of 17 per cent on the previous year.

The implementation of these policy initiatives, coupled with the level of field activities conducted during 2009-10, resulted in the new centralised domestic compliance team delivering strong outcomes in its first year of operation.



AFMA Fisheries Officers boarding the *Ann Marie V* in the Southern and Eastern Scalefish and Shark Fishery as part of an at-sea patrol.

Goal: Effectively deter illegal fishing in Commonwealth fisheries and the Australian Fishing Zone

Strategy: Maintain a well trained and focused compliance enforcement team

AFMA has adopted a risk-based compliance approach that enables AFMA to target compliance and enforcement activity in the areas most needed and therefore most effectively use AFMA’s resources. It involves a series of steps to identify and assess non-compliance risks and then apply tailored compliance measures to control these risks.

In addition to the risk treatment model, AFMA retains a general presence/deterrence

role. By maintaining a general presence at all ports (and at sea) AFMA discourages non-compliant behaviour by those fishers who may be tempted to flout the rules and regulations.

Due to sustained efforts by the Australian Government to deter illegal foreign fishing, the incidence of illegal fishing in the Australian Fishing Zone continued to decline during 2009–10. Regional efforts and collaborative partnerships, including capacity building initiatives, are contributing to the prevention of illegal, unreported and unregulated operators undertaking forays into the Australian Fishing Zone. During 2009–10, there were 23 apprehensions compared to 27 in 2008–09, and 156 in 2007–08. The number of illegal foreign fishing vessels apprehended in 2008–09 is the lowest since 1992–93.

Intended actions in 2009–10	Achieved (✓ / ✗)	Comment
Commence centralised compliance	✓	AFMA’s centralised compliance program began on 1 July 2009.
Implement new staffing structures and functions for AFMA compliance areas	✓	AFMA’s centralised compliance structure was in place by 1 July 2009.
Undertake enforcement activities in accordance with priority areas established through risk assessments	✓	2009–10 annual risk assessment completed. Compliance Risk Management Teams established to treat identified priority risks in domestic fisheries. Provided quarterly and tactical input into the common risk assessment methodology used by the Border Protection Command for the Australian Fishing Zone.

Intended actions in 2009–10	Achieved (✓ / ✗)	Comment
<p>Liaise with Papua New Guinean and Indonesian fisheries agencies on deterring illegal, unreported and unregulated activity and developing fisheries management arrangements and capacity.</p>	<p>✓</p>	<p>In conjunction with Indonesia, Timor-Leste and Papua New Guinea, AFMA participated in the regional Monitoring, Control and Surveillance Network under the Regional Plan of Action to Promote Responsible Fishing Practices including Combating Illegal, Unreported and Unregulated Fishing in the Region.</p> <p>We strengthened the ongoing arrangements under the Torres Strait Treaty; attended bilateral meeting.</p> <p>We delivered a capacity building exchange program involving Papua New Guinean and AFMA fisheries officers being placed on patrols and undertaking investigations training.</p> <p>We participated in two coordinated patrols with Indonesia and undertook two in country public information campaigns, visiting ports known to be a source of illegal foreign fishing in the Australian Fishing Zone.</p> <p>We provided advice to Indonesia on its participation in regional fisheries management bodies, such as the Indian Ocean Tuna Commission, Western and Central Pacific Fisheries Commission and the Commission for the Conservation of Antarctic Marine Living Resources.</p>



AFMA works to deter illegal fishing in Commonwealth fisheries and the Australian Fishing Zone. Deterring illegal fishing by foreign vessels in Australia's northern waters is a key part of this and efforts by AFMA and its Fisheries Officers have led to a 17 year low in the number of foreign fishing vessels apprehended.

ILLEGAL VESSEL NUMBERS AT A 17 YEAR LOW

The 23 illegal foreign fishing vessels apprehended in 2009–10 is the lowest number of apprehensions in the 17 years since 1992–93. Following a peak of illegal activity in 2005–06 when 367 vessels were apprehended, incursion rates have steadily declined to a 17 year low.

The deterrent effect of enforcement efforts over the four years since 2006 has seen a significant reduction in illegal fishing activity in Australia's northern waters to the point where large concentrations of vessels sit just beyond the Australian Exclusive Economic Zone boundary, with individual vessels only undertaking occasional forays south.

The crews on board the apprehended vessels were predominantly targeting shark for their fins. Fifty-one crew were convicted and received penalties ranging from three year good behaviour bonds to fines up to

\$15 000. Some more serious offenders were imprisoned for up to eight months. Their boats were also confiscated and destroyed.

AFMA plays a key role in Australia's border protection program and has worked cooperatively with Indonesia to deter illegal fishers. This has included joint on-the-water enforcement activities such as the apprehension and prosecution of offenders and the confiscation and destruction of boats.

AFMA has also continued efforts within Indonesia to educate fishers on the consequences of illegal operations in Australian waters and has worked collectively with other Australian government agencies to strengthen regional monitoring, control and surveillance activities through the provision of capacity building, and information sharing within Indonesia and throughout the region.



AFMA plays a key role in Australia's border protection program. AFMA Fisheries Officers participate in enforcement activities in Australia's northern waters.

Goal: Continuously improve the efficiency and cost-effectiveness of fisheries administration

Strategy: Invest in business processes and technologies that match the core needs of AFMA and its stakeholders

Intended actions in 2009–10	Achieved (✓ / ✗)	Comment
Consolidate management advisory committees, focusing on strategic fishery management issues	✓	On 1 July 2009, the number of management advisory committees was reduced from twelve to nine. The number was further reduced to seven on 1 July 2010. AFMA’s policy for guiding the operation of management advisory committees (<i>Fisheries Management Paper 1</i>) was amended to give effect to a dual advisory model where management advisory committees provide advice on strategic issues and industry provides advice on operational issues.
Implement agreed findings of AFMA’s review of resource assessment groups	✓	The recommendations of the resource assessment group review largely support continuation of the current structure and roles of resource assessment groups. In the short term, this approach is supported by the AFMA Commission, particularly while the rationalisation of management advisory committees is finalised. However, the Commission has decided in the medium term to conduct a review of the way AFMA obtains and uses science in making fishery management decisions. This review will encompass the resource assessment group arrangements and also AFMA’s use of consultants and other science providers and will guide AFMA’s science arrangements for the future.
Review management arrangements for small and exploratory fisheries to ensure consistency with government objectives	✗	Delayed due to a reprioritisation of policy commitments. A review will now commence during 2010–11 as part of AFMA’s process to develop a policy for managing byproduct species.
Draft a plan of management for the Torres Strait Finfish Fishery on behalf of the Protected Zone Joint Authority (PZJA)	In progress	Further information provided in the Protected Zone Joint Authority Annual Report.
Implement e-logs in eight fisheries	✓	Schemas (or templates) have been released to the software development community for the prawn trawl, trawl, line, net and seine methods of fishing. E-log compliant applications are currently certified for prawn, trawl and line. This has application in ten AFMA fisheries. A promotional campaign is in planning to promote fisher take-up.

Intended actions in 2009–10	Achieved (✓ / ✗)	Comment
Implement e-licensing	✓	E-licensing (GOFish) is a self service portal allowing fishers to submit forms online and view their current quota. There are 900 user and agent registrations. Nearly 20 per cent of all licensing transactions have been completed in GOFish since September 2009.
Trial e-monitoring in the Eastern Tuna and Billfish fishery	✓	The trial for e-monitoring in the Eastern Tuna and Billfish Fishery will be completed in the second half of 2010. Indications are that industry will support this technology initiative.
Implement agreed actions in response to Australian National Audit Office domestic fisheries compliance performance audit recommendations	✓	AFMA has implemented agreed actions in response to the Australian National Audit Office recommendations and is continuing to implement responses of an ongoing nature, in particular: regulatory reform, quota management, quality assurance of inspections and annual review of our compliance monitoring strategy.
Implement appropriate and cost-effective fisheries management arrangements in Torres Strait fisheries on behalf of the Protected Zone Joint Authority.	In progress	Further information provided in the Protected Zone Joint Authority Annual Report.



Newly fitted e-monitoring cameras on a vessel in the Eastern Tuna and Billfish Fishery. A trial of e-monitoring is currently underway in this fishery. *Photo – Matt Piasente.*

MANAGING CONCESSIONS ONLINE WITH GOFISH

GOFish is AFMA's new e-licensing facility that enables fishers to manage their fishing concessions and do some of their key business with AFMA online. Launched in September 2009, GOFish has since processed over 700 concession holder transactions.

GOFish allows concession holders to:

- lease or transfer fishing concessions, including quota
- nominate or denominate concessions to fishing vessels
- update personal or business contact details
- view holding and catch summaries
- view transaction statements, and
- apply for scientific permits and fish receiver permits.

A 14-member consultative group, consisting of concession holders, marine brokers and associated authorised agents, assisted AFMA in the development of GOFish.

The consultative group advised on the design and usability of the portal and also conducted user testing from their homes and offices.

GOFish has given concession holders an easier way to process applications, saving time and money for fishers and AFMA. With GOFish, AFMA now offers both a manual and online service to concession holders, however the online service allows concession holders to complete transaction in 'real-time'.

AFMA is working to continually improve the GOFish portal. Each improvement aims to improve usability and reduce licensing costs, with the savings being passed on to concession holders through reductions in annual levies. These changes include access to AFMA's other online services, such as Quotaboard.

AFMA is teaching concession holders about GOFish and how it can help their business by conducting a number of port visits around Australia to demonstrate the system.

In the most recent quota reconciliation period for the Southern and Eastern Scalefish and Shark Fishery, the number of GOFish transactions outnumbered the number of manual transactions. This is a significant milestone and provides AFMA with confidence that in the near future management levies can be reduced.

For more information about GOFish, visit the AFMA website at <www.afma.gov.au>.



Concession holders can now conduct licensing transactions through AFMA's e-licensing facility, GOFish.

Goal: Recover overfished stocks and prevent overfishing

Strategy: Focus Australian community funded research on the size and condition of fish stocks and their ecosystems, prioritised by ecological risks, to underpin fishery management actions

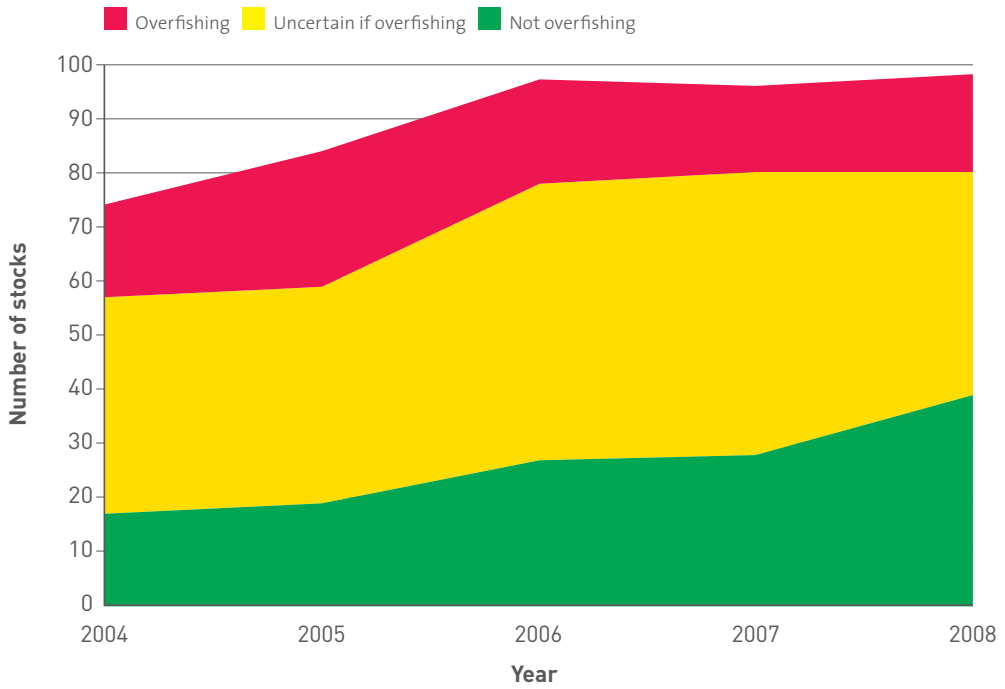
Actions relating to overfishing and the recovery of overfished stocks take into account the 2005 Ministerial Direction. The Bureau of Rural Sciences and the

Australian Bureau of Agricultural and Resource Economics classify overfished and overfishing as follows:

- **Overfished** refers to the biomass of a fish stock. A fish stock is overfished when the biomass is inadequate to sustain the stock in the long term.
- **Overfishing** refers to the amount of fishing. Overfishing occurs when the fish stock is subject to a level of fishing that would move the stock to an overfished state, or prevent it from returning to a not overfished state. Any directed fishing on an overfished stock amounts to overfishing.

Intended actions in 2009–10	Achieved (✓ / ✗)	Comment
Implement stock recovery plans for species assessed as being below agreed limit reference points	✓	AFMA has prepared and implemented rebuilding strategies or conservation programmes for Orange Roughy, Eastern Gemfish, School Shark and Upper Slope Dogfish.
Conduct assessments on key target species and set total allowable catch or total allowable effort at levels that will prevent overfishing in 2009–10 in accordance with agreed harvest strategies	✓ (all Fisheries except Torres Strait*)	<p>Total allowable catches were set for the following fisheries in accordance with the relevant harvest strategies: Southern and Eastern Scalefish and Shark Fishery, Bass Strait Central Zone Scallop Fishery, Macquarie Island Toothfish Fishery, Heard Island and McDonald Islands Fishery, Western Tuna and Billfish Fishery and Southern Bluefin Tuna Fishery.</p> <p>The Heard Island and McDonald Islands Fishery total allowable catches are based on Commission for the Conservation of Antarctic Marine Living Resources decision rules. The total allowable catches for Southern Bluefin Tuna Fishery is set in line with international agreements, as Commission for the Conservation of Southern Bluefin Tuna is the responsible body for the global management of the stock.</p> <p>The Small Pelagic Fishery will set total allowable catches once Statutory Fishing Rights are granted in the fishery.</p> <p>Total allowable efforts were set for the 2009–10 fishing seasons for the Eastern Tuna and Billfish Fishery and Northern Prawn Fishery in accordance with the relevant harvest strategy decision rules.</p> <p>*The Torres Strait Fisheries harvest strategies are managed and reported through Torres Strait Protected Zone Joint Authority processes.</p>
Progress implementation of ecological risk management responses.	✓	Ecological risk management reports have been completed for 20 of 21 major Commonwealth-managed fisheries. A priority list of species has been identified and these will be the focus management responses for each fishery.

FIGURE 1: FISH STOCKS STATUS



Goal: Establish an operational framework for co-management in Commonwealth fisheries

Strategy: Trial methods for enabling the industry to take more responsibility for managing the ecological and economic impacts of commercial fishing

Co-management in fisheries is a process of improving the efficiency and cost-effectiveness of management through

greater collaboration between government and its primary stakeholders. Co-management involves building trust, respect and understanding between government, industry and other stakeholders. The roles and responsibilities of stakeholders in the management of fisheries may be increased and in some cases, may involve stakeholders undertaking certain functions on behalf of the government. Effective use of expertise and knowledge of stakeholders through increased responsibility can improve management and fishery outcomes.

Intended actions in 2009–10	Achieved (✓ / ✗)	Comment
Monitor and evaluate the trial of the specific collaborative co-management arrangements developed between AFMA and three trial fisheries.	✓	Trial evaluations were undertaken during 2009–10, the second year of a three-year project. Improvements were made to trial arrangements to pursue project objectives.



Jeff Moore from the Great Australian Bight Industry Association and Jillian Harrap from AFMA meet with skippers Stuart Bell, David Shirley and Steve Epiha from A Raptis and Sons to discuss co-management in the Great Australian Bight Trawl Fishery

CO-MANAGEMENT – TURNING LESSONS FROM TRIALS INTO BETTER FISHERIES MANAGEMENT

With funding support from the Fisheries Research and Development Corporation, AFMA has been trialling co-management in selected Commonwealth fisheries since 2008. The three year project will conclude at the end of 2011, with practical experiences from the trials already being used in day-to-day fisheries management

Co-management trials are underway in the Southern and Eastern and Scalefish and Shark Fishery, Great Australian Bight Trawl Fishery and Northern Prawn Fishery. The trials aim to:

- assess fishery management functions that can be effectively undertaken by the fishing industry;
- simplify regulation, reduce costs and increase industry stability; and
- improve relationships between AFMA and the fishing industry and the stewardship of fisheries resources.

Fisheries management is complex. Fisheries management decisions impact on the ecological and economic sustainability of our fisheries as well as the livelihoods of fishers and their communities. The Australian public expects Commonwealth fisheries to be

sustainable and the co-management trials are showing that collaboration between stakeholders and Government can uncover better solutions to complex problems.

Co-management uses the expertise and knowledge of the fishing industry to improve the way in which fisheries are harvested, monitored and assessed. For example, the trials have resulted in the implementation of new procedures which improve the collection of information, monitoring of catches and operational decision making.

The Northern Prawn Fishery Industry Pty Ltd is trialling the administration of a crew-member observer program and industry management of catch and effort information.

The co-management trials are open to identifying Commonwealth fisheries management functions that may be more efficient and effective if undertaken by a group other than AFMA. The trials will continue to investigate the benefits of sharing fisheries management responsibilities between government and stakeholders.

REPORT AGAINST SERVICES AND DELIVERABLES

Deliverables and Services	2008–09 Predicted	2008–09 Actual	2009–10 Predicted	2009–10 Actual	Comment
Completed research projects including Torres Strait Fisheries. ¹	14	14	16	16	Research projects were completed as forecast.
Completed fishery independent surveys.	6	6	5	7	Surveys have been completed for Bass Strait Central Zone Scallop Fishery, Northern Prawn Fishery, Heard Island and McDonald Islands Fishery, Macquarie Island Toothfish Fishery, Southern Bluefin Tuna Fishery, South East Trawl Sector and Torres Strait Rock Lobster Fishery.
Fisheries including Torres Strait Fisheries regulated under plans of management.	10	10	11	10	Draft Torres Strait Finfish Management Plan is still in the drafting stages and will be released for a formal public comment period during late 2010. The Plan will then be considered by the Torres Strait Protected Zone Joint Authority.

Deliverables and Services	2008–09 Predicted	2008–09 Actual	2009–10 Predicted	2009–10 Actual	Comment
Harvest strategies implemented under Commonwealth Harvest Strategy Policy.	13	11	13	13	<p>Thirteen harvest strategies have been implemented in 11 fisheries. These fisheries are: Northern Prawn Fishery, Southern and Eastern Scalefish and Shark Fishery, Small Pelagic Fishery, Eastern Tuna and Billfish Fishery, Western Tuna and Billfish Fishery, Bass Strait Central Zone Scallop Fishery, Coral Sea Fishery, North West Slope Trawl Fishery, Western Deepwater Trawl Fishery, Skipjack Tuna Fishery, and Southern Squid Jig Fishery.</p> <p>The Torres Strait Prawn Fishery is expected to implement its harvest strategy in 2010–11 onwards.</p>
Licensing transactions completed.	2653	2107	2800	3754	Total transactions number includes the transactions processed through GOFish. The number of transactions has increased from last year due to the applications processed for the grant of Statutory Fishing Rights in the Eastern Tuna and Billfish Fishery, Western Tuna and Billfish Fishery and Southern and Eastern Scalefish and Shark Fishery. In addition, this number includes applications to register for GOFish.
Collect levies.	Greater than 99 per cent	99.93 per cent	Greater than 99 per cent	97 per cent collected to date	AFMA has implemented as flexible arrangements as possible to allow concession holders time to adjust to the levy increases seen in many fisheries. The increases are primarily due to the completion of the government subsidy in 2008–09.

Deliverables and Services	2008–09 Predicted	2008–09 Actual	2009–10 Predicted	2009–10 Actual	Comment
Prosecute illegal foreign fishers.	92	75	193	51	Fifty fishers were convicted under the <i>Fisheries Management Act 1991</i> and one fisher was convicted under the <i>Torres Strait Fisheries Act 1984</i> .
Dispose of illegal foreign fishing vessels.	36	21	36	27	Eleven vessels were destroyed by burning or breaking up at AFMA land based disposal facilities and four were sold by tender. A further 12 were disposed of at sea as they were either unseaworthy or unsafe. AFMA also managed the disposal of eight suspected illegal entry vessels on behalf of the Border Protection Command.
Administered: Illegal foreign fishing vessel caretaking and disposal – number of disposal facilities upgraded.	2	1	2	1	Weipa infrastructure upgrade complete, Gove, Broome and Darwin sites have works in progress. Long term contract negotiations have commenced at all locations except for Broome.
Number of illegal foreign fishing vessels disposed of. ³	100 per cent	100 per cent	100 per cent	100 per cent	Eleven vessels were destroyed by burning or breaking up at AFMA land based disposal facilities.

1. Includes only research projects that AFMA administered contracts with the research provider. It does not include research projects administered by other agencies for which AFMA co-invested.
2. Forecast based on whole-of-government processes.
3. Expressed as a proportion of forfeited vessels brought to AFMA commissioned caretaking and disposal facilities. The actual numbers depend on the number apprehended and brought to the disposal facilities through the Civil Maritime Surveillance Response Program (Customs Program 4), and cannot be forecast reliably.

REPORT AGAINST KEY PERFORMANCE INDICATORS

The Commonwealth Harvest Strategy Policy and associated guidelines provide a framework to maintain key commercial stocks at ecologically sustainable levels and maximise economic returns through precautionary default settings. AFMA, the Bureau of Rural Sciences and Australian Bureau of Agricultural and Resource Economics are reviewing and testing harvest strategies to assess their effectiveness at meeting the objectives of the Commonwealth Harvest Strategy Policy. This work will include verifying target and

limit reference points and developing target and limit reference points for stocks that do not currently have them, where possible. This work is expected to be completed by July 2012.

During 2009–10 AFMA established intermediate indicators for the performance of Harvest Strategies in meeting the objectives of the Commonwealth Harvest Strategy Policy. These are additional to the performance indicators provided in the 2009–10 Portfolio Budget Statements.

The effectiveness of AFMA’s harvest strategies in meeting the objectives of the Commonwealth Harvest Strategy Policy

Key Performance Indicators	2009–10 Forecast	2009–10 Actual
Total number of stocks assessed	32	32
Base harvest strategy targets on maximum economic yield or the best available proxy ¹	16	16
Improve the number of stocks of species in (a) assessed as being on target ²	10 of 16	10 of 16
For those stocks of species in (a) that are assessed as not on target, improve the number that are heading towards their target reference point.	5 of 6	5 of 6

1 The number of the top 32 fish stocks in value contributing approximately 95 per cent of the gross value of production of Commonwealth fisheries that have such harvest strategies.

2 As defined in the Commonwealth Fisheries Harvest Strategy Policy, September 2007.

In addition to AFMA's success in meeting the objectives of the Commonwealth Harvest Strategy Policy, the following indicators:

Key Performance Indicators	2009–10 Forecast	2009–10 Actual	Comment
Minimise the number of fish stocks subject to overfishing ¹	1	3	The number of species assessed by Bureau of Rural Sciences as subject to overfishing increased from one to three in the 2008 Fishery Status Report, because of the addition of two previously un-assessed species, Jackass Morwong and Gulper Sharks. Updated assessments are available for Jackass Morwong and Pink Ling which will be considered in the 2009 Status Reports.
Reduce the number of species assessed as remaining at high risk after mitigation ²	292 (less than 3.7 per cent)	108 (~1.3 per cent)	It is expected that the current number of high risk species will continue to reduce with the development of ecological risk management reports which identify priority species for all fisheries to focus management on.
Maximise the disposal of foreign illegal, unregulated and unreported vessels apprehended in the Australian Fishing Zone	100 per cent	100 per cent	Twenty-seven foreign fishing vessels were disposed of. Eleven of these were destroyed by burning or breaking up at AFMA land based disposal facilities, four were disposed of by tender and a further 12 were disposed of at sea as they were either unseaworthy or unsafe.

- 1 In AFMA-managed fisheries, not including jointly and internationally managed fisheries.
- 2 At the end of 2009-10, 20 ecological risk assessments out of a possible 21 were complete and in July 2010 all the assessments were finalised. The number of species at high risk (3.63 per cent) is based on draft assessments. Reassessments to determine the number of species remaining at high risk from fishing after mitigation are expected to be undertaken over the years 2013–18.



MANAGEMENT AND ACCOUNTABILITY



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OUR AGENCY

HISTORY AND ESTABLISHMENT

The Australian Fisheries Management Authority (AFMA) was established as a statutory authority in February 1992.

The *Fisheries Administration Act 1991* established AFMA to manage Australia's Commonwealth fisheries, mainly by applying 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 fisheries.

Our portfolio department, the Australian Government Department of Agriculture, Fisheries and Forestry retained responsibility for strategic fisheries policy advice, and leading international and inter-jurisdictional negotiations.

On 1 July 2008, new governance arrangements for AFMA came into effect. The existing board of directors was replaced with a commission, responsible for domestic fisheries management, and Chief Executive Officer, responsible for foreign compliance and assisting the commission. The Chief Executive Officer is also a commissioner. The new arrangements also brought the agency under the *Financial Management and Accountability Act 1997* and the *Public Service Act 1999*.

In 2009–10, our Minister was the Hon. Tony Burke MP, the Minister for Agriculture, Fisheries and Forestry.



Minister for Agriculture, Fisheries and Forestry during 2009-10, the Hon Tony Burke MP.

ROLE AND FUNCTIONS

Our role is to manage Australia's Commonwealth fisheries on behalf of the Australian community and people with an interest in Commonwealth fisheries.

We manage commercial fisheries from three nautical miles off the Australian coast to the boundary of the Australian Fishing Zone, 200 nautical miles out. State and territory governments are responsible for fisheries inside three nautical miles; however, Commonwealth and state and territory governments have negotiated a number of Offshore Constitutional Settlement arrangements that rationalise management, generally on a species basis. Under the terms of these arrangements, the states and the Northern Territory generally manage coastal or inshore species such as rock lobster and abalone, while the Commonwealth manages offshore or migratory species such as tuna.

We also provide fisheries management services in the Torres Strait in conjunction with the Queensland Department of Primary Industries and Fisheries, on behalf of the Torres Strait Protected Zone Joint Authority. Under the *Torres Strait Fisheries Act 1984*, the Commonwealth and Queensland governments have specific obligations to consider the rights and obligations conferred on Australia by the Torres Strait Treaty, having regard to the way of life and livelihood of the traditional inhabitants of the Torres Strait.

The Commonwealth is also responsible for international fisheries matters, including preventing illegal foreign fishing in the Australian Fishing Zone and managing high seas fishing by Australian operators. AFMA, as part of the Border Protection Command, monitors and investigates compliance by foreign fishing vessels within the Australian Fishing Zone through the civil maritime and surveillance program. We provide monitoring and response services in order to mitigate the threat of illegal fishing in the Australian Fishing

Zone. We have an increasing involvement in managing fish stocks on the high seas and contribute to the sustainable use of fisheries resources in the region through outreach programs with neighbouring countries. Since ratifying the UNFSA, Australia has been actively involved in negotiating regional arrangements to manage a range of highly migratory, straddling stocks and international stocks.

We act as a resource manager, making sure we manage our fisheries efficiently and cost-effectively in a way that takes into account the impact of fishing activities and encourages ecologically sustainable development. At the same time, we regulate the use of these fisheries with the aim of maximising their economic value. We are accountable to stakeholders and the broader Australian community.

Australia's Commonwealth fisheries are managed in accordance with government 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 community. Costs are recovered on a fishery by fishery basis.

AFMA has a number of stakeholders including the commercial fishing industry, researchers, environment/conservation organisations, recreational fishing and Indigenous interests, and other government agencies. We have built a co-management approach with our stakeholders (particularly industry), involving them in developing policies and actions and encouraging them to share responsibility for fisheries management. Stakeholders and stakeholder consultation are discussed further on page 53.

In December 2005, the then Minister for Fisheries, Forestry and Conservation issued a formal Direction to AFMA to take decisive action to ensure the sustainability of our fish stocks and to secure the Australian fishing industry's future.

The Direction aimed to:

1. Cease overfishing and enable the recovery of overfished stocks to a level in the near future that ensures long term sustainability and productivity;
2. Avoid further species from becoming overfished in the short and long term; and
3. Manage the broader environmental impacts of fishing, including threatened, endangered and protected species.

A full report on AFMA's progress in implementing the Direction is on page 134–136.

AFMA'S OBJECTIVES

The *Fisheries Administration Act 1991* states the objectives AFMA must pursue in performing its functions. In summary, these are:

- EFFICIENT AND COST-EFFECTIVE FISHERIES MANAGEMENT:
 - Implement efficient and cost-effective fisheries management arrangements, and
 - ensure such arrangements and related activities implement Australia's obligations under relevant international agreements.

- ECOLOGICALLY SUSTAINABLE DEVELOPMENT: Ensure fishing and related activity is consistent with the principles of ecologically sustainable development, including exercise of the precautionary principle, with regard to the long term sustainability of the marine environment.
- MAXIMISE NET ECONOMIC RETURNS: Maximise net economic returns to the Australian community from the management of Australian fisheries.
- ACCOUNTABILITY: Ensure accountability to the fishing industry and to the Australian community in AFMA's management of fisheries resources.
- COST RECOVERY: Achieve government targets in relation to recovery of AFMA's costs.

OUR VALUES

AFMA underpins its service, partnerships and accountability to stakeholders by fostering:

- professionalism
- inclusiveness
- integrity
- innovation, and
- accountability.

As part of the Australian Public Service, AFMA and its staff are guided by the APS Values and Code of Conduct.

ORGANISATIONAL STRUCTURE

Minister for Agriculture, Fisheries & Forestry		Commission	
Chief Executive Officer – Prof Glenn Hurry			
Fisheries Management Branch <i>Executive Manager – Dr James Findlay</i>	Fisheries Operations Branch <i>General Manager – Mr Paul Murphy</i>	Corporate Governance Branch <i>General Manager – Mr John Bridge</i>	Fisheries Information Services Branch <i>Chief Information Officer – Mr Mark Farrell</i>
<i>Demersal & Midwater Trawl Fisheries</i> <i>Senior Manager</i>	<i>Compliance Operations</i> <i>Senior Manager</i>	<i>Finance</i> <i>Chief Finance Officer</i>	<i>IT Support and Operations</i> <i>Senior Manager</i>
<i>Tuna & International Fisheries</i> <i>Senior Manager</i>	<i>Foreign Compliance Policy</i> <i>Senior Manager</i>	<i>Media and Communications</i> <i>Manager</i>	<i>Data and Information Services</i> <i>Senior Manager</i>
<i>Northern Fisheries</i> <i>Senior Manager</i>	<i>Regulation & Compliance Planning</i> <i>Senior Manager</i>	<i>Legal</i> <i>Senior Manager</i>	
<i>Licensing and Quota Management</i> <i>Senior Manager</i>	<i>Co-management</i> <i>Senior Manager</i>	<i>Human Resources and Records Management</i> <i>Senior Manager</i>	
<i>Environment, Research & Policy</i> <i>Senior Manager</i>	<i>Foreign Compliance Operations</i> <i>Darwin Regional Director</i>	<i>Enterprise Risk</i> <i>Senior Manager</i>	
<i>Economics</i> <i>Senior Economist</i>	<i>Observer Program</i> <i>Manager</i>	<i>Executive Secretariat</i> <i>Executive Secretary</i>	
<i>(66 nominal positions)</i>	<i>(103 nominal positions including casual field observers)</i>	<i>(31 nominal positions)</i>	<i>(22 nominal positions)</i>

AFMA has offices at three locations: Canberra, Darwin and Thursday Island.

The largest of these is the Canberra office, employing 161 people and managing most of AFMA's functions including fisheries management, licensing, environment and research, domestic compliance, foreign compliance policy and corporate governance.

The Darwin office employs 38 staff, with a focus on AFMA's foreign compliance function. The Thursday Island office manages the Torres Strait fisheries and employs six staff. We also employed 17 casual field observers; the number varies with operational requirements.

AFMA OFFICE LOCATIONS

Canberra office		
STREET ADDRESS	POSTAL ADDRESS	ENQUIRIES
Level 6 73 Northbourne Ave CANBERRA ACT 2600	PO BOX 7051 Canberra Business Centre CANBERRA ACT 2610	Ph: (02) 6225 5555 Fax: (02) 6225 5500 AFMA Direct: 1300 723 621
Darwin office		
STREET ADDRESS	POSTAL ADDRESS	ENQUIRIES
Level 6 NT House 22 Mitchell 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

CORPORATE GOVERNANCE PRACTICES

GOVERNING BODY

As provided in the *Fisheries Administration Act 1991*, AFMA is established to manage Commonwealth fisheries. The Authority is a body corporate which can sue and be sued. However, the Authority cannot hold money and all financial liabilities are taken to be liabilities of the Commonwealth.

The Authority's domestic fisheries management functions and powers are the responsibility of the Commission. The Chief Executive Officer is responsible for assisting the Commission, including giving effect to its decisions.

The Chief Executive Officer is separately responsible for exercising the Authority's

foreign compliance functions and powers, and the Chief Executive's responsibilities under the *Financial Management and Accountability Act 1997* and *Public Service Act 1999*. The Chief Executive Officer and staff constitute a Statutory Agency under the *Public Service Act 1999*.

The Minister appoints the Chairman, part-time Commissioners and the Chief Executive Officer. Following advice from the Chairman, the Minister appoints a part-time Commissioner as Deputy-Chairperson.

The Commission is subject to limited government policy direction as stated in the *Fisheries Administration Act 1991* Section 91. The Minister is the approving authority for



The AFMA Commission: (Back row) Ian Cartwright, Denise North FAICD, Prof Keith Sainsbury, Jenny Goddard, Peter Witheridge (Executive Secretary) (Front row) Dr John Glaister [inset], Richard Stevens OAM (Deputy Chair), Prof Glenn Hurry (CEO), The Hon Michael Egan FAICD (Chairman), Elizabeth Montano

AFMA's corporate plan, annual operational plan and all fishery management plans determined by AFMA.

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.

Current Commissioners were appointed by the Minister on 1 March 2009, for five-year terms. These Commissioners are: the Hon Michael Egan (Chairman), Prof Glenn Hurry (Chief Executive Officer), Ian Cartwright, Dr John Glaister, Jennifer Goddard, Elizabeth Montano, Denise North, Prof Keith Sainsbury and Richard Stevens.

For more information about AFMA's Commissioners and senior management committees, see Appendix 3 on page 139–144.

Conflicts of interest

Commissioners must disclose to the Minister any pecuniary or other interest that may relate to their AFMA functions, both prior to appointment and whenever such interests arise during their terms of office. Disclosures of interests are kept on a register of interests held by the Commission, and a Commissioner must not take part in any deliberation or decision in which he or she has such an interest.

Performance review

The Commission reviews its performance in July-August each year. Issues reviewed may include its success in pursuing AFMA's objectives; strategic direction; committee effectiveness; procedural matters including meeting frequency and detail, conduct of meetings, protocol and clarity of roles; and individual performance including attendance, contribution and knowledge of briefs.

INTERNAL SCRUTINY

Risk Management

In June 2010 we produced the revised AFMA Risk Framework. This draws on experience gained in implementation of the Risk Management Framework and Risk Management Plan (2008-2009) and combines the elements of these with the corporate risk management policy statement. We also updated the corporate risk register to produce the AFMA Operational Risk Register 2010 and Strategic Risk Register 2010.

In May 2010 we produced the AFMA Business Continuity Management Plan and distributed copies to key stakeholders for off-site storage. This Plan is subject to a continuing testing and upgrade schedule.

Business Continuity

The Business Continuity Plan identifies essential AFMA business services and timeframes for implementing alternate processing arrangements in the event of incidents that disrupt service delivery. A major loss of computing services would require the invocation of Disaster Recovery procedures. AFMA has in-built redundancy in its Communications network and an alternate site to housing alternate production ready computing facilities.

Fraud Control

There were no instances of internal or external fraud detected in 2009–10.

In accordance with the requirements of the Commonwealth Fraud Control Guidelines, in February 2010 we produced the AFMA Fraud Control Plan 2010–2012. This Plan incorporates information relating to AFMA's approach to fraud control, the updated fraud risk assessment and strategies for fraud minimisation arising from the risk treatment recommendations.

Audit and Risk Committee

The Audit and Risk Committee was established under the *Financial Management and Accountability Act 1997* by the Chief Executive Officer. The purpose of the Committee is to provide advice to the Chief Executive on the adequacy of AFMA's governance, internal control, risk management and financial reporting structures and processes. The Committee met five times during the year and is further described on page 141–142.

CERTIFICATE OF FRAUD CONTROL MEASURES

In accordance with Guideline 1.9 of the Commonwealth Fraud Control Guidelines 2002, I hereby certify that I am satisfied that the Australian Fisheries Management Authority:

- has prepared fraud risk assessments and fraud control plans that comply with the Commonwealth Fraud Control Guidelines, and
- has in place appropriate fraud prevention, detection, investigation, reporting and data collection procedures and processes that meet the specific needs of the agency and comply with the Guidelines.



Prof Glenn Hurry
Chief Executive Officer

EXTERNAL SCRUTINY

During 2008–09, the Australian National Audit Office carried out an audit of AFMA's management of domestic fishing compliance. The final report was tabled in Parliament on 25 June 2009. AFMA is continuing to develop and implement policies to give effect to the recommendations.

There were no reports by the Attorney General, Parliamentary Committee or Commonwealth Ombudsman in relation to AFMA.

In relation to external scrutiny involving judicial tribunals and decisions of administrative tribunals please refer to Appendix 1: Civil litigation outcomes on page 132–133.

PURCHASING AND ASSET MANAGEMENT

Purchasing

Purchasing is conducted by each branch in accordance with our Chief Executive Instructions on procurement, having specific regard for the AFMA Procurement Guidelines which complement the Commonwealth Procurement Guidelines.

The AFMA Procurement Guidelines set out two major thresholds:

- major procurements over \$80 000 in value must be undertaken through a request for tender; and
- procurements under \$80 000 must be undertaken in accordance with the minimum quotation and documentation rules set out in the guidelines as they apply to the value and risk of a proposed procurement.

In some cases, major procurements were undertaken through panel arrangements established by other agencies where the contractual provisions allowed. Major procurements undertaken during the year included calls for research proposals, illegal foreign fishing vessel caretaking and disposal services, and IT system development services.

The Annual Procurement Plan is published on the Austender website by 1 July each year. The plan includes a short strategic procurement outlook along with details of proposed procurements for the new financial year.

Asset management

AFMA held \$28.3m in Departmental assets as at 30 June, including cash, receivables, land, buildings, property plant and equipment, intangibles and other assets.

We also held \$1.3m in Administered assets including vessel disposal facilities and receivables.

An asset register is maintained in our Financial Management Information System for all software and equipment valued at more than \$3000, or where the equipment is of material balance as a group (for example, computer equipment).

Contracts

During the financial year, we entered into contracts with a range of suppliers for the provision of goods and services. These contracts are reported in accordance with government policy:

- all contracts over \$5000 are listed on our internal contracts register
- all contracts over \$10 000 are reported on the Austender website www.tenders.gov.au, and
- all contracts over \$100 000 are listed on our website twice a year.

During the year, we entered into 37 consultancy contracts valued at \$8.0m where specialised or professional skills were not available internally or where we identified a need for independent research or assessment. Details of these are shown at Appendix 8.

See page 157–159 for more information on consultancy contracts.

The form used in one contract did not specifically provide for Auditor-General access to contractor premises. The contract was for an office security upgrade with Secom Technical Pty Ltd for \$213 840. The form has since been corrected.

Advertising and market research

During the financial year we spent \$0.067m on advertising. Most of this expenditure related to recruitment, fishery notices and media monitoring.

The only individual amount over \$11 200 was a payment of \$25 000 to the Sydney Fish Market for the development of fish sustainability fact sheets.

Discretionary grants

No discretionary grants were administered during 2009–10.

CORPORATE AND OPERATIONAL PLANNING AND REVIEW

AFMA's planning and reporting framework consists of obligations under the *Fisheries Administration Act 1991*, whole-of-government requirements, and internal documents we produce for the purpose of good governance. The key elements are:

Corporate Plan

This plan identifies factors in AFMA's operating environment that may affect AFMA's operations, and sets out AFMA's principal goals for the next three, four or five years. The plan also outlines the strategies AFMA will use to pursue those goals and key performance indicators for measuring our performance. We have reported against the key performance indicators identified in our *Corporate Plan 2009–14* on pages 32 to 33.

Annual Operational Plan

The annual operational plan covers 12 months and gives detail to the strategies identified in the relevant corporate plan. We have reported against the intended actions and services and deliverables described in our *Annual Operational Plan 2009–10* on pages 15 to 31.

Portfolio Budget Statements

AFMA contributes to the Agriculture, Fisheries and Forestry portfolio statements. The

purpose of the Portfolio Budget Statements is to inform Senators and Members of Parliament of the proposed allocation of resources to Government outcomes. Within this document, AFMA sets out its broad strategic direction, budget estimates against specific outputs, and key performance indicators.

Internal reporting

Each quarter, AFMA reports to its CEO and Commission against the key result areas, strategies and key performance indicators identified in its corporate and annual operational plans. This ensures that progress is on track and simplifies the process of annual reporting.

Annual Report

The annual report provides information on AFMA's operations and performance, including reporting against the measures set out in the corporate plan, annual operational plan and Portfolio Budget Statements.



In May 2010, AFMA management and key stakeholders convened for a corporate planning workshop. This gave AFMA the opportunity to receive feedback on how we are tracking and to plan for some of the challenges that lay ahead.

Photo – Tim Dawson

PEOPLE MANAGEMENT

OUR STAFF

At 30 June 2010, AFMA employed 222 staff (200 ongoing and 22 non-ongoing). Most staff were located in the Canberra office, with 38 staff located in the Darwin office, six on Thursday Island, and 17 casual field observers undertaking duties on commercial fishing vessels around Australia. This total of 222 also included 19 employees on long-term leave or on temporary transfer to other Australian Public Service agencies.

AFMA's employment profile has not changed significantly from 2008–09. The proportion of part-time staff has stayed steady at 11.3 per cent in 2009–10 from 11.5 per cent in 2008–09, just under the Australian Public Service average of 12.9 per cent.

Likewise, the proportion of women has remained relatively static at 34.8 per cent in 2009–10 from 34.0 per cent in 2008–09. However, the percentage of women at EL1-2 levels has increased slightly from 28 per cent in 2008–09 to 30.5 per cent in 2009–10.

There was a small increase in the number of staff from non-English speaking backgrounds, from eight to 12; however, there was a decrease in the number of staff whose parents come from a non-English speaking background from 41 to 33. The number of Aboriginal and Torres Strait Islander staff members stayed the same at six. We had no employees who identified as having a disability, which is the same as the previous year.

TABLE 3: EQUAL OPPORTUNITY PROFILE OF AFMA STAFF AS AT 30 JUNE 2010

Level	NESB1	NESB2	People with disability	Aboriginal and Torres Strait Islander	Women	Men	Total staff at level
APS 2-4	5	14		4	34	47	81
APS 5-6	4	11		1	26	53	79
EL1	3	5		1	14	30	44
EL2		3			4	11	15
SES					0	3	3
Total	12	33	0	6	78	144	222

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

NESB2: Persons whose parents are from a non-English speaking background.

TABLE 4: ONGOING STAFF EMPLOYED BY LOCATION, GENDER AND NOMINAL EMPLOYMENT STATUS AS AT 30 JUNE 2010

Level	Location	Women		Men		Total staff at level
		PART TIME	FULL TIME	PART TIME	FULL TIME	
APS 1-2	Canberra	4	1		2	7
	Darwin	2				2
	Thursday Island		1			1
APS 3-4	Canberra	7	15		13	35
	Darwin		4		12	16
	Thursday Island				1	1
APS 5-6	Canberra	3	19	1	39	62
	Darwin		1		12	13
	Thursday Island		1		1	2
EL1	Canberra	4	7	2	23	36
	Darwin		2		3	5
	Thursday Island		1		1	2
EL2	Canberra	2	2		10	14
	Darwin				1	1
	Thursday Island					0
SES	Canberra				3	3
	Darwin					0
	Thursday Island					0
Total		22	54	3	121	200*

* This figure includes 19 staff on long-term leave or temporary transfer to other Australian Public Service agencies.

TABLE 5: NON-ONGOING STAFF EMPLOYED BY LOCATION, GENDER AND NOMINAL EMPLOYMENT STATUS AS AT 30 JUNE 2010

Level	Location	Women		Men		Total staff at level
		PART TIME	FULL TIME	PART TIME	FULL TIME	
APS 1-2	Canberra	1			1	2
	Darwin					0
	Thursday Island					0
	Field staff (casual)				11	11
APS 3-4	Canberra				1	1
	Darwin					0
	Thursday Island					0
	Field staff (casual)				6	6
APS 5-6	Canberra		1			1
	Darwin					0
	Thursday Island					0
EL1	Canberra					0
	Darwin				1	1
	Thursday Island					0
EL2	Canberra					0
	Darwin					0
	Thursday Island					0
SES	Canberra					0
	Darwin					0
	Thursday Island					0
Total		1	1	0	20	22

OUR HUMAN RESOURCE MANAGEMENT

During 2009–10 AFMA implemented e-recruitment to modernise and streamline our recruitment processes. E-recruitment allows applicants to apply online, and within AFMA it provides for more effective management of each recruitment process, from collating applications to communicating with applicants and tracking progress of the selection.

AFMA had eight graduates in 2009, four participating in the six-month program

and four in the year-long program. All of these graduates completed a Diploma of Government through the Australian Public Service Commission’s small agencies graduate development program. As part of the program, participants were required to complete a major project relating to their studies in government, and AFMA Graduates Jill Harrap, Kylie Tonon and Mathew Kertesz were named the major project winners for their review of AFMA’s Performance Recognition Scheme and Rewards and Recognition Program.

AFMA did not run a graduate program in 2010.

AFMA's staff turnover rate during 2009–10 was 12.6 per cent. Of this, 55 per cent was due to resignation and 41 per cent due to permanent transfer or promotion to other Australian Public Service agencies.

Through targeted recruitment, training and human resources development, AFMA has a skilled workforce and AFMA staff are highly valued both within the agency and in other APS agencies and departments. With AFMA staff often being sought by other APS agencies and departments, succession planning is a continuing challenge and priority for Human Resource Management in AFMA.

AFMA recognises its high performers with awards throughout the year and with presentation of overall achievement awards at the end of each year. In 2010, team achievement awards were presented to the Data Processing Team for its contribution to AFMA including quality and timeliness of service; and the Observer Program Team, for the significant work undertaken to improve the program's operations. Individual achievement awards were presented to Sophie Dening for her coordination of the 2008–09 annual report, and Adam Leahey for the high quality of service provided on the IT Helpdesk.

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 Code of Conduct
- Respect: ensuring a positive workplace culture free from bullying and harassment.

OUR TERMS AND CONDITIONS OF EMPLOYMENT

The conditions of employment for all AFMA staff, except senior executives, are covered by a collective agreement and associated policies. Senior executive salaries are determined through individual agreements. The latest collective agreement commenced on 30 December 2008 and is due to expire on 30 June 2011. This collective agreement continues a principle-based approach that promotes discussion and interaction between AFMA management and staff.

AFMA made two individual determinations under section 24(1) of the *Public Service Act 1999*. These determinations were in relation to Senior Executive Service employment.

REMUNERATION

AFMA's salary ranges are contained in the collective agreement. The salary amounts as at 30 June 2010 are shown in table 6. These salaries increased by four per cent on 1 July 2010.

TABLE 6: COLLECTIVE AGREEMENT SALARY RANGES AS AT 30 JUNE 2010

Classification	Minimum	Maximum
APS 1	\$33 285	\$42 482
APS 2	\$45 545	\$48 613
APS 3	\$49 853	\$54 182
APS 4	\$56 344	\$60 241
APS 5	\$62 096	\$65 769
APS 6	\$69 439	\$76 786
EL1	\$85 419	\$94 938
EL2	\$100 214	\$116 835

Forty-seven staff members received performance bonuses averaging \$3836.68 each. These bonuses were awarded in July 2009 and related to performance during 2008–09.

The remuneration of senior executives is determined with reference to the remuneration survey published by the Department of Education, Employment and Workplace Relations, and is commensurate with the assessed complexity of their work. Each senior executive is eligible for a bonus amount after a performance assessment by the Chief Executive Officer and information provided by the Senior Manager, Human Resources. The senior executives were awarded a total of \$48 632 in bonus payments for their performance across the 2008–09 year. Due to the small numbers of senior executives within AFMA, further breakdown of this remuneration is not made available to avoid identification of individuals.

Remuneration for the Chief Executive Officer is determined by the Remuneration Tribunal. Details are available from the Remuneration Tribunal website.

AFMA did not generally make use of any non-salary benefits in 2009–10.

TRAINING AND DEVELOPMENT

AFMA is highly committed to providing opportunities for staff development to ensure we have a capable workforce, and to encourage continuous learning. In 2009–10 we had a particular focus on training in the following areas:

- project management
- Cert IV in Government (Investigation)
- Diploma of Security & Risk Management
- using Microsoft Excel – introductory to advanced
- policy writing
- negotiation skills
- giving and receiving feedback
- respect and courtesy in the workplace
- sea safety training, and
- first aid and fire warden training.



AFMA's 2009 graduates, pictured with CEO Glenn Hurry, participated in the Small Agency Graduate Development program run by the Australian Public Service Commission. The graduates participated in courses throughout the year on many aspects of working in the Australian Public Service and earned the qualification of Diploma of Government. Photo – Australian Public Service Commission

- Training needs are determined by annually completed individual training needs analysis forms which are compiled to assess agency training requirements. Individuals can also self-nominate or be nominated by a manager for any specific training. This system has worked well for AFMA in determining training priorities and ensuring individuals are given opportunities they require for their roles and responsibilities and for self-development.

AFMA also offers a studies assistance program to staff wanting to pursue qualifications. Assistance can be in the form of funding and/or study leave. In 2009–10, 16 staff members were granted assistance for studies in various areas including fisheries policy, law, marine science, economics and public policy.

OCCUPATIONAL HEALTH AND SAFETY

Health and safety management arrangements

AFMA's Health and Safety Management Arrangements 2008 outline the occupational health and safety (OH&S) responsibilities of the agency, supervisory staff and employees, the reporting of incidents, accidents and hazards, dispute resolution procedures, and arrangements regarding the Occupational Health and Safety Committee. The Health and Safety Management Arrangements are reviewed every three years, or earlier if required, in consultation with staff and management. The Arrangements, and any relevant information, are made available to staff on AFMA's intranet.

Our Occupational Health and Safety Committee met three times during 2009–10 to progress development of health and safety management arrangements and associated policies.

Health and safety initiatives

During 2009–10, we updated the following policies:

- Guidelines for eyesight testing and optical correction
- Manual handling policy
- Guidelines for managing risk of Deep Vein Thrombosis
- Safe driving policy
- Smoke-free work environment policy
- Drug and alcohol policy
- Sun protection policy

In June 2010, we ran 'Health Promotion Week' which involved free health checks for staff and a health fair where staff received personalised advice about topics such as nutrition and exercise.

As every year, we provided free onsite influenza vaccinations to staff that wish to receive them. In 2009–10, we ran an additional cycle of vaccinations in order to offer staff immunisation against the H1N1 strain, known as swine flu. We experienced a strong take-up rate for both of these opportunities.

In 2009–10, we engaged a consultant to conduct an OH&S risk assessment of at-sea activities, with the final report to be received in the latter part of 2010.

Six workstation assessments were conducted in 2009–10 for those staff experiencing any sort of pain or discomfort at their workstation. As a result of these assessments a variety of measures were implemented, including purchasing of specialised chairs, and desk and computer equipment.

Health and safety outcomes achieved

AFMA again performed well in occupational health and safety. Our workers compensation premium remained under the

Commonwealth average and there were no notifiable injuries or incidents.

We had an unplanned absence rate of 7.7 days per person, which is up from last year (5.7 days) but still lower than the APS average of 10.2 days per employee per year.

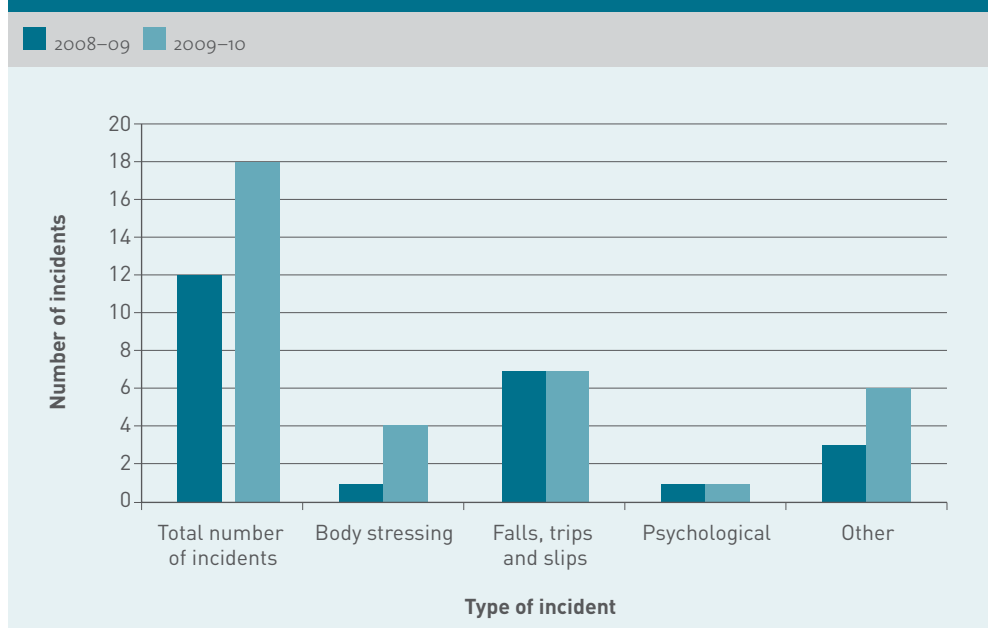
AFMA successfully rehabilitated a small number of staff that sustained an injury with the potential to become more serious. We continued to provide a successful return to work opportunity for a staff member from another agency.

Accident or dangerous occurrence statistics

In 2009–10, we recorded 18 incidents, accidents or near misses (see figure 2). This is 50 per cent higher than the previous year; however, this is partly due to more diligent reporting of incidents and most of these were very low in severity.

In total, 297 full-time-equivalent days were compensated as part of Comcare claims.

FIGURE 2: AFMA OH&S INCIDENT REPORTS COMPARISON



Investigations conducted during the year

No investigations were conducted by Comcare under section 41 of the *Occupational Health and Safety (Commonwealth Employment) Act 1991*. In addition, there were no notices issued in relation to health and safety representatives and no prohibition notices issued.

STAKEHOLDER SATISFACTION

OUR STAKEHOLDERS

When developing and implementing fisheries management arrangements, AFMA works in partnership with key stakeholders including commercial fishing operators and associations, researchers, environment/conservation organisations and where appropriate, others who have an interest in how Australia's Commonwealth fisheries are managed. These include recreational and charter fishing and Indigenous interests. AFMA engages with stakeholder groups through a variety of avenues, including management advisory committees, liaison officers, port visits, newsletters and direct mail across all major Commonwealth fisheries. These mechanisms provide an important advisory function and maintain an open dialogue between AFMA and those with an interest in the management of the fisheries.

As part of the multi-agency Border Protection Command, we provide specialist fisheries advice to the maritime security community and are on call 24 hours a day, 365 days a year. The Border Protection Command delivers an integrated approach to Australia's maritime security threats and a key part of its success is the progress made by a number of Australian Government agencies in working with countries to develop their capacity in maritime security. Working with AusAid and other agencies, AFMA is building strategic partnerships with countries to exchange information, provide training support and facilitate officer exchange programs that enhance our region's capacity to maximise sustainable utilisation of fisheries resources.



AFMA liaises with stakeholders, including in our corporate planning workshop. Pictured L – R: Alistair Graham, Ocean Policy Advisor for World Wildlife Fund; Richard Stevens, AFMA Commissioner; Allan Crosthwaite, CEO of the Commonwealth Fisheries Association. *Photo – Tim Dawson*

COMMUNICATION CHANNELS

The *Fisheries Management Act 1991* contains specific provisions on the communication and consultation processes and channels for communicating information about regulation. This is particularly important when management plans for the different fisheries under the control of the Commonwealth are being developed or amended by AFMA.

AFMA communicates formally in writing with all Commonwealth fishing concession holders regarding regulation of their access to Commonwealth fisheries.

In addition to statutory processes, AFMA consults extensively with stakeholders on management decisions. The main point of contact with stakeholders is through management advisory committees for each of the major fisheries. There is more information on management advisory committees on page 145–149.

Our stakeholders are regularly updated about changes to regulations, Commission decisions and other changes via the AFMA

website, and through our fortnightly newsletter *AFMA Update* which is sent directly to subscribers and also made available on the website.

AFMA also conveys information about regulation at port visits and public meetings. Open port meetings are a regular occurrence in fisheries, and are always held to discuss proposed new management plans.

MANAGEMENT ADVISORY COMMITTEES

AFMA's management advisory committees are established under the *Fisheries Administration Act 1991* to assist AFMA in the management of its fisheries. They comprise a Chair, an AFMA fisheries manager, up to seven other members and, in some instances, additional invited participants. Members generally comprise commercial fishers, processors, environmental groups, marine researchers, recreational fishers, charter boat operators and relevant State and Australian Government agencies.

In response to a business efficiency review of AFMA, the number of management advisory committees was reduced from twelve to nine on 1 July 2009. The committees that operated throughout 2009–10 are as follows:

- Tropical Tuna Management Advisory Committee (TTMAC)
- Great Australian Bight Trawl Sector Management Advisory Committee (GABMAC)
- Northern Prawn Fishery Management Advisory Committee (NORMAC)
- Southern Bluefin Tuna Fishery Management Advisory Committee (SBTMAC)
- Bass Strait Central Zone Scallop Fishery Management Advisory Committee (ScallopMAC)
- South East Management Advisory Committee (SEMAC)
- Sub-Antarctic Fisheries Management Advisory Committee (SouthMAC)
- Small Pelagic Fishery Management Advisory Committee (SPFMAC), and
- Southern Squid Jig Fishery Management Advisory Committee (SquidMAC).

From 1 July 2010, the number of management advisory committees will be further reduced from nine to seven. Both the Small Pelagic Fishery MAC and the Southern Squid Jig Fishery MAC finished on 30 June 2010. In future, the Small Pelagic Fishery and the Southern Squid Jig Fishery will be included in the South East management advisory committees.

For information on specific management advisory committees, their memberships and meetings held during 2009–10, see appendix 4.

CLIENT SERVICE CHARTER

AFMA's *Client Service Charter* sets out the services and standards that all clients or stakeholders can expect from AFMA. It applies to all of AFMA's fisheries administration and corporate services, including our licensing function. The Client Service Charter is available on AFMA's website at <www.afma.gov.au>.

In 2009–10 AFMA performed well against the customer service standards in our Client Service Charter and continues to implement processes to improve our customer service. In particular, the automation of licensing functions through our online portal, GOFish, will allow for continual tracking of customer service standards in our licensing function. AFMA also purchased a correspondence workflow system in 2010, which is expected to improve the timeliness of responses to written correspondence in 2010–11.

During 2009–10, AFMA received no written complaints.

There were no approaches to the Ombudsman regarding AFMA during 2009–10.

OUR FISHERIES



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Western Tuna and Billfish Fishery	81

QUICK REFERENCE GUIDE TO DOMESTIC FISHERIES PERFORMANCE IN 2009–10

✓ Performance target met or exceeded for 2009–10 ✓ Performance target partially met for 2009–10 ✗ Performance target not met for 2009–10

Fishery	Fisheries management		Science based decision making				Research and information		
	EFFECTIVENESS OF MANAGEMENT ARRANGEMENTS	MANAGEMENT PLAN	BYCATCH ACTION PLAN	HARVEST STRATEGY	ECOLOGICAL RISK ASSESSMENT	STRATEGIC ASSESSMENT	STRATEGIC RESEARCH PLAN	DATA ACQUISITION PLAN	
Bass Strait Central Zone Scallop Fishery	✓	✓	✓	✓	✓	✓	✓	✓	
Coral Sea Fishery	✓	n/a	✓	✓	✓	✓	✓	✓	
Eastern Tuna and Billfish Fishery	✓	✓	✓	✓	✓	✓	✓	✓	
Heard Island and McDonald Islands Fishery	✓	✓	n/a	✓	✓	✓	✓	✓	
Macquarie Island Toothfish Fishery	✓	✓	n/a	✓	✓	✓	✓	✓	
Norfolk Island Fisheries	✓	n/a	n/a	n/a	n/a	n/a	n/a	n/a	
Northern Prawn Fishery	✓	✓	✓	✓	✓	✓	✓	✓	
North West Slope Trawl Fishery	✓	n/a	✓	✓	✓	✓	n/a	✓	

Fishery	Fisheries management		Science based decision making				Research and information		
	EFFECTIVENESS OF MANAGEMENT ARRANGEMENTS	MANAGEMENT PLAN	BYCATCH ACTION PLAN	HARVEST STRATEGY	ECOLOGICAL RISK ASSESSMENT	STRATEGIC ASSESSMENT	STRATEGIC RESEARCH PLAN	DATA ACQUISITION PLAN	
Skipjack Tuna Fishery	✓	n/a	n/a	✓	✓		n/a	n/a	
Small Pelagic Fishery	✓	✓	✓	✓	✓		✓		
Southern Bluefin Tuna Fishery	✓	✓	✓	n/a	✓		✓	✓	
Southern and Eastern Scalegfish and Shark Fishery	✓	✓	✓	✓	✓		✓	✓	
Southern Squid Jig Fishery	✓	✓	✓	✓	✓		✓	✓	
Western Deepwater Trawl Fishery	✓	n/a	✓	✓	✓		n/a	✓	
Western Tuna and Billfish Fishery	✓	✓	✓	✓	✓		✓	✓	

Stock status of target species

Fishery	Overfishing	Overfished	Stock status of target species (Bureau of Rural Sciences <i>Fishery Status Report 2009</i>)
■ No overfishing/not overfished ■ Uncertain ■ Overfishing/overfished			
Bass Strait Central Zone Scallop Fishery			Commercial Scallop
Coral Sea Fishery			Sandfish, Surf Redfish, other sea cucumber species (11 species), demersal and mid-water fish and crustaceans (Trawl and Trap Sector)
			Black Teatfish, Prickly Redfish, White Teatfish, Aquarium species, mixed reef fish (Line and Trap Sector). <i>See AFMA Footnote 1</i>
			Tropical Rock Lobster, Trochus
Eastern Tuna and Billfish Fishery			Swordfish, Albacore Tuna, Yellowfin Tuna. <i>See AFMA Footnote 2</i>
			Striped Marlin. <i>See AFMA Footnote 2</i>
			Bigeye Tuna. <i>See AFMA Footnote 2</i>
Heard Island and McDonald Islands Fishery			Mackerel Icefish, Patagonian Toothfish. <i>See AFMA Footnote 2</i>
Macquarie Island Toothfish Fishery			Patagonian Toothfish. <i>See AFMA Footnote 2</i>
Norfolk Island Fisheries	Not assessed		

Fishery	Overfishing	Overfished	Stock status of target species (Bureau of Rural Sciences <i>Fishery Status Report 2009</i>)
■ No overfishing/not overfished ■ Uncertain ■ Overfishing/overfished			
Northern Prawn Fishery			White Banana Prawn, Red Legged Banana Prawn, Brown Tiger Prawn, Grooved Tiger Prawn, Blue Endeavour Prawn
			Red Endeavour Prawn
			Western King Prawn, Red Spot King Prawn
North West Slope Trawl Fishery			Deepwater Prawns (6 species), Scampi (3 species)
Skipjack Tuna Fishery			Skipjack Tuna, Pacific and Indian Oceans. <i>See AFMA Footnote 2</i>
Small Pelagic Fishery			Australian Sardine, Blue Mackerel (east), Blue Mackerel (west), Jack Mackerel (east; 2 species); Jack Mackerel (west; 2 species), Redbait (east)
			Redbait (west)
Southern Bluefin Tuna Fishery			Southern Bluefin Tuna. <i>See AFMA Footnote 2</i>

Fishery	Overfishing	Overfished	Stock status of target species (Bureau of Rural Sciences <i>Fishery Status Report 2009</i>)
	■ No overfishing/not overfished	■ Uncertain	■ Overfishing/overfished
Southern and Eastern Scalefish and Shark Fishery	■	■	Blue Eye Trevalla, Blue Grenadier, Deepwater Sharks (eastern; 18 species), Deepwater Sharks (western; 18 species), Eastern School Whiting, Flathead (5 species), John Dory, Mirror Dory, Ocean Perch (2 species), Orange Roughy (Cascade Plateau), Oreo Dory – Smooth (Cascade Plateau), Oreo Dory – Smooth, Oreo Dory – other, Ribaldo, Royal Red Prawn, Silver Trevally, Silver Warehouse, Alfonsino, Bight Redfish, Deepwater Flathead, Elephant Fish, Gummy Shark
	■	■	Gemfish (western), Ocean Jacket (eastern), Ocean Jacket (western)
	■	■	Orange Roughy (eastern zone), Orange Roughy (southern zone), Orange Roughy (western zone), Orange Rough (South Tasman Rise Fishery) <i>See AFMA Footnote 3</i>
	■	■	Blue Warehouse ¹ , Gulper Sharks (3 species), School Shark
	■	■	Gemfish (eastern)
	■	■	Jackass Morwong. <i>See AFMA Footnote 4</i>
	■	■	Pink Ling
	■	■	Redfish (eastern)
	■	■	Orange Roughy (Great Australian Bight Trawl Sector)
Southern Squid Jig Fishery	■	■	Gould's Squid

Fishery	Overfishing	Overfished	Stock status of target species (Bureau of Rural Sciences <i>Fishery Status Report 2009</i>)
■ No overfishing/not overfished ■ Uncertain ■ Overfishing/overfished			
Western Deepwater Trawl Fishery			Bugs, Orange Roughy, Ruby Snapper
Western Tuna and Billfish Fishery			Striped Marlin, Longtail Tuna. <i>See AFMA Footnote 2</i>
			Swordfish. <i>See AFMA Footnote 2</i>
			Albacore Tuna, Bigeye Tuna. <i>See AFMA Footnote 2</i>
			Yellowfin Tuna. <i>See AFMA Footnote 2</i>

1 The assessment of Blue Warehouse is highly dependent on an assumption of stock separation. The overfishing and overfished classifications only apply to the eastern stock. The recommended catch level for the eastern stock was set at zero however low level State- and incidental catch exceeded this level. The western stock is neither overfished nor subject to overfishing.

AFMA Footnote 1: The uncertain overfishing and overfished status of the Coral Sea Fishery stocks is a direct consequence of the extremely low levels of fishing effort and therefore low data collection in this fishery.

AFMA Footnote 2: Species in this fishery are not the sole responsibility of AFMA, they are subject to international agreements managed through a Regional Fisheries Management Organisation (RFMO)

AFMA Footnote 3: The South Tasman Rise Fishery is subject to an international agreement with New Zealand and continues to be closed to fishing. The last analysis of catches by CSIRO was conducted in 2003.

AFMA Footnote 4: The assessment of Jackass Morwong is highly dependent on an assumption of stock separation. The overfishing classification only applies to the eastern stock. While catches from the eastern stock exceeded the recommended level, the most recent assessment suggests this stock is rebuilding rapidly. The western stock is neither overfished nor subject to overfishing with the biomass at more than triple the limit reference point.

ANTARCTIC FISHERIES

Major species: Patagonian Toothfish, Mackerel Icefish

Estimated catch (2008–09): 3500 tonnes

Gross value of production: Not available

DEVELOPMENTS IN 2009–10

Heard and McDonald Island Fishery

In December 2009, the Heard and McDonald Island Fishery Ecological Risk Management report concluded that there were no target, bycatch, byproduct or protected species considered to be at high risk from the effects of fishing in this fishery

An amendment to the *Heard and McDonald Island Fishery Management Plan 2002* to increase the maximum number of vessels allowed to operate in the fishery from three to five (only three of which can be trawlers) is currently being drafted. The aim is to provide industry with flexibility to maximise the catch that can be taken by the longline fishing method, which is currently considered to be the more economically efficient method of catching Patagonian Toothfish. It is envisaged that the amendment will be finalised by December 2010.

Macquarie Island Toothfish Fishery

In December 2009, the Macquarie Island Toothfish Fishery Ecological Risk Management Report concluded that there are no target, bycatch, byproduct or protected species considered to be at

high risk from the effects of fishing in the demersal trawl sub-fishery.

The Macquarie Island fishery longline trial was extended for a fourth and final year. The trial was concluded in June 2010 and as in the previous three years of the trial, no seabird interactions were reported in the fishery.

Commission for the Conservation of Antarctic Marine Living Resources

No Australian vessels participated in Commission for the Conservation of Antarctic Marine Living Resources New and Exploratory Fisheries during 2009–10.

REPORT AGAINST MANAGEMENT PLANS

Heard Island and McDonald Island fisheries

The Heard and McDonald Island Fishery continued to be managed under the *Heard and McDonald Island Fishery Management Plan 2002* and the management principles mandated by Commission for the Conservation of Antarctic Marine Living Resources during 2009–10. All operations conducted in the fishery were in full compliance with the performance criteria outlined in the management plan.

Three vessels, two longliners and one trawler, conducted operations in the fishery in 2009–10.

Macquarie Island Toothfish Fishery

The Macquarie Island Toothfish Fishery continued to be managed under the *Macquarie Island Toothfish Fishery Management Plan 2006*. All operations conducted in the fishery were in full

compliance with the performance criteria outlined in the management plan.

One longline vessel, operating under a scientific permit, successfully completed the fourth and final year of a longline trial. The vessel took the total allowable catch for both sectors of the fishery.



An AFMA Observer monitoring setting of tori lines in the Macquarie Island Toothfish Fishery. Tori lines are used to discourage seabirds from attacking baited longlines during the setting of gear. This is an important initiative to prevent incidental mortality of endangered species in Australia's southern oceans fisheries and no seabird interactions have been reported in the fishery for four years. *Photo – Sam Hyson*



Conditions in the Antarctic fisheries can be harsh, as can be seen from the ice build-up on the deck of the *Southern Champion*.

CORAL SEA FISHERY

The Coral Sea Fishery is a diverse fishery which catches a wide range of species with methods including line, trap, trawl and hand collection. Catch composition varies considerably between years and reflects the exploratory nature of the fishery.

Major species

The top five species based on catch weights from the past five years are:

- **Line Sector** – Blacktip sharks, tiger shark, rosy snapper, whitetip reef shark and flame snapper.
- **Trap Sector** – Red emperor, red throat emperor, rosy snapper, paddletail seabream and grass emperor.
- **Trawl sector** – Alfonsino, gemfish (none since 2007), redbait, giant scarlet prawns and temperate basses and rockcods.
- **Sea Cucumber Sector** – White teatfish, surf redfish, prickly redfish, black teatfish, and blackfish.
- **Lobster (and trochus) Sector** – Tropical rock lobsters belonging to the genus *Panulirus* except *P. cygnus*. No trochus have been caught over the past five years.
- **Aquarium Sector** - extremely diverse range of species, including, fish, echinoderms, crustaceans and also live rock (limestone encrusted with organisms). The collection of live coral is prohibited in this fishery.

Estimated catch 2008–09: 53 tonnes excluding the Aquarium sector.

Gross value of production: Not available

DEVELOPMENTS IN 2009–10

Considerable progress has been made during 2009–10 in refining existing management arrangements and developing new management arrangements based on results of information such as risk assessments. These developments seek to improve the efficiency and effectiveness of the Coral Sea Fishery management arrangements, including:

- the Wildlife Trade Operation declaration for the fishery was extended by the Department of the Environment, Water, Heritage and the Arts until 19 November 2010
- a bycatch and discard workplan was developed to mitigate the risks from the fishery of non-target species
- proactive, precautionary management arrangements have been developed for deepwater sharks. These have been implemented through permit conditions and require that live animals be released and there are limits on the retention of animals brought aboard dead
- the commencement of a harvest strategy review, which will revise the trigger limits to ensure they are efficient, effective, and clearly precautionary
- commenced the development of further management arrangements for the Convention on International Trade in Endangered Species (CITES) and Chondrichthyan species (for completion in 2010–11). This will enable the fishery to clearly demonstrate its sustainability through precautionary catch limits and other management arrangements as necessary.

REPORT AGAINST MANAGEMENT PLANS

AFMA has made a determination under the *Fisheries Management Act 1991* that a management plan for the Coral Sea Fishery is not warranted.

The principal legal framework for the management of the fishery is specified in the Act and the *Fisheries Management Regulations 1992*.

A limited number of fishing permits are granted each year under the Act; these permits are subject to conditions set out in section 32(5), as well as conditions specified on the permits. Each permit includes conditions specific to the sector to which it relates and may also contain conditions specific to the particular permit. Conditions may include limits on the number of persons able to fish under the permit at any time, gear restrictions, species size limits, trigger limits and total allowable catch limits, as well as spatial controls.



Flame snapper are a major product species in the Line sector of the Coral Sea Fishery. Photo – Brad Milic

NORFOLK ISLAND FISHERIES

Major species: Inshore Fishery – Sweetlip Emperor (*Lethrinus miniatus*);

Offshore Demersal Finfish Fishery – NA

Estimated catch (2008–09): No reported commercial catch.

Gross value of production: Nil.

DEVELOPMENTS IN 2009–10

Inshore Fishery:

■ AFMA continued working with the Norfolk Island Government and other stakeholders during the year to finalise management arrangements for the Norfolk Island Inshore Fishery. The new management policy, the *Norfolk Island Inshore Fishery Management Policy 2009*, and associated Memorandum of Understanding will guide management of the recreational and charter fishing component of the Norfolk Island Inshore Fishery by the Norfolk Island Government. The Memorandum of Understanding between AFMA and the Norfolk Island Government, signed by both parties in February 2010, will allow AFMA to maintain a monitoring and advisory role in the fishery

■ to meet the intent of the *Norfolk Island Inshore Fishery Management Policy*, the Norfolk Island Government will develop its own legislation to regulate boat safety, registration and data gathering. This is expected to be undertaken in consultation with Australian Government agencies during 2010–11

■ AFMA has also undertaken to develop management arrangements for a small scale commercial fishery in the area of the Norfolk Island Inshore Fishery following the AFMA Commission's 'in principle' agreement to the proposal. The scale and nature of the fishery are yet to be determined. AFMA will commence development of a policy during 2010–11 in consultation with Australian Government agencies to guide the development of this fishery. Commercial fishing is expected to be managed under the provisions of the *Fisheries Management Act 1991*.

Offshore Demersal Finfish Fishery:

The fishery is currently closed. In February 2008, the then AFMA Board determined that a management plan was not warranted for the fishery at this time.



Norfolk Island Photo – Dave Johnson

NORTHERN PRAWN FISHERY

Major species: Brown and Grooved Tiger Prawns, White and Red-legged Banana Prawns, Endeavour Prawns and King Prawns

Estimated catch (2008–09): 6529.5 tonnes

Gross value of production (2008–09):
\$74 million

DEVELOPMENTS IN 2009–10

- all 52 boat Statutory Fishing Rights were utilised during the 2009 Tiger Prawn season (25 July to 5 December 2009). The total allowable Tiger Prawn effort was increased for the season to pursue the maximum economic yield targets for the fishery. The fishery experienced a slight increase in average catch rates for 2009 (0.325 tonne per day) compared with 2008 (0.220 tonne per day). Effort was within the sustainable limits for the fishery
- all 52 boat Statutory Fishing Rights were utilised during the 2010 Banana Prawn season (1 April to 10 June 2010). Average catch rates were above the levels required for the fishery to remain open for the maximum 10 week season. Catch rates for the 2010 season (1.920 tonnes per day¹) were similar to those in recent years (2009 – 1.904 tonnes per day)
- in May 2010, the fishery received renewed certification from the United States Department of State to export product from the fishery to the United States. To meet the certification criteria, all vessels must have turtle exclusion devices fitted. The use of

these devices is a mandatory requirement in the Northern Prawn Fishery.

REPORT AGAINST MANAGEMENT PLAN

The fishery is managed through a combination of input controls (limited entry, seasonal closures, gear restrictions and operational controls), implemented under the *Northern Prawn Fishery Management Plan 1995*. Management arrangements for the fishery remained unchanged for 2009–10.

During 2009, a cost-benefit analysis was completed comparing options for implementing individual transferable quota in the fishery. The analysis investigated potential individual transferable quota management options for Tiger Prawns, Banana Prawns and a combination of both. In August 2009, the AFMA Commission gave consideration to the outcomes of the analysis and agreed to implement a system of individual transferable quotas for both Banana Prawns and Tiger Prawns. The decision was made based on the best option for pursuing AFMA's legislative objectives in the fishery.

In June 2010, the AFMA Commission agreed to a recommendation made by an Independent Allocation Advisory Panel to translate current gear units to quota units based on a one for one translation. To implement output controls, an amendment to the *Northern Prawn Fishery Management Plan 1995* is required. Drafting of this amendment has commenced. AFMA is working closely with stakeholders to develop the most cost-effective and practical system for quota. It is expected that the fishery will be operating under output controls by January 2012.

¹ This is a provisional catch rate. Final reconciliation of logbook data against season landing returns was not yet completed at time of publishing.

During 2009–10, the three-year co-management trial in the Northern Prawn Fishery continued and has progressed well. The trial, which entered its second phase during 2009–10, has the Northern Prawn Fishery Industry Pty Ltd taking on greater responsibility for managing catch, effort and observer information, as well as managing the crew-member observer program. Under the trial, Northern Prawn Fishery Industry Pty Ltd is also responsible for making recommendations directly to AFMA

on commercial and operational matters in the fishery. This role has traditionally been undertaken by the Northern Prawn Management Advisory Committee (NORMAC) which has redirected its focus to higher level policy and strategic matters for the fishery. The trial has proved to be an effective way for industry to become more involved in the day-to-day management of the fishery, and will continue during 2010–11.



Tiger Prawns are one of the key species targeted in the Northern Prawn Fishery in Australia's northern waters. The Northern Prawn Fishery is one of Australia's most valuable fisheries. Photo – Keryn O'Regan

NORTH WEST SLOPE AND WESTERN DEEPWATER TRAWL FISHERIES

Major species:

- **North West Slope Trawl Fishery** – Scampi and Deepwater Prawns
- **Western Deepwater Trawl Fishery** – White-tailed Bugs, Deepwater Velvet Bugs and Deepwater Flathead

Estimated catch (2008–09):

- **North West Slope Trawl Fishery** – 37 tonnes
- **Western Deepwater Trawl Fishery** – 53 tonnes

Gross value of production (2008–09):

- **North West Slope Trawl Fishery** – Not available
- **Western Deepwater Trawl Fishery** – Not available

DEVELOPMENTS IN 2009–10

- there are seven fishing permits in the North West Slope Trawl Fishery and 11 permits in the Western Deepwater Trawl Fishery. The fisheries were managed in accordance with a statement of management arrangements and permit conditions
- discussions continued between the Commonwealth and the Western Australian Government over amendments to the Offshore Constitutional Settlement. The amendments are to correct errors in the boundary of the fisheries. AFMA reinstated a partial area closure in the northern region of the North West Slope Trawl Fishery while negotiations concerning the boundary continued
- a 12 month formal review of the Western Trawl Fisheries Harvest Strategy Policy has

commenced; the finalisation of the review is pending further Offshore Constitutional Settlement negotiations with the Western Australian Government. There has been limited effort in the fisheries during 2009–10 resulting in catches being well within the harvest strategy triggers. The harvest strategy is a tool to maintain key commercial stocks at ecologically sustainable levels and within this context, maximise the economic returns to the fishing industry.



Crew aboard a North West Slope Trawl Fishery vessel sorting Scampi. Photo – Gavin Kewan

SOUTHERN AND EASTERN SCALEFISH AND SHARK FISHERY

Major species:

- Great Australian Bight Trawl Fishery – Deepwater Flathead and Bight Redfish
- Gillnet Hook and Trap Fishery – Gummy Shark, Pink Ling and Blue Eye Trevalla
- South East Trawl Fishery – Blue Grenadier, Silver Warehou and Tiger Flathead
- Victorian Inshore Trawl Fishery – School Whiting and Tiger Flathead
- East Coast Deepwater Trawl Fishery – Alfonsino

Estimated catch (2008–09):

- South East Trawl Fishery: 15 449 tonnes
- Great Australian Bight Trawl Fishery: 2505 tonnes
- Gillnet Hook and Trap Fishery: 4509 tonnes
- East Coast Deepwater Trawl Fishery: NA
- Victorian Inshore Trawl Fishery: 146 tonnes

Gross value of production (2008–09):

- | | |
|---|----------------|
| ■ South East Trawl Fishery: | \$55.9 million |
| ■ Great Australian Bight Trawl Fishery: | \$9 million |
| ■ Gillnet Hook and Trap Fishery: | \$30.6 million |
| ■ East Coast Deepwater Trawl Fishery: | Not available |
| ■ Victorian Inshore Trawl Fishery: | Not available |

DEVELOPMENTS IN 2009–10

- AFMA developed and implemented a management strategy to reduce interactions between Australian Sea Lions and gillnetting operations in the Southern and Eastern Scalefish and Shark Fishery in South Australia. The strategy, which came into effect on 30 June 2010, was developed after extensive consultation with the fishing industry, conservation agencies, and marine mammal experts. The strategy aims to significantly reduce the impact of fishing on Australian Sea Lions and to enable the recovery of this protected species
- AFMA developed and implemented the Upper-Slope Dogfish Management Strategy with the broad objective to reduce the ecological risk of fishing on Harrison’s, Southern and Endeavour dogfishes and Greeneye Spurdog to maintain the viability of populations in the wild. The strategy applies to all Commonwealth fisheries in which the species are found; however, the management focus is on the Southern and Eastern Scalefish and Shark Fishery. The strategy has been developed in consultation with industry, scientific experts, Commonwealth Scientific and Industrial Research Organisation, Bureau of Rural Sciences and the Department of the Environment, Water, Heritage and the Arts
- AFMA has implemented individual vessel Seabird Management Plans that outline requirements to reduce or avoid seabird interactions in the trawl sector, while providing for continued safe and cost-effective commercial fishing

- AFMA commissioned a study to design statistically robust observer coverage to monitor interactions with high risk species and all threatened, endangered, protected species. The revised sampling design was implemented on 1 July 2010.

REPORT AGAINST MANAGEMENT PLAN

The *Southern and Eastern Scalefish and Shark Fishery Management Plan* was determined in 2003. Quota statutory fishing rights for scalefish quota species came into effect on 1 January 2005. A harvest strategy framework was implemented in 2005 and used to recommend total allowable catch limits for all scalefish species in 2006 and all quota species in 2007 and 2008.

Measures to give effect to the Ministerial Direction issued to AFMA, under Section 91 of the *Fisheries Administration Act 1991*, have been implemented since 2006. Relevant Commission decisions relating to measures to implement the Direction and the *Southern and Eastern Scalefish and Shark Fishery Management Plan* include:

- spatial closures to ensure future sustainability of Orange Roughy and Deepwater sharks
- spatial closures to ensure future sustainability of Gulper Sharks in three separate areas of the fishery
- spatial closures in the gillnet sector to protect nursery areas of School and Gummy Shark and increase protection for the stock
- spatial closures to rebuild the Pink Ling stock in the area east of Bass Strait
- development of individual vessel management plans to reduce seabird interactions in the trawl sector.

Total allowable catch limits for the fishing season commencing 1 May 2010 increased or remained the same for the following species:

- Alfonsino, Blue Grenadier, Blue Warehouse, Deepwater Shark basket (Western), Deepwater Shark basket (Eastern), Gemfish (East), Gummy Shark, Jackass Morwong, John Dory, Mirror Dory, Orange Roughy (Eastern), Orange Roughy (Southern), Orange Roughy (Western), Orange Roughy (Cascade), Smooth Oreo (Cascade), Smooth Oreo (Other), Oreo basket, Pink Ling, Royal Red Prawn, Silver Trevally.

Total allowable catch limits for the fishing season commencing 1 May 2010 reduced for the following species:

- Bight Redfish, Blue Eye Trevalla, Deepwater Flathead, Elephantfish, Flathead, Gemfish (western), Ocean Perch, Redfish, Ribaldo, Saw Shark, School Shark, School Whiting, Silver Warehouse.



Mixed catch in the Southern and Eastern Scalefish and Shark Fishery. This fishery is varied with a number of different methods and target species. *Photo – AFMA*

BASS STRAIT CENTRAL ZONE SCALLOP FISHERY

Major species: Commercial Scallops

Estimated catch (2008–09): 594 tonnes*

Gross value of production (2008–09):
\$1.2 million*

*This fishery was closed until 31 May 2009

DEVELOPMENTS IN 2009–10

- fishery-wide surveys were used to assess the status of stocks in the fishery on an annual basis, following the closure of the fishery between 20 December 2005 and 31 May 2009
- based on survey results showing stock rebuilding, commercial fishing recommenced on 1 June 2009 with a total allowable catch of 2650 tonnes (including a research catch allowance of 150 tonnes) for Commercial Scallops and 100 tonnes for Doughboy Scallops determined for the 2009 fishing season
- amendments were made to the *Bass Strait Central Zone Scallop Fishery Management Plan 2002* to enable the application of the Harvest Strategy. This included removing the minimum shell length and extending the season length by an additional month
- following a successful 2009 fishing season and ongoing research demonstrating that stocks levels were increasing, the 2010 fishing season commenced on 1 April 2010. The total allowable catch was set at 3150 tonnes (including a research catch allowance of 150 tonnes) for Commercial Scallops and 100 tonnes for Doughboy Scallops.

REPORT AGAINST MANAGEMENT PLAN

The Bass Strait Central Zone Scallop Fishery continued to be managed under the arrangements in the *Bass Strait Central Zone Scallop Fishery Management Plan 2002* during 2009–10. The 2009 season was the first application of the Harvest Strategy for the fishery. The Harvest Strategy is a detailed spatial management system which keeps the fishery closed unless surveys indicate that decision rules relating to biomass, shell length, discard rate and fishing area have been met.

The 2009 fishing season was generally considered successful, yielding 2404 tonnes (96 per cent) of the 2500 tonne of the Commercial Scallop total allowable catch and 121 tonnes of the 150 tonne Commercial Scallop research catch allowance also landed. No Doughboy Scallops were landed as a market for this species is yet to be developed.

The provisions in the *Bass Strait Central Zone Scallop Fishery Management Plan 2002* were amended for the start of the 2010 season to better allow the application of the decision rules contained in the Bass Strait Central Zone Scallop Fishery Harvest Strategy. The amendments extended the fishing season and removed the minimum shell length of 90mm. The implementation of the Harvest Strategy made these older input controls redundant and they were removed to promote greater economic efficiency in the fishery.

Based on results of the assessment and application of the Harvest Strategy decision rules and the *Bass Strait Central Zone Scallop Fishery Management Plan 2002*, the total allowable catch for Commercial Scallops was

increased from 2650 tonnes in 2009 to 3150 tonnes in 2010 (including a research catch allowance of 150 tonnes in both seasons). The total allowable catch for Doughboy Scallops remained at 100 tonnes.



Scallops taken in the Bass Strait Central Zone Scallop Fishery. Photo – AFMA

SOUTHERN SQUID JIG FISHERY

Major species: Arrow Squid

Estimated catch (2008–09): 307 tonnes

Gross value of production (2008–09):
Not available

DEVELOPMENTS IN 2009–10

- activity in the fishery remained low due to competition from cheaper imported squid product
- the Fisheries Research and Development Corporation funded a research project designed to assist the profitability of operators in the Southern Squid Jig Fishery. During the 2010 fishing season, a consulting firm will work with AFMA and industry members in the Southern Squid Jig Fishery to develop a range of practical options to increase profitability and efficiency across the sector.

■ REPORT AGAINST MANAGEMENT PLAN

The Southern Squid Jig Fishery continued to be managed under the arrangements in the *Southern Squid Jig Fishery Management Plan 2005* during 2009–10.

The provisions in this management plan were supplemented for the 2009 season by the application of the decision rules contained in the Southern Squid Jig Fishery Harvest Strategy. Based on the Harvest

Strategy and the provisions of the *Southern Squid Jig Fishery Management Plan 2005*, the total allowable effort limit for the 2009 season was set at 590 standard squid jigging machines. This was reduced to 580 standard squid jigging machines in 2010 after Southern Squid Jig Fishery gear statutory fishing rights were voluntarily surrendered by some operators during the 2009 season.



Squid jigging equipment on a Southern Squid Jig Fishery vessel in Portland, Vic. Photo – Matt Daniel

SMALL PELAGIC FISHERY

Major species: Australian Sardine, Jack Mackerel, Blue Mackerel and Redbait.

Estimated catch (2008–09): 4039 tonnes

Gross value of production (2008–09):
Not available

DEVELOPMENTS IN 2009–10

- after extensive consultation with stakeholders, the *Small Pelagic Fishery Management Plan* was determined on 2 November 2009 and accepted by the Minister on 30 December 2009. The Plan provides for the allocation of Statutory Fishing Rights in respect of the target species – Australian Sardine, Blue Mackerel, Jack Mackerel and Redbait
- the *Fisheries Management (Small Pelagic Fishery) Regulations 2010*, which prescribe particulars to be included on the Statutory Fishing Rights, are now in force
- AFMA published the provisional grant of Statutory Fishing Rights in May 2010. A number of appeals were received by the Statutory Fishing Rights Allocation Review Panel in relation to the provisional grant. The final grant of Statutory Fishing Rights will commence once the appeals are resolved
- the fishery has been granted export approval under Part 13A of the *Environment Protection and Biodiversity Conservation Act 1999* until 2 November 2014.

A number of assessments and reports which allow effective management of the fishery have been finalised and implemented during 2009–10, including:

- the Small Pelagic Fishery Bycatch and Discard Work Plan
- a revision of the Small Pelagic Fishery Harvest Strategy, and
- Ecological risk management reports for mid-water trawl and purse seine fishing methods.



A Small Pelagic Fishery purse seining vessel.
Photo – Brad Milic

EASTERN TUNA AND BILLFISH FISHERY

Major species: Albacore Tuna, Bigeye Tuna, Broadbill Swordfish, Striped Marlin and Yellowfin Tuna

Estimated catch 2008–09: 6399.5 tonnes

Gross value of production 2008–09: \$38.9 million

DEVELOPMENTS IN 2009–10

- longline and minor line Statutory Fishing Rights were granted in August 2009, under the *Eastern Tuna and Billfish Fishery Management Plan 2005*
- the management plan transitional arrangements ceased on 31 October 2009 and the management plan was fully implemented on 1 November 2009 when longline and minor line Statutory Fishing Rights came into effect
- the first total allowable effort was set for the Eastern Tuna and Billfish Fishery longline sector at 12 million hooks for a 16 month season (equivalent to 9 million hooks for 12 months)
- an amendment to the *Eastern Tuna and Billfish Fishery Management Plan* was determined by the AFMA Commission in June 2010 to simplify the effort management system pending the introduction of individual transferable quotas
- an Independent Allocation Advisory Panel provided advice on the most appropriate formula for the translation of longline and minor line Statutory Fishing Rights to quota Statutory Fishing Rights
- the AFMA Commission agreed to the formula for the translation of longline and minor line Statutory Fishing Rights to quota Statutory Fishing Rights in October 2009
- Tropical Tuna Management Advisory Committee was formed and held its first meeting in August 2009. This committee combines the previously existing Eastern Tuna and Billfish Fishery, Western Tuna and Billfish Fishery and the Skipjack Tuna Fishery management advisory committees.
- a Turtle Mitigation Strategy for the Eastern Tuna and Billfish Fishery was accepted by the Western and Central Pacific Fisheries Commission.

REPORT AGAINST MANAGEMENT PLAN

The Eastern Tuna and Billfish Fishery continued to be managed under the transitional arrangements of the *Eastern Tuna and Billfish Fishery Management Plan* until 31 October 2009. These provisions limited the number of vessels that could fish in the fishery and the area each vessel could fish in. Longline and minor line Statutory Fishing Rights were granted in August 2009.

The Eastern Tuna and Billfish Fishery was managed under the full provisions of the management plan from 1 November 2009 when the first fishing season commenced. The first fishing season under the effort system will run for 16 months until

28 February 2011. Two Temporary Orders were made to simplify the effort management system in the Eastern Tuna and Billfish Fishery and a management plan amendment to the same effect was made by the AFMA Commission in June 2010.

In line with the decision rules of the Eastern Tuna and Billfish Fishery Harvest Strategy, the total allowable effort limit for the fishing season (1 November 2009 – 28 February 2011) was set at 12 million hooks for the 16 month season.

During May to November each year, AFMA implements core and buffer zones in the Eastern Tuna and Billfish Fishery to ensure that any Southern Bluefin Tuna caught is covered by quota. To enter the core and buffer zones, operators must hold a certain amount of Southern Bluefin Tuna quota and have a certain level of observer coverage. The zones are updated fortnightly using a model from CSIRO, sea surface temperatures and industry information.



Yellowfin Tuna is a key target species for the Eastern Tuna and Billfish Fishery. This Yellowfin Tuna is on sale at the Sydney Fish Market. A chunk is cut out near the tail to demonstrate the quality of the flesh to prospective buyers. This is an example of the high quality, premium product that Australia's fisheries produce. *Photo – Matt Daniel*

SOUTHERN BLUEFIN TUNA FISHERY

Major species: Southern Bluefin Tuna

Estimated catch 2008–09: 506 tonnes

Gross value of production 2008–09:
\$45.3 million

DEVELOPMENTS IN 2009–10

- at its sixteenth annual meeting in October 2009, the Commission for the Conservation of Southern Bluefin Tuna agreed to a reduction in the global total allowable catch to rebuild the stock. Australia's annual national catch allocation was set at 4015 tonnes for the next two years. The AFMA Commission met on 30 October 2009 and agreed to set a single total allowable catch of 8030 tonnes for the next two years, of which a maximum of 5265 tonnes could be taken in the first 12 months. This decision was made to give as much flexibility as possible to industry to adjust to the reduced total allowable catch
- on 1 January 2010, AFMA implemented the Commission for the Conservation of Southern Bluefin Tuna Catch Documentation Scheme which requires all legally caught fish to be individually tagged. The scheme is designed to reduce the global illegal take of Southern Bluefin Tuna
- the Southern Bluefin Tuna Fishery is currently in the process of Wildlife Trade Operation reaccreditation. The final decision is expected to be made in late August 2010. The previous Southern Bluefin Tuna Wildlife Trade Operation accreditation expired on 25 June 2010

and as a result, the Southern Bluefin Tuna was placed on the List of Exempt Native Species until 25 August 2010

- the Southern Bluefin Tuna Fishery was nominated for listing as a Conservation Dependent species under the *Environmental Protection and Biodiversity Conservation Act 1999*. The Department of the Environment, Water, Heritage and the Arts Threatened Species Scientific Committee has considered all the relevant information and has made a recommendation to the Minister for Conservation for his decision. The final decision is expected to be made in August 2010
- on 17 March 2010, industry conducted a live release of fish, which was undertaken in accordance with trial provisions of the Southern Bluefin Tuna Management Plan. A full report can be found on AFMA's website.

REPORT AGAINST MANAGEMENT PLAN

Southern Bluefish Tuna is the only species covered by the *Southern Bluefin Tuna Fishery Management Plan 1995* and globally the species is considered overfished. Recent outcomes from the Commission for the Conservation of Southern Bluefin Tuna include a reduced global total allowable catch to rebuild the stock.

In January 2010 AFMA commenced the process to amend the plan to:

- remove the prescribed procedures for undertaking a verified count, and
- extend the restricted overcatch provisions by three years.

The amendments are required to allow the flexibility to use new monitoring technologies such as stereo video and to allow the continuation of the AFMA agreed trial to allow a single end of season release of live fish to reduce the risk of exceeding Australia's national catch allocation.



A Southern Bluefin Tuna is brought onboard from a seacage in the waters off Port Lincoln, SA. Southern Bluefin Tuna are taken by purse seine as juveniles and transferred to seacages where they are grown out before being harvested and transported to buyers within Australia and overseas. *Photo – Peter Witheridge*

SKIPJACK TUNA FISHERY

Major species: Skipjack Tuna

Estimated catch 2008–09: 885 tonnes

Gross value of production 2008–09:
Not available

DEVELOPMENTS IN 2009–10

- effort has remained low in the Skipjack Tuna Fishery in 2009–10 primarily due to low value of product, the high costs of fishing and the highly variable nature of the stock
- the main processor of Skipjack Tuna, the Port Lincoln Cannery, was closed in May 2010
- from August 2009, the Tropical Tuna Management Advisory Committee (TTMAC) has provided management advice for the Skipjack Tuna Fishery in addition to the Eastern and Western Tuna and Billfish fisheries.



Fishing vessel the *Apollo* operates in the Skipjack Tuna Fishery.

WESTERN TUNA AND BILLFISH FISHERY

Major species: Broadbill Swordfish, Bigeye Tuna, Striped Marlin, Yellowfin Tuna

Estimated catch 2008–09: 290.7 tonnes

Gross value of production 2008–09:
Not available

DEVELOPMENTS IN 2009–10

- the fishery has continued to operate at low levels of effort compared to the early 2000s due to economic conditions; however, effort has increased slightly during 2009–10 compared to 2008–09
- all legal challenges to the allocation of Statutory Fishing Rights under the *Western Tuna and Billfish Fishery Management Plan* were resolved in late 2009. AFMA has completed the process to grant Statutory Fishing Rights in May 2010 and these came into effect on 1 July 2010 with the management plan fully implemented and the fishery now managed under a quota system.

REPORT AGAINST MANAGEMENT PLAN

The Western Tuna and Billfish Fishery continued to be managed under the transitional arrangements of the *Western Tuna and Billfish Fishery Management Plan* during 2009–10. These provisions limited the number of vessels that can fish in the fishery and the area each vessel can fish within. The Federal Court handed down a decision on the allocation of Statutory Fishing Rights in the Western Tuna and Billfish Fishery on 21 December 2009 and AFMA commenced the process of granting Statutory Fishing Rights in the Western Tuna and Billfish Fishery in early 2010. The *Western Tuna and Billfish Fishery Management Plan* was fully implemented on 1 July 2010 and the fishery will now be managed through a quota system.

AFMA has specified the season dates within the fishery Regulations, with the first fishing season running for 19 months commencing on 1 July 2010 and extending until 31 January 2012. All subsequent fishing seasons will commence annually on 1 February and run until 31 January. AFMA has also set the total allowable commercial catch for this extended season in line with the Western Tuna and Billfish Fishery Harvest Strategy. Total allowable commercial catches will apply to the major target species, specified in the table below:

Quota species	Total allowable commercial catches (tonnes) 1 July 2010 – 31 Jan 2012
Bigeye Tuna	3150
Yellowfin Tuna	7900
Broadbill Swordfish	4750
Striped Marlin	250



Broadbill Swordfish are a key target species in the Western Tuna and Billfish Fishery. Photo – Rick Allison

FINANCIAL STATEMENTS



5



INDEPENDENT AUDITOR'S REPORT

To the Minister for Agriculture, Fisheries and Forestry

Scope

I have audited the accompanying financial statements of the Australian Fisheries Management Authority for the year ended 30 June 2010, which comprise: a Statement by the Chief Executive and Chief Finance Officer; Statement of Comprehensive Income; Balance Sheet; Statement of Changes in Equity; Cash Flow Statement; Schedule of Commitments; Schedule of Asset Additions, Schedule of Administered Items and Notes to and forming part of the Financial Statements, including a Summary of Significant Accounting Policies.

The Responsibility of the Chief Executive for the Financial Statements

The Australian Fisheries Management Authority's Chief Executive is responsible for the preparation and fair presentation of the financial statements in accordance with the Finance Minister's Orders made under the *Financial Management and Accountability Act 1997*, including the Australian Accounting Standards (which include the Australian Accounting Interpretations). This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

My responsibility is to express an opinion on the financial statements based on my audit. I have conducted my audit in accordance with the Australian National Audit Office Auditing Standards, which incorporate the Australian Auditing Standards. These auditing standards require that I comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Australian Fisheries Management Authority's preparation and fair presentation of the financial statements 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 Australian Fisheries Management Authority's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Australian Fisheries Management Authority's Chief Executive, as well as evaluating the overall presentation of the financial statements.

GPO Box 707 CANBERRA ACT 2601
18 National Circuit BARTON ACT
Phone (02) 6203 7300 Fax (02) 6203 7777

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Independence

In conducting the audit, I have followed the independence requirements of the Australian National Audit Office, which incorporate the requirements of the Australian accounting profession.

Auditor's Opinion

In my opinion, the financial statements of the Australian Fisheries Management Authority:

- (a) have been prepared in accordance with the Finance Minister's Orders made under the *Financial Management and Accountability Act 1997*, including the Australian Accounting Standards; and
- (b) give a true and fair view of the matters required by the Finance Minister's Orders including the Australian Fisheries Management Authority's financial position as at 30 June 2010 and its financial performance and cash flows for the year then ended.

Australian National Audit Office



Peter Kerr
A/ Executive Director
Delegate of the Auditor-General
Canberra

10 September 2010

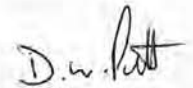
AUSTRALIAN FISHERIES MANAGEMENT AUTHORITY
FINANCIAL STATEMENTS
for the year ended 30 June 2010

STATEMENT BY THE CHIEF EXECUTIVE AND CHIEF FINANCE OFFICER

In our opinion, the attached financial statements for the year ended 30 June 2010 are based on properly maintained financial records and give a true and fair view of the matters required by the Finance Minister's Orders made under the *Financial Management and Accountability Act 1997*, as amended.



Glenn Hurry
Chief Executive
10 September 2010



David Perrott
Chief Finance Officer
10 September 2010

AUSTRALIAN FISHERIES MANAGEMENT AUTHORITY
 STATEMENT OF COMPREHENSIVE INCOME
 for the year ended 30 June 2010

	Note	2010 \$'000	2009 \$'000
EXPENSES			
Employed benefits	33	21,447	30,317
Supplier expenses	30	17,583	23,607
Depreciation and amortisation	36	1,475	1,216
Write-down and impairment of assets	37	108	50
Losses from asset sales	37	-	65
Total expenses		40,613	45,255
LESS:			
OWN-SOURCE INCOME			
Own-source revenue			
Sale of goods and rendering of services	43	2,873	1,660
Interest	48	-	9
Rental income	47	200	110
Total own-source revenue		3,073	1,779
Gains			
Sale of assets	37	2	-
Other	37	32	677
Total gains		34	677
Total own-source income		3,107	2,456
Net cost of services		37,506	42,799
Revenue from Government	1	34,306	36,733
Deficit attributable to the Australian Government		(3,198)	(6,066)
OTHER COMPREHENSIVE INCOME			
Changes in asset revaluation reserves		969	
Total other comprehensive income		969	
Total comprehensive loss attributable to the Australian Government		(2,229)	(6,066)

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

AUSTRALIAN FISHERIES MANAGEMENT AUTHORITY
BALANCE SHEET
as at 30 June 2010

	Notes	2010 \$'000	2009 £'000
ASSETS			
Financial Assets			
Cash and cash equivalents	5A	915	1,296
Trade and other receivables	5B	16,186	19,805
Total financial assets		<u>17,101</u>	<u>21,101</u>
Non-Financial Assets			
Land and buildings	6A	6,191	4,836
Property, plant and equipment	6B,C	1,216	1,131
Intangibles	6D,E	3,686	4,182
Other	6F	591	531
Total non-financial assets		<u>11,684</u>	<u>10,680</u>
Total Assets		<u>28,785</u>	<u>31,781</u>
LIABILITIES			
Payables			
Suppliers	7A	107	
Other	7B	5,456	7,454
Total payables		<u>5,563</u>	<u>7,454</u>
Provisions			
Employee provisions	8A	4,088	3,534
Total provisions		<u>4,088</u>	<u>3,534</u>
Total Liabilities		<u>9,651</u>	<u>10,988</u>
Net Assets		<u>18,634</u>	<u>20,867</u>
EQUITY			
Continued equity		9,216	9,216
Reserves		7,854	2,485
Retained earnings		5,564	8,766
Total Equity		<u>18,634</u>	<u>20,867</u>

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

AUSTRALIAN FISHERIES MANAGEMENT AUTHORITY
STATEMENT OF CHANGES IN EQUITY
for the year ended 30 June 2010

	Balanced earnings		Asset realisation reserve		Contributed equity/capital		Total equity	
	2010	2009	2010	2009	2010	2009	2010	2009
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Opening balance as at 1 July	6,762	17,466	2,885	2,885	9,216	9,216	20,863	29,457
Balance carried forward from previous period	6,762	17,466	2,885	2,885	9,216	9,216	20,863	29,457
Adjusted opening balance								
Comprehensive income:								
Assets realisations	-	-	969	-	-	-	969	-
Profit for the period	(3,198)	(6,066)	-	-	-	-	(3,198)	(6,066)
Total comprehensive income:	(3,198)	(6,066)	969	-	-	-	(2,229)	(6,066)
of which:								
Attributable to the Australian Government	(3,198)	(6,066)	969	-	-	-	(2,229)	(6,066)
Transactions with owners:								
Distributions to owners	-	-	-	-	-	-	-	-
Returns of capital:								
Redeeming (100% PA)	-	(5,510)	-	-	-	-	-	(5,510)
Closing balance as at 30 June	3,564	11,400	3,854	2,885	9,216	9,216	18,634	23,891

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

ANTICIPALAN FISHERIES MANAGEMENT AUTHORITY
 CASH FLOW STATEMENT
 for the year ended 30 June 2010

	Notes	2010 \$'000	2009 \$'000
OPERATING ACTIVITIES			
Cash received			
Goods and services		3,051	2,376
Appropriations		37,727	43,040
Interest		-	9
Net OGI received		1,736	2,772
Total cash received		42,514	50,945
Cash used			
Employees		(21,224)	(19,266)
Suppliers		(20,623)	(25,021)
Total cash used		(41,847)	(44,287)
Net cash from operating activities	(i)	667	2,758
INVESTING ACTIVITIES			
Cash received			
Proceeds from sales of property, plant and equipment		25	1,384
Total cash received		25	1,384
Cash used			
Purchase of property, plant and equipment		(1,570)	(2,546)
Total cash used		(1,570)	(2,546)
Net cash (used by) investing activities		(1,545)	(1,162)
FINANCING ACTIVITIES			
Cash used			
Transfer of cash to the OPA		-	(27,876)
Total cash used		-	(27,876)
Net cash (used by) financing activities		-	(27,876)
Net decrease in cash held		(881)	(26,580)
Cash and cash equivalents at the beginning of the reporting period		1,296	27,876
Cash and cash equivalents at the end of the reporting period	5.5	415	1,296

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

AUSTRALIAN FISHERIES MANAGEMENT AUTHORITY
SCHEDULE OF COMMITMENTS

as at 30 June 2010

	2010	2009
BY TYPE	5,006	4,000
Commitments receivable		
Sub/lease rental income	(25)	(67)
GST recoverable on commitments	(2,730)	(2,320)
Total commitments receivable	(2,755)	(2,387)
Commitments payable		
Capital commitments		
Land and building	-	500
Infrastructure, plant and equipment	-	40
Intangibles	-	152
Total capital commitments	-	692
Other commitments ¹		
Operating leases	17,845	19,344
Research and development	5,367	2,137
Other commitments	2,783	2,808
Total other commitments	25,995	24,289
Net commitments by type	22,940	23,482
BY MATURITY		
Commitments receivable		
Operating lease income ²		
One year or less	(25)	(62)
From one to five years	-	(25)
Over five years	-	-
Total operating lease income	(25)	(67)
GST recoverable on commitments		
One year or less	(622)	(500)
From one to five years	(1,621)	(1,076)
Over five years	(487)	(624)
Total other commitments receivable	(2,730)	(2,200)
Commitments payable		
Capital commitments		
One year or less	-	483
Total capital commitments	-	483
Operating lease commitments ³		
One year or less	2,066	2,250
From one to five years	10,017	9,735
Over five years	5,362	7,458
Total operating lease commitments	17,445	19,443

AUSTRALIAN FISHERIES MANAGEMENT AUTHORITY
 SCHEDULE OF COMMITMENTS (Continued)

as at 30 June 2010

	2010	2009
	5,000	3,000
Other Commitments		
One year or less	4,956	3,680
From one to five years	3,294	2,265
Over five years	-	-
Total other commitments	8,250	5,945
Net commitments by maturity	22,940	33,482

NOTE: Commitments are GST inclusive, where relevant.

¹ The nature of Other commitments is for the purchase of ongoing services, including fishery management research.

² AFMA in its capacity as a lessor sub-leases staff housing on Thursday Island.

³ AFMA in its capacity as a lessee leases office accommodation in Canberra (12 years) and Darwin (5 years) and housing on Thursday Island (between 2 and 5 years).

Lease payments are subject to fixed annual increases. The lease for the Canberra Office includes a market review at the commencement of the sixth year. The initial periods of office accommodation are null currency. Both leases may be renewed for up to three years (Canberra) and five years (Darwin).

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

AUSTRALIAN FISHERIES MANAGEMENT AUTHORITY
 SCHEDULE 1 OF ASSETS ADDITIONS
 for the year ended 30 June 2016

The following non-financial non-current assets were added in 2009-10:

	Land \$'000	Buildings \$'000	Improvements \$'000	Other property, plant & equipment \$'000	Intangibles \$'000	Total \$'000
By purchase - acquisition of ordinary annual services	-	620	252	541	157	1,570
Total additions	-	620	252	541	157	1,570

The following non-financial non-current assets were added in 2010-11:

	Land \$'000	Buildings \$'000	Improvements \$'000	Other property, plant & equipment \$'000	Intangibles \$'000	Total \$'000
By purchase - acquisition of ordinary annual services	-	370	376	2,489	2,865	2,865
Total additions	-	370	376	2,489	2,865	2,865

AUSTRALIAN FISHERIES MANAGEMENT AUTHORITY
 SCHEDULE FOR ADMINISTRATIVE ITEMS

	Notes	2010	2009
Income administered on behalf of Government <i>for the year ended 30 June 2010</i>		5,900	6,000
Revenue			
Taxation revenue			
Taxes and charges	(53)	12,337	9,520
Total taxation revenue		<u>12,337</u>	<u>9,520</u>
Non-taxation revenue			
Sale of goods and rendering of services	(21)	13	642
Fees and fines	(34)	112	5
Interest	(107)	-	1
Other	(13)	3	-
Total non-taxation revenue		<u>126</u>	<u>648</u>
Total income administered on behalf of Government		<u>12,463</u>	<u>10,168</u>
Expenses administered on behalf of Government <i>for the year ended 30 June 2010</i>			
Suppliers expenses	(14)	3,950	4,904
Depreciation and amortisation	(10)	63	39
Wages (levy and repayment of wages)	(10)	108	-
Total expenses administered on behalf of Government		<u>4,121</u>	<u>4,943</u>
Assets administered on behalf of Government <i>as at 30 June 2010</i>			
Financial assets			
Cash and cash equivalents	(74)	4	2,610
Receivables	(20)	673	1,777
Total financial assets		<u>673</u>	<u>2,792</u>
Non-financial assets			
Land and buildings	(13)	596	337
Total non-financial assets		<u>596</u>	<u>337</u>
Total assets administered on behalf of Government		<u>1,269</u>	<u>3,129</u>
Liabilities administered on behalf of Government <i>as at 30 June 2010</i>			
Payables			
Other	(13)	358	839
Total payables		<u>358</u>	<u>839</u>
Total liabilities administered on behalf of Government		<u>358</u>	<u>839</u>
This schedule should be read in conjunction with the accompanying notes.			

AUSTRALIAN FISHERIES MANAGEMENT AUTHORITY
SCHEDULE OF ADMINISTERED ITEMS (Continued)

	2018	2017
	Notes	
Administered Cash Flows		
<i>for the year ended 30 June 2018</i>	5,000	5,100
OPERATING ACTIVITIES		
Cash received:		
Levies and charge	11,640	9,339
Interest		1
Fees	114	-
Fines	13	2
Net GST received	244	369
Total cash received	<u>12,209</u>	<u>10,124</u>
Cash used:		
Supplies	(4,562)	(4,595)
Net cash flows from operating activities	<u>7,647</u>	<u>5,529</u>
INVESTING ACTIVITIES		
Cash used:		
Purchase of property, plant and equipment, and intangibles	(272)	(23)
Net cash flows used by investing activities	<u>(272)</u>	<u>(23)</u>
Net Increase in Cash Held	<u>7,375</u>	<u>5,506</u>
Cash and cash equivalents at the beginning of the reporting period	2,610	105
Cash from Official Public Account for:		
Appropriations through the Portfolio Department	-	7,175
Appropriations from the Official Public Account	1,783	-
	<u>1,783</u>	<u>7,175</u>
Cash to Official Public Account for:		
Appropriations	(11,847)	(10,074)
Cash and cash equivalents at the end of the reporting period	<u>1%</u>	<u>2,610</u>
OAG Schedule should be read in conjunction with the accompanying notes		

AUSTRALIAN FISHERIES MANAGEMENT AUTHORITY
SCHEDULE OF ADMINISTERED ITEMS (Continued)

	2010	2009
	\$'000	\$'000
Administered Commitments: <i>(as at 30 June 2010)</i>		
BY TYPE		
Commitments receivable		
GST recoverable on commitments	(457)	(574)
Total commitments receivable	<u>(457)</u>	<u>(574)</u>
Commitments payable		
Capital commitments		
Land and buildings	-	457
Total capital commitments	<u>-</u>	<u>457</u>
Other commitments ¹		
Operating leases ²	594	694
Protect commitments	1,140	1,001
Total other commitments	<u>1,734</u>	<u>1,695</u>
Net commitments by type	<u>1,277</u>	<u>1,121</u>
BY MATURITY		
Commitments receivable		
GST recoverable on commitments		
One year or less	(87)	(217)
More than one to five years	(70)	(67)
Over five years	-	(70)
Total operating lease income ³	<u>(157)</u>	<u>(354)</u>
Commitments payable		
Capital commitments		
One year or less	-	457
Total capital commitments	<u>-</u>	<u>457</u>
Operating lease commitments		
One year or less	66	66
From one to five years	330	390
Over five years	198	238
Total operating lease commitments	<u>594</u>	<u>694</u>
Other commitments		
One year or less	127	(382)
From one to five years	633	(533)
Over five years	306	(336)
Total other commitments	<u>1,066</u>	<u>(1,251)</u>
Net commitments by maturity	<u>1,277</u>	<u>1,121</u>
NB: Commitments are GST inclusive where relevant.		

¹ The nature of Other commitments is retained and other agreements for the chartering and disposal of illegal foreign fishing vessels. Agreements also include costs for the chartering and disposal of vessels on a dry-dock basis.

² AFMA lease land in Crove for the disposal of illegal foreign fishing vessels.

³ This schedule should be read in conjunction with the accompanying notes.

AUSTRALIAN FISHERIES MANAGEMENT AUTHORITY
SCHEDULE OF ADMINISTERED ITEMS (continued)

Administered Contingencies
(as at 30 June 2010)

	2010	2009
	\$'000	\$'000
Administered contingent liabilities		
Claims for shortages of stock	—	751
Total administered contingent liabilities	—	751

There are no contingent assets as at 30 June 2010.

Details of contingent liabilities in the above table are disclosed in Note 26. Administered Contingent Assets and Liabilities, along with information on significant future contingencies and contingencies that cannot be quantified.

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

Administered Asset Additions
(for the year ended 30 June 2010)

The following non-financial non-current assets were added in 2009/10 (Refer Note 17L):

	Buildings	Total
	\$'000	\$'000
By purchase – acquisition ordinary annual services	372	372
Total additions	372	372

The following non-financial non-current assets were added in 2010/11:

	Buildings	Total
	\$'000	\$'000
By purchase – other	38	38
From acquisition of entities or systems (including assets owned)	388	388
Total additions	426	426

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

For the year ended 30 June 2010

Index to the Notes of the Financial Statements

Note 1:	Summary of Significant Accounting Policies
Note 2:	Events After the Reporting Period
Note 3:	Expenses
Note 4:	Income
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Note 7:	Payables
Note 8:	Provisions
Note 9:	Restructuring
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Note 1: Summary of Significant Accounting Policies

1.1 Objectives of AFMA

The Australian Fisheries Management Authority (AFMA) is an Australian Government controlled entity. The objectives of AFMA are: ensuring the implementation of efficient and cost effective fisheries management conditions 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 objective: Biologically sustainable and economically efficient Commonwealth fisheries through understanding and monitoring Australia's marine living resources and evaluating and maintaining commercial fishing, including domestic licensing and deterrence of illegal foreign fishing.

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.

Agency 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 control by AFMA, on behalf of the Government, of items controlled or incurred by the Government.

AFMA conducts the following administered activities: Collection of licences and charges from the commercial fishing industry (revenue) and caretaking and disposal of illegal foreign fishing vessels (expense).

1.2 Basis of Preparation of the Financial Statements

The financial statements are required by section 49 of the *Financial Management and Accountability Act 1997* and are general purpose financial statements.

The Financial Statements have been prepared in accordance with:

- * Finance Minister's Orders (FMOs) for reporting periods ending on or after 1 July 2009; and
- * Australian Accounting Standards and Interpretations 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 of the financial position.

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

Unless an alternative treatment is specifically required by an accounting standard or the FMOs, assets and liabilities are recognised in the balance sheet when and only when it is probable that future economic benefits will flow to the entity or a future sacrifice of economic benefits will be required and the amounts of the assets or liabilities can be reliably measured. However, assets and liabilities arising under Agreements Equally Proportionately Departed are not recognised unless required by an accounting standard. Liabilities and assets that are not recognised are reported in the schedule of commitments in the schedule of contingencies.

Unless alternate 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.

Reimbursements, transfers, or losses, assets, and liabilities and cash flows reported in the 2009 financial statements and other notes are accounted for on the same basis and using the same policies for determination of loss except where losses are stated at 2009 C109.

1.3 Significant Accounting Judgements and Estimates

In the process of applying the accounting policies listed in this note, AFMA has made the following judgements that have the most significant impact on the amounts reported in the financial statements:

- * The fair value of land and buildings has been taken to be the market value of similar properties as estimated by an independent valuer.

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.

14. New Australian Accounting Standards

Adoption of New Australian Accounting Standard Requirements

No accounting standard has been adopted earlier than the application date as stated in the standard.

No new standards, revised standards, interpretations and amending standards that were issued prior to the signing of the Statement by the Chief Executive and Chief Finance Officer that were applicable to the current reporting period had a material financial impact on AFMA.

Future Australian Accounting Standard Requirements

No new standards, revised standards, interpretations or amending standards that were issued by the AASB prior to the signing of the Statement by the Chief Executive Officer and Chief Finance Officer are expected to have a material financial impact on AFMA for future reporting periods.

15. Revenue

Revenue from Government

Amounts appropriated for departmental outputs for the year (adjusted for any formal additions and reductions) are recognised by AFMA when AFMA gains control of the appropriation, except for certain amounts that relate to activities that are recognised in nature in which case revenue is recognised only when it has been earned.

Appropriations receivable are recognised at their nominal amounts.

Resources Received Free of Charge

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

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

Other Types of Revenue

Revenue from the sale of goods is recognised when:

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

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:

- the amount of revenue, stage of completion and transaction costs (incurred) can be reliably measured; and
- the probable economic benefit associated with the arrangement will flow to the entity.

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.

Receivables for goods and services, which have 30 day terms, are recognised at the nominal amount 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.

Interest revenue is recognised using the effective interest method as set out in AASB 139, *Financial Instruments: Recognition and Measurement*.

16. Gains

Resources Received Free of Charge

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. One of these resources is recognised as an expense.

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

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Contributions of assets at no cost or acquisition or for nominal consideration are recognised as given at their fair value when the asset qualifies for recognition, unless received from another Government agency or authority as a consequence of a restructuring of administrative arrangements (refer to Note 1.7).

Sale of Assets

Gains from disposal of assets are recognised when control of the asset has passed to the buyer.

1.5 Transactions with the Government as Owner

Equity Injections

Amounts appropriated which are designated as 'equity injections' for a year (less any annual reductions) are recognised directly in contributed equity in that year.

Restructuring of Administrative Arrangements

Net assets received from or relinquished to another Australian Government agency or authority under a restructuring of administrative arrangements are adjusted at their book value directly against contributed equity.

Other Distributions to Owners

The FRSB requires that distributions to owners be debited to contributed equity, unless in the form of a dividend.

1.6 Employee Benefits

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

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

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

Leave

The liability for employee benefits includes provision for annual leave and long service leave. No provision has been made for sick leave, as all sick leave is fully vesting and the average sick leave taken in future years by employees of AFMA is assumed to be less than the annual entitlement for sick leave.

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

The liability for long service leave has been determined by reference to the work of an actuary as at 30 June 2010. The estimate of the present value of the liability takes into account attrition rates and pay increases through promotion and inflation.

Superannuation and Redundancies

Provision is made for superannuation and redundancy benefit payments. AFMA recognises a provision for termination when it has developed a detailed formal plan for the terminations and has informed those employees affected that it will carry out the terminations.

Superannuation

All of AFMA are members of the Commonwealth Superannuation Scheme (CSS), the Public Service 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 by the Department of Finance and Deregulation as an administrative item.

AFMA makes employee contributions to the employee superannuation scheme or (was estimated by an actuary to be sufficient to meet the current cost to the Government of the superannuation contributions of AFMA's employees. AFMA accounts for the contributions as if they were contributions to defined contribution plans.

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The liability for superannuation recognised as at 30 June represents outstanding contributions for the final fortnight of the year.

1.9 Lessee

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 the risks and benefits.

When an asset is acquired by means of a finance lease, the asset is capitalised at either the fair value of the lease property or, if lower, the present value of minimum lease payments at the inception of the contract and a liability is recognised at the same time and for the same amount.

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.

1.10 Cash

Cash and cash equivalents includes cash on hand, cash held with outsiders, demand deposits (at 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. Cash is recognised at its nominal amount.

1.11 Financial Assets

AFMA classifies its financial assets as 'cash and cash equivalents' and 'receivables'.

The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

Financial assets are recognised and derecognised upon trade date.

Effective Interest Method

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

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

Receivables

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

Impairment of Financial Assets

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

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

1.12 Financial Liabilities

Financial liabilities are classified as either financial liabilities 'at fair value through profit or loss' or other financial liabilities.

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

Financial Liabilities at Fair Value Through Profit or Loss

Financial liabilities at fair value through profit or loss are initially measured at fair value. Subsequent fair value adjustments are recognised as profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability.

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Other Financial Liabilities

Other financial liabilities are initially measured at fair value, net of transaction costs.

Other financial liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

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

Supplies and other payables are recognised at amortised cost. Liabilities are recognised to the extent that the goods or services have been received (and disposal cost having been avoided).

1.13 Contingent Liabilities and Contingent Assets

Contingent liabilities and contingent assets are not recognised in the balance sheet but are reported in the notes (in schedules and footnotes). 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.

1.14 Acquisition of Assets

Assets are recorded at cost on acquisition except as noted 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.

Assets acquired at no cost, or for nominal consideration, are initially recognised at zero and become at their fair value at the date of acquisition, unless as a result of a consequence of restructuring or administrative arrangements. In the latter case, assets are initially recognised as contributions by owners in the amounts in which they were recognised in the transferee company's accounts immediately prior to the restructuring.

1.15 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 \$2,000, which are expensed in the year of acquisition other than where they form part of a group of expenditures 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 'brownfield' purchases. AFMA does not have any requirements for independent requirements.

Revaluations

Fair values for each class of asset are determined as shown below:

<i>Asset Class</i>	<i>Fair value measured at</i>
Land	Market selling price
Buildings (excl. leasehold improvements)	Market selling price
Leasehold Improvements	Depreciated replacement cost
Infrastructure, plant and equipment	Market selling price
Heritage and cultural assets	Market selling price

Following initial recognition at cost, property, plant and equipment are carried at fair value less subsequent accumulated depreciation and accumulated impairment losses. Valuations are conducted with sufficient frequency to ensure that the carrying amounts of assets do not differ materially from the assets' fair values as at the reporting date. The regularity of independent valuation depends upon the reliability of movements in market values for the relevant assets.

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

Any accumulated depreciation as at the revaluation date is eliminated against the gross carrying amount of the asset and the net is retained in the revalued amount.

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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:

	2010	2009
Buildings on freehold land	40 years	40 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 2010. 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.

Depreciation

Amount of property, plant and equipment is depreciated upon disposal or when no further financial or economic benefit is expected from its use or disposal.

1.16 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 are 3 to 7 years (2008-09, 2 to 5 years).

The change in useful life for AFMA's software has been reflected in the amortisation expense for the 2010 year. Comparative figures have not been restated.

All software assets were assessed for indications of impairment at 30 June 2010.

1.17 Taxation

AFMA is exempt from all forms of taxation except fringe benefits tax (FBT) and the Goods and Services Tax (GST).

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

- where the amount of GST incurred is not recoverable from the Australian Taxation Office and
- for receivables and payables.

1.18 Reporting of Administered Activities

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

Except where otherwise stated, financial administered items are accounted for on the same basis and using the same principles as our departmental costs, according to the approved Australian Accounting Standards.

Administrated Cash Flows to and from the Official Public Account

Revenue claimed by AFMA for use for the Government is made from the agency's administered items. Certain taxes are transferred to the Official Public Account administered by the Department of Finance and Administration. Certain payments arising from the OPS include payments under Parliament's appropriation of when the Government's liabilities to the OPS are adjusted to the cash interest held by the agency on behalf of the Government and reported as such in the statement of cash flows of the liability or administered items and in the administered reconciliation table (Table 18).

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Revenue

All substantial revenues are received relating to the contracted ordinary activities and are earned by AFMA as a result of the Australian Government.

Revenue is recognised from the collection of 100 per cent of the proceeds of commercial public and non-commercial fisheries within as provided by Sections 7 and 8 of the *Fisheries Administration Act 1982* when the proceeds of appropriate public or private fishing licences issued by the Australian Government Administration for a season is recognised and received by the taxpayer.

Note 2: Events After the Reporting Period

There have been no significant subsequent events that have the potential to significantly affect the ongoing structure and financial activities of AFMA.

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Note 3: Expenses

	2010	2009
	\$'000	\$'000
Note 3A: Employee Benefits		
Wages and salaries	16,869	16,045
Superannuation:		
Defined contribution plans	1,438	1,289
Defined benefit plans	1,225	1,098
Leave and other entitlements	1,915	1,885
Total employee benefits	21,447	20,317
Note 3B: Supplies		
Goods and services		
Research	4,191	5,021
Surveillance and equipment	654	1,859
Consultants and contractors	3,374	4,758
Travel and meetings	2,365	2,642
Information technology and communications	1,269	1,943
Training and development	523	474
Building repairs and upgrades	615	711
Contributions - Torres Strait	494	393
General administrative	1,752	2,302
Total goods and services	18,328	21,032
Goods and services are made up of:		
Rendering of services - related entities	4,909	7,525
Rendering of services - external parties	10,319	13,507
Total goods and services	15,328	21,032
Other supplier expenses		
Operating lease rentals - external parties:		
Minimum lease payments	2,425	3,517
Direct tax	-	31
Workers compensation expenses	130	229
Total other supplier expenses	2,555	3,777
Total supplier expenses	17,583	24,809
Note 3C: Depreciation and Amortisation		
Depreciation:		
Infrastructure, plant and equipment	383	323
Building and leasehold improvements	441	421
Total depreciation	824	744
Amortisation:		
Computer software	137	77
Internally developed software	514	385
Total amortisation	651	462
Total depreciation and amortisation	1,475	1,206

AUSTRALIAN FISHERIES MANAGEMENT AUTHORITY
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Note 3: Expenses (continued)

	2010	2009
	\$'000	\$'000
Note 3D: Write-Down and Impairment of Assets		
Asset write-downs and impairments from:		
Write-down of property, plant and equipment	108	50
Total write-down and impairment of assets	<u>108</u>	<u>50</u>
Note 3E: Losses from Asset Sales		
Land and buildings:		
Proceeds from sale	-	(1,413)
Carrying value of assets sold	-	(1,179)
Selling expense	-	(185)
Property, plant and equipment:		
Proceeds from sale	-	69
Carrying value of assets sold	-	(91)
Selling expense	-	-
Total losses from asset sales	<u>-</u>	<u>(65)</u>

Note 4: Income

	2010	2009
	\$'000	\$'000
REVENUE		
Note 4A: Sale of Goods and Rendering of Services		
Rendering of services - related entities	1,261	321
Rendering of services - external parties	1,614	1,299
Total sale of goods and rendering of services	<u>2,875</u>	<u>1,620</u>
Represented by:		
Observer fees	651	674
Other charges to the fishing industry	16	382
Project funding	1,263	275
Other revenue	944	329
Total sale of goods and rendering of services	<u>2,875</u>	<u>1,620</u>
Note 4B: Interest		
Deposits	-	0
Total interest	<u>-</u>	<u>0</u>
Note 4C: Rental Income		
Operating lease:		
Investment properties	-	5
Sedentia - staff housing	41	-
Other - employee car parking	159	105
Total rental income	<u>200</u>	<u>110</u>

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Note 4: Income (continued)

	2010	2009
	\$'000	\$'000
GAINS		
<u>Note 4D: Sale of Assets</u>		
Property, plant and equipment:		
Proceeds from sale	32	
Carrying value of assets sold	(19)	
Selling expense	(1)	
Net gain from sale of assets	<u>2</u>	<u></u>
<u>Note 4E: Other Gains</u>		
Resources received free of charge	32	677
Total other gains	<u>32</u>	<u>677</u>

REVENUE FROM GOVERNMENT

Note 4E: Revenue from Government

Appropriations:		
Departmental outputs	23,018	604
Departmental outputs - through Portfolio Department ¹	-	27,688
Levies and licensing charges (special Appropriation) ²	11,288	8,411
Total revenue from Government	<u>34,306</u>	<u>36,703</u>

¹ AFMA became a prescribed Agency subject to the FYMA Act from 1 July 2008. Due to the timing of legislative changes, AFMA continued to receive most of its appropriation via the Portfolio Department (the Department of Agriculture, Fisheries and Forestry) for the 2008/09 financial year.

² 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).

Note 5: Financial Assets

	2010	2009
	\$'000	\$'000
<u>Note 5A: Cash and Cash Equivalents</u>		
Special Accounts	415	(1,296)
Total cash and cash equivalents	<u>415</u>	<u>(1,296)</u>
<u>Note 5B: Trade and Other Receivables</u>		
Goods and Services:		
Goods and services - related entities	180	382
Goods and services - external parties	47	257
Total receivables for goods and services	<u>227</u>	<u>639</u>
Appropriations receivable:		
Appropriations receivable for existing outputs	15,340	16,761
GST receivable from the Australian Taxation Office	620	461
Total trade and other receivables (gross)	<u>16,187</u>	<u>17,661</u>

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Note 5: Financial Assets (continued)

	2010	2009
	\$'000	\$'000
Loans (participating in finance receivable):		
Geospatial services	(1)	(16)
Total loans and other receivables (net)	16,186	19,345
Receivables are expected to be recovered in:		
No more than 12 months	2,883	3,123
More than 12 months	13,303	15,722
Total trade and other receivables (net)	16,186	19,345
Receivables are aged as follows:		
Not overdue	16,180	19,290
Overdue by:		
0 to 30 days	10	9
31 to 60 days	-	227
61 to 90 days	-	3
More than 90 days	86	23
Total receivables (gross)	16,187	19,353
The impairment allowance account aged as follows:		
Not overdue	-	-
Overdue by:		
0 to 30 days	(1)	-
More than 90 days	-	(16)
Total impairment allowance account	(1)	(16)

Reconciliation of the Impairment Allowance Account:

Movements in relation to 2010:

	Goods and services	Total
	\$'000	\$'000
Opening balance	(16)	(16)
Amounts written off	15	15
Closing balance	(1)	(1)

Movements in relation to 2009:

	Other receivables	Total
	\$'000	\$'000
Opening balance	(107)	(107)
Amounts written off	-	-
Amounts recovered and reversed	102	102
Increase/decrease recognised in net surplus	(1)	(1)
Closing balance	(6)	(6)

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Note to Non-Financial Assets

	2010	2009
	\$'000	\$'000
Note 6A: Land and buildings		
Freehold land (gross carrying value (net value))	329	335
Balance on freehold land		
Fair value	1,423	806
Accumulated depreciation	(211)	(290)
Total buildings on freehold land	1,571	921
Freehold improvements		
Fair value	4,004	2,654
Accumulated depreciation	(121)	(619)
Total freehold improvements	4,591	3,035
Total land and buildings	6,191	4,525

Freehold buildings may only be sold with the approval of the Minister for Agriculture, Fisheries and Forestry.

No indicators of impairment were found for land and buildings.

All land and buildings are expected to be sold or disposed of within the next 12 months.

Note 6B: Property, Plant and Equipment

Property, plant and equipment		
Fair value	1,830	1,436
Accumulated depreciation	(623)	(521)
Total infrastructure, plant and equipment	1,207	915

All installations were constructed in accordance with the requirement (policy) stated in Note 3.06.53 from 2010 the Australian Fisheries Officer conducted investigations for freehold improvements and furniture and fittings for Canberra and Darwin office locations.

Revaluation movements of \$914,710 for freehold improvements (2009, net) and \$54,116 for furniture and fittings (2009, net) were qualified by the audit restriction imposed by asset class and location in the nature of items of the industry class.

No indicators of impairment were found for property, plant and equipment.

Note 6C: Analysis of Property, Plant and Equipment

TABLE A: Reconciliation of the Opening and Closing Balances of Property, Plant and Equipment (09-10)

	Land	Buildings	Freehold improvements	Sub-Total	Other property, plant & equipment	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Year 1 July 2009						
Direct balances	229	602	4,654	5,485	6,456	7,141
Accumulated depreciation and impairment		(20)	(1,819)	(1,839)	(2,225)	(1,364)
Net book value 1 July 2009	229	582	2,835	3,646	4,231	5,977
Adjustments:						
Revaluation		629	352	977	741	1,413
Revaluations reclassified through other comprehensive income			914	914	82	996
Depreciation expense		(21)	(410)	(431)	(1,583)	(624)
Disposals			-	-	(128)	(128)
Net book value 30 June 2010	229	(27)	4,591	4,891	4,316	1,497
Net book value as of 30 June 2010 represented by:						
Direct free equity	229	1,022	3,003	4,254	1,825	6,091
Accumulated depreciation		(21)	(12)	(33)	(220)	(286)
	229	1,001	2,991	4,221	1,605	5,807

AUSTRALIAN FISHERIES MANAGEMENT AUTHORITY
 NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
 for the year ended 30 June 2010

Note 6: Non-Financial Assets (continued)

TABLE 10: Reconciliation of the Opening and Closing Balances of Property, Plant and Equipment (09-09)

	2009	2009/2008	2009/08 Comprehensive Income Total	2009/08 Other P&L	Other P&L	Hold-er Total	2008
As at 1 July 2009	4,000	1,000,000	2,000	5,000	3,000	1,000	2,000
Gross lease value	254	2,050	5,042	8,222	1,220	1,220	10,220
Accumulated depreciation and impairment	-	-	(220)	(220)	-	-	(220)
Net book value 1 July 2009	254	2,050	4,822	8,000	1,220	1,220	10,000
Acquisitions:							
By purchase	-	-	-	-	150	-	150
Depreciation expense	-	(220)	(842)	(100)	(52)	(22)	(250)
Disposals:							
Transfer of assets of other entities (including rebranding)	(1,123)	(1,254)	(381)	(2,290)	-	-	(2,290)
Other	-	-	-	-	(141)	(1,135)	(1,135)
Net book value 30 June 2009	254	767	3,825	6,346	1,127	1,127	5,976
Net book value year 30 June 2009 represented by:							
Gross lease value	254	842	4,624	7,888	1,430	1,430	7,144
Accumulated depreciation	-	(50)	(811)	(734)	(125)	-	(1,680)
	254	807	3,825	7,154	1,305	1,430	5,464

Note 6D: Intangible

Computer software:		
Internally developed (cost)	4,293	3,011
Internally developed (acquired)	-	1,010
Purchased	534	177
Total intangible software (gross)	4,827	4,201
Accumulated amortisation	(1,141)	(1,080)
Net carrying value	3,686	3,121

50 per cent of impairment were found for intangible asset.

Carrying values are reported to be nil (as opposed to being purchased) in the 2008/09 financials.

Note 6E: Analysis of Intangible

TABLE 11: Reconciliation of the Opening and Closing Balances of Intangibles (09-10)

	Computer software internally developed	Computer software purchased	Total
As at 1 July 2009	4,000	4,000	8,000
Gross lease value	4,293	177	4,470
Accumulated amortisation and impairment	(3,857)	(184)	(4,041)
Net book value 1 July 2009	3,994	177	4,171
Acquisitions:			
By purchase	-	187	187
Amortisation	(514)	(127)	(641)
Other movements	(13)	(1)	(14)
Net book value 30 June 2010	3,382	144	3,526
Net book value year 30 June 2010 represented by:			
Gross lease value	4,293	234	4,527
Accumulated amortisation and impairment	(911)	(230)	(1,141)
	3,382	144	3,526

Other movements relate to a distribution of intangible assets, as reported in the notes.

AUSTRALIAN FISHERIES MANAGEMENT AUTHORITY
 NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
 For the year ending 30 June 2010

Note 6: Non-Financial Assets (continued)

TABLE 6: Reconciliation of the Opening and Closing Balances of Intangible (2009)

	Carrying amount initially recognised	Changes during the year	2010 Closing Balance
Total 1 July 2008	3,000	0	3,000
Goodwill sold	(2,070)	(0)	(2,070)
Accumulated amortisation (net of impairment)	770	(770)	0
Net book value 1 July 2008	2,000	0	2,000
Impairment			
to goodwill		(27)	(27)
Impairment dividend	(2,000)	0	(2,000)
Acquisition	(85)	(77)	(162)
Net book value 30 June 2009	0	(77)	(77)
Net book value as of 30 June 2009 represented by:			
Carrying value	(200)	(77)	(277)
Accumulated amortisation (net of impairment)	(185)	(0)	(185)
	1,900	(77)	1,823
	2010	2009	
Non-GP/ OBOA Non-Financial Assets	1,900	1,900	
Prepayments	164	0	
Accruals payable	407	0	
Total other non-financial assets	571	0	

The irreversibility of impairment was assessed by reference to financial assets.

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

AUSTRALIAN FISHERIES MANAGEMENT AUTHORITY
 NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
 for the year ended 30 June 2010

Note 7: Payables

	2010	2009
	\$'000	\$'000
Note 7A: Supplier Payables		
Trade creditors and accruals	107	—
Total supplier payables	107	—
Supplier payables expected to be settled within 12 months:		
Related entities	23	—
External parties	84	—
Total	107	—
Settlement is usually made within 30 days.		

Note 7B: Other Payables

Aircrew expenses	3,793	3,768
Lease incentives	343	382
Operating lease rentals	409	718
Salaries and wages	367	314
Superannuation	59	40
Unearned revenue	4	515
Total other payables	5,456	7,454
Other payables are expected to be settled in:		
No more than 12 months	4,254	6,798
More than 12 months	1,202	1,065
Total other payables	5,456	7,454

Note 8: Provisions

	2010	2009
	\$'000	\$'000
Note 8A: Employee Provisions		
Curved	4,088	3,514
Total employee provisions	4,088	3,514
Employee provisions are expected to be settled in:		
No more than 12 months	1,669	3,020
More than 12 months	2,419	185
Total employee provisions	4,088	3,514

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

for the year ended 30 June 2010

Note 9: Restructuring

Note 9A: Departmental Restructuring

There were no restructurings in 2009-10.

On 1 July 2008, AFMA became a prescribed Agency under the *Financial Management and Accountability Act 1997*. Prior to this date, AFMA was a Statutory Authority subject to the *Commonwealth Authorities and Companies Act 1997*. As a result of this change, some adjustments were made to assets previously recognised by AFMA.

The changes comprised the transfer of the commercial office building maintained on Thursday Island to the Department of Finance and Deregulation and the reclassification of amounts held for construction of illegal foreign fishing vessel disposal facilities from Departmental to Administered.

In respect of functions relinquished, the following assets and liabilities were transferred by:

	2009
	\$'000
Department of Finance and Deregulation	
Assets relinquished:	
Land and buildings	2,150
Net assets relinquished	2,150
Reclassification to Administered	
Assets relinquished:	
Leasehold improvements	388
Net assets relinquished	388
Net assets relinquished from all entities	2,538

Other financial impacts comprised:

- establishment of the AFMA Special Account and AFMA Services to Other Entities and Trust Moieties Special Account;
- provision of a crediting right to allow relevant levy receipts banked to Consolidated Revenue to be credited to the AFMA Special Account by virtue of section 94C of the *Fisheries Administration Act 1997*; and
- reclassification of expenditure for caretaking and disposal of illegal foreign fishing vessels from Departmental to Administered.

	2009
	\$'000

Note 9B: Administrative Restructuring

As a result of a restructuring of administrative arrangements, AFMA recognised its administrative and foreign fishing vessel disposal facilities as Administered assets.

Reclassification from Departmental:

Assets assumed:	
Leasehold improvements	388
Net assets assumed	388

AUSTRALIAN FISHERIES MANAGEMENT AUTHORITY
 NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
 for the year ended 30 June 2016

Note 10: Cash Flow Reconciliation

	2016	2015
	3'000	3'000
Reconciliation of cash and cash equivalents as per Balance Sheet to Cash Flow Statement		
Cash and cash equivalents as per:		
Cash flow statement	415	1,206
Balance sheet	415	1,206
Difference	<u>-</u>	<u>-</u>
Reconciliation of net cost of services to net cash from operating activities:		
Net cost of services	(37,504)	(42,390)
Add revenue from Government	34,306	36,733
Adjustments for non-cash items		
Depreciation / amortisation	1,475	(1,216)
Net write down of non-financial assets	108	(89)
Gain on disposal of assets	(2)	-
Changes in assets / liabilities		
(Increase) / decrease in net receivables	3,417	8,988
(Increase) / decrease in prepayments	(81)	(1,223)
Increase / (decrease) in employee provisions	223	650
Increase / (decrease) in supplier payables	107	-
Increase / (decrease) in other payables	(1,644)	(1,800)
Net cash from / operating activities	<u>667</u>	<u>2,758</u>

Note 11: Contingent Liabilities and Assets

AFMA has no quantifiable contingent liabilities and assets.

Unquantifiable Contingencies

AFMA is responsible for the caretaking and disposal of apprehended foreign fishing vessels on behalf of the Commonwealth. These activities expose AFMA to significant security, environmental and other risks that cannot be quantified.

Significant Remote Contingencies

AFMA has indemnified current and former Directors, Commissioners and staff of the organisation for matters arising from or in connection with people being detained in exercise of powers conferred by the *Fisheries Management Act 1991*. AFMA considers the likelihood of costs being incurred in relation to these indemnities to be remote.

Note 12. Senior Executive Remuneration

Note 12A: Actual Remuneration Paid to Senior Executives

	2010	2009
The number of senior executives who received ¹		
less than \$145,000	-	-
\$175,000 to \$199,999	1	1
\$200,000 to \$204,999	1	1
\$205,000 to \$219,999	-	2
\$220,000 to \$234,999	1	-
\$235,000 to \$249,999	-	1
\$250,000 to \$264,999	1	-
\$265,000 to \$299,999	1	-
\$300,000 to \$2,524,999	-	1
Total	6	7

¹ Includes acting arrangements and part-time services where the \$145,000 threshold was crossed during the year.

- For the purpose of this note disclosure remuneration includes:
- (a) Salary (including pension, for leave accrued)
 - (b) Monetary or annual bonus and long service leave provisions
 - (c) Superannuation (post-employment benefits)
 - (d) Motor vehicle and other allowances
 - (e) Reported or fringe benefits

Total expense recognised in relation to Senior Executive employment

	\$	\$
Short-term employee benefits:		
Salary (including annual leave accrued)	864,775	969,079
Changes in annual leave provisions	5,040	59,259
Performance bonus	84,832	69,233
Other	104,554	69,627
Total short-term employee benefits	1,059,201	1,106,198
Superannuation (post-employment benefits)	130,884	141,974
Changes in long service leave provision	55,930	62,930
Total	1,222,385	1,271,102

² Where applicable, the performance bonus paid in 2009-10 is not shown in respect of the 2009-09 financial year. From 1 July 2010 performance bonuses have been discontinued and rolled into salary.

³ Includes motor vehicle, other allowances and reasonable fringe benefits.

During 2009-10 (i) MFA paid no remuneration benefits to senior executives (2009: \$Nil)

AUSTRALIAN FISHERIES MANAGEMENT AUTHORITY
 NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
 for the year ended 30 June 2019

Note 12: Senior Executive Remuneration (continued)

Note 12B: Salary Packages for Senior Executives

Average annualised remuneration packages for substantive Senior Executives employed as at 30 June:

Total remuneration	As at 30 June 2018		As at 30 June 2017		
	No. of No. 3228	Total fixed salary (annual level)	Total Common-Value packages ¹	Base salary (including 5% STP annual leave)	Total remuneration (packages) ²
Less than \$145,000	-	-	-	-	-
\$100,000 to \$204,999	-	-	-	1	136,500
\$205,000 to \$219,999	2	142,258	208,000	-	350,258
\$220,000 to \$234,999	-	-	-	1	136,500
\$235,000 to \$249,999	1	(72,900)	249,249	-	176,349
\$250,000 to \$264,999	-	-	-	1	172,000
\$265,000 to \$279,999	1	184,500	208,434	-	392,934
\$280,000 to \$300,000	-	-	-	1	202,500
\$300,000 to \$324,999	-	201,750	231,240	-	432,990
Total	3	371,108	747,684	4	1,174,782

- ¹ This total remuneration package includes:
- (a) Agreed fixed salary (including annual award)
 - (b) Maximum possible performance bonus
 - (c) Motor vehicle and other allowances
 - (d) Superannuation (post-employment benefits)
- Long service leave is included.

Table 12B includes substantive senior executives remuneration packages as at 30 June. The substantive remuneration packages include the CEO Executive who is also a Commissioner. Other part-time Commissioners are not included.

Major differences between Note 12A and 12B

- Note 12A includes senior executive remuneration based upon:
- (1) Annual salary paid during the year (including payment for leave taken)
 - (2) Maximum possible performance bonus (including the value of unvested awards)
 - (3) Superannuation (post-employment benefits)
 - (4) Motor vehicle and other allowances
 - (5) Repatriation fringe benefits
 - (6) Actual performance bonus (and

the amount of any other benefits included in Note 12A depending upon the amount of leave taken during the year (including services provided without pay, long service leave, etc.) whereas salary, salary for compensation purposes and allowances during the year (payments of performance bonus) and a valuation of employee provision.

Note 12A includes long service leave payments when the \$10,000 threshold was reached during the year. Note 12B contains only estimated salary, executive packages, allowances as at 30 June.

Note 13: Remuneration of Auditors

	2018	2017
Financial statements audit services were provided (as of charge to AFMA)	\$700	\$500
The fair value of the services received by the AFMA was:		
ANAO	22	27
	<u>32</u>	<u>32</u>

Relevant services were provided by the Auditor General.

AUSTRALIAN FISHERIES MANAGEMENT AUTHORITY
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 for the year ended 30 June 2010

Note 14: Financial Instruments

	2010 \$'000	2009 \$'000
Note 14A: Categories of Financial Instruments		
Financial Assets		
Held to maturity		
Cash and cash equivalents	415	1,296
Receivables		
Receivables for goods and services	227	639
Carrying amount of financial assets	642	1,935
Financial Liabilities		
Trade creditors and accruals		
	107	-
Carrying amount of financial liabilities	107	-

	2010 \$'000	2009 \$'000
Note 14B: Net Income and Expense from Financial Assets		
Held to maturity		
Interest revenue	-	9
Net gain from financial assets	-	9

Note 14C: Fair Value of Financial Instruments

	Carrying amount 2010 \$'000	Fair value 2010 \$'000	Carrying amount 2009 \$'000	Fair value 2009 \$'000
Financial Assets				
Cash and cash equivalents	415	415	1,296	1,296
Receivables for goods and services	227	227	639	639
Total	642	642	1,935	1,935
Financial Liabilities				
Trade creditors and accruals	107	107	-	-
Total	107	107	-	-

Note 14D: Credit Risk

AFMA is exposed to minimal credit risk as the majority of financial assets are cash and appropriations made under law (which guarantee fixed amounts of funding that AFMA can draw down on as required). The maximum exposure to credit risk is the risk that arises from potential default of a debtor. This amount is equal to the total amount of trade receivables (2010: \$727,000 and 2009: \$639,000). AFMA has assessed the risk of default and has allocated \$1,000 in 2010 / 2009: \$10,000 as a allowance for impairment account.

AFMA manages its credit risk through policies and procedures that guide employees on the debt recovery techniques that are to be applied.

AFMA holds no collateral to mitigate against credit risk.

AUSTRALIAN FISHERIES MANAGEMENT AUTHORITY
 NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
 for the year ended 30 June 2010

Note 14: Financial Instruments (continued)

Credit quality of financial instruments not past due or individually determined as impaired

	Not past due, not impaired	Not past due, not impaired	Past due or impaired	Past due or impaired
	2010	2009	2010	2009
	\$'000	\$'000	\$'000	\$'000
Receivables (ie goods and services)	179	52	48	261
Total	179	52	48	261

Ageing of financial assets that were past due but not impaired for 2010

	0 to 30 days	31 to 60 days	61 to 90 days	90+ days	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
Receivables (ie goods and services)	0	-	-	38	47
Total	0	-	-	38	47

Ageing of financial assets that were past due but not impaired for 2009

	0 to 30 days	31 to 60 days	61 to 90 days	90+ days	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
Receivables (ie goods and services)	4	227	7	7	245
Total	4	227	7	7	245

The debts considered to be impaired (owed to AFMA) were as follows (in thousands):

Note 14E: Liquidity Risk

AFMA's financial liabilities are mainly credit lines and accounts. The exposure to liquidity risk is based on the notion that AFMA will encounter difficulty in meeting its obligations associated with financial liabilities. This is highly unlikely due to appropriation (budget and mechanisms available to AFMA (eg Advice to the Finance Minister) and internal policies and procedures) put in place to secure there are appropriate resources to meet its financial obligations. AFMA's trade creditors and accounts for 2010 were \$107,000 (2009: \$0) and were all payable within 1 year (2009: one year).

AFMA is approximating funding from the Australian Government. AFMA manages its budgeted funds through the AFMA Special Account in cash (it has adequate funds to meet payments as they fall due). In addition, AFMA has policies in place to ensure timely payments are made when due and has no past experience of default.

Maturities for non-derivative financial liabilities 2010

	within 1 year	Total
	\$'000	\$'000
Trade creditors and accounts	107	107
Total	107	107

Maturities for non-derivative financial liabilities 2009

	within 1 year	Total
	\$'000	\$'000
Trade creditors and accounts	-	-
Total	-	-

AFMA has no derivative financial liabilities in both the current and prior year.

Note 14F: Market Risk

AFMA does not have the authority to issue derivative funds or hold financial instruments that expose it to market risk. AFMA is not exposed to currency risk or other price risk.

AUSTRALIAN FISHERIES MANAGEMENT AUTHORITY

Notes to the Schedule of Administrative Items

Note 15: Income Administered on Behalf of Government

AFMA collects licenses and other fees from the fishing industry on behalf of the Commonwealth. From 1 July 2010, 49% of the Fisheries Management Act 1994 defined licence/authorisation component of licence collected under the following sections is collected to the AFMA Budget Account for the purposes of cost recovery:

Fisheries Levy Act 1994

Fishing Levy Act 1991

Foreign Fishing License Levy Act 1991

Samoa Fishing Rights Charge Act 1991

Quota Management Act 2006 (QMA)

	2010	2009
REVENUE	9,000	4,000
Transition Revenue:		
Note 15A: Diner Tax		
Levies and charges	12,357	9,191
Total other taxes	12,357	9,191
Non-Taxation Revenues:		
Note 15B: Sale of Goods and Rendering of Services		
Provision of goods – essential services	13	142
Total sale of goods and rendering services	13	142
Note 15C: Fees and Fines		
Other fees (non-essential services)	99	–
Fines	33	5
Total fees and fines	132	5
Note 15D: Interest		
Interest on overdue fees	–	1
Total interest	–	1
Note 15E: Other Revenue		
Other	1	–
Total other revenue	1	–

Note 16: Expenses Administered on Behalf of Government

	2010	2009
EXPENSES	8,000	7,000
Note 16A: Suppliers		
Goods and services		
Rendering of services – related entities	2	53
Rendering of services – external parties	2,798	4,901
Total goods and services	3,000	4,954
Other supplier expenses		
Operating lease rentals – external parties		
– Airborne Vase (jetty contracts)	150	–
Total suppliers expenses	3,050	4,954
Note 16B: Depreciation		
Buildings and leasehold improvements	63	30
Total depreciation	63	30
Note 16C: Write-Down and Impairment of Assets		
Write-downs (depreciation and impairment) from:		
– Impairment exercises and charges recoverable	108	–
Total write-down and impairment of assets	108	–

AUSTRALIAN FISHERIES MANAGEMENT AUTHORITY

Notes to the Statement of Administrative Items

Note 17: Assets Administered on Behalf of Government

	2019 \$'000	2018 \$'000
FINANCIAL ASSETS		
Note 17A: Cash and Cash Equivalents		
Special accounts	-	12,000
Cash on hand (or on deposit)	1	-
Total cash and cash equivalents	<u>1</u>	<u>12,000</u>
Note 17B: Receivables		
Levies and charges:		
Levies and charges receivable - external parties	776	196
Total receivables for levies and charges	<u>776</u>	<u>196</u>
Other receivables:		
OSU receivable from Australian Taxation Office	45	-
Total receivables (gross)	<u>821</u>	<u>196</u>
Less: Impairment allowance account - levies and charges	(149)	(71)
Total receivables (net)	<u>672</u>	<u>125</u>
Receivables are expected to be received within 12 months.		
Receivables were aged as follows:		
Not overdue	98	90
Overdue by:		
0 to 30 days	-	1
31 to 60 days	612	-
61 to 90 days	-	-
More than 90 days	111	138
Total receivables (gross)	<u>821</u>	<u>249</u>
The impairment allowance account is aged as follows:		
Not overdue	-	-
Overdue by:		
0 to 30 days	-	-
31 to 60 days	(28)	-
61 to 90 days	-	-
More than 90 days	(121)	(71)
Total impairment allowance account	<u>(149)</u>	<u>(71)</u>
Goods and services receivable (with claims referred to the Administrative Compendium) - Capital items were within 30 days (2019: 30 days).		

AUSTRALIAN FISHERIES MANAGEMENT AUTHORITY

Notes to the Schedule of Administrative Items

Note 17: Assets Administered on Behalf of Government (continued)

Reconciliation of the Impairment Allowance Accounts

Movements in relation to 2010

	Leases and charges	Total
	\$'000	\$'000
Opening balance	(71)	(71)
Missed write-off	30	30
Increase recognised in net surplus	(108)	(108)
Closing balance	(149)	(149)

Accounting information 2009

	Leases and charges	Total
	\$'000	\$'000
Opening balance	(71)	(71)
Missed write-off	-	-
Increase recognised in net surplus	-	-
Closing balance	(71)	(71)

NON-FINANCIAL ASSETS

Note 17: Land and Buildings

Landhold improvements

		Total
Fair value	698	698
Accumulated depreciation	(102)	(102)
Total land and buildings	596	596

TABLE A – Reconciliation of the Opening and Closing Balances of Property, Plant and Equipment (2009-10)

	Landhold improvements	Total
	\$'000	\$'000
As at 1 July 2009		
Gross book value	426	426
Accumulated depreciation, impairment losses and impairment	(29)	(29)
Net book value 1 July 2009	397	397
(Millions)		
By purchase	272	272
Depreciation/contribution expenses	(63)	(63)
Net book value 30 June 2010	596	596
Net book value as of 30 June 2010 represented by:		
Gross book value	698	698
Accumulated depreciation/contribution	(102)	(102)
	596	596

AUSTRALIAN FISHERIES MANAGEMENT AUTHORITY
Notes to the Schedule of Administrative Items

Note 17: Assets Administered on Behalf of Government (continued)

TABLE A (Cont'd) - Reconciliation of the Opening and Closing Balances of Property, Plant and Equipment (2008-09)

	2008	2009
	(\$'000)	(\$'000)
As at 1 July 2008		
Gross book value	-	-
Accumulated depreciation/amortisation and impairment	-	-
Net book value 1 July 2008	-	-
Additions:		
By purchase	78	8
From acquisition of entities (or operations) (including restructurings)	308	208
Depreciation/amortisation expense	(199)	(194)
Net book value 30 June 2009	587	297
Net book value as at 30 June 2009 represented by:		
Gross book value	426	426
Accumulated depreciation/amortisation	(129)	(129)
	297	297

Note 18: Liabilities Administered on Behalf of Government

	2010	2009
	(\$'000)	(\$'000)
PAYABLES	3'000	5'000
Note 18: Other Payables		
Accrued expenses	342	516
GST payable	16	-
Total other payables	358	516
Total other payables are expected to be settled in:		
No more than 12 months	358	516
More than 12 months	-	-
Total other payables	358	516

Note 19: Administered Reconciliation Table

	2010	2009
	(\$'000)	(\$'000)
Opening administered assets less administered liabilities as at 1 July	2'620	159
Plus: Administered income	12,467	3,293
Less: Administered expenses	(4,124)	(1,053)
Administered transfers (with an Australian Government)		
Appropriation transfers from OMA:		
Amount appropriated for administered expenses	1,787	-
Portfolio Department	-	533
Grants to OPA	(11,847)	(10,034)
Rebating	-	288
Closing administered assets less administered liabilities as at 30 June	916	303

Note 20: Administered Contingent Assets and Liabilities

	Claims for damages or costs		Total	
	2010	2009	2010	2009
	\$'000	\$'000	\$'000	\$'000
Contingent liabilities				
Balance from previous period	751	—	751	—
Fee	—	751	—	751
Obligations expired	(751)	—	(751)	—
Total contingent liabilities		751		751

Unquantifiable Contingencies

AFMA is responsible for the catching and disposal of unbranded foreign fishing vessels on behalf of the Commonwealth. This, including expense, may be significant, especially, given technical and other matters that cannot be quantified.

Significant Events Contingencies

There were no significant events contingencies as at 30 June 2010.

Note 21: Administered Financial Instruments

	2010	2009
	\$'000	\$'000
Financial Assets		
Bank to maturity		
Cash and cash equivalents	1	2,610
Carrying amount of financial assets	1	2,610

Note 21A: Categories of Financial Instruments

Financial Assets

Bank to maturity

Cash and cash equivalents	1	2,610
Carrying amount of financial assets	1	2,610

Financial Liabilities

There are no financial liability instruments.

The fair value of administered financial instruments equals to their carrying value as stated at 30 June 2010.

Note 21B: Credit Risk

The administered activities of AFMA are not exposed to a high level of credit risk as the majority of financial assets are amounts receivable. AFMA manages its credit risk through its power to suspend fishing concessions under s36(1) of the Fisheries Management Act 1991 if any fee, levy, charge or other monetary debt due to the commonwealth becomes due to AFMA. AFMA has policies and procedures that guide employees on debt recovery techniques that are to be applied.

AFMA did not hold any non-current receivables as at 30 June 2010.

Note 21C: Liquidity Risk

AFMA's financial liabilities are limited to the extent of amounts payable. The exposure to liquidity risk is based on the notion that AFMA will encounter difficulty in meeting its obligations associated with financial liabilities. This is partly mitigated due to appropriation of funding and mechanisms available to AFMA (eg Advances to the Finance Minister (AFMF) and internal policies and procedures) or its ability to raise these via agreements, resources or raise its financial obligations.

AUSTRALIAN FISHERIES MANAGEMENT AUTHORITY
 NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
 for the (period) 30 June 2010

Note 23 Special Accounts

AFMA Special Account (Administrative)	2,610	2,610
	8,900	8,100
<i>Appropriation: Financial Management and Accountability Act 1997 section 21</i>		
<i>Authorising Instrument: Fisheries Administration Act 2001 section 94B</i>		
<i>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.</i>		
Balance brought forward from previous period	2,610	-
Appropriation for reporting period	-	100
Appropriations to take account of recoverable GST (FMA Act section 30A)	-	309
Total increase	2,610	7,543
Payments made - capital	(2,610)	(2,610)
Total decrease	(2,610)	(2,610)
Balance carried to next period and represented by:	-	2,610
Cash - held in the Official Public Account	-	2,610
Total balance carried to the next period	-	2,610

AFMA Special Account (Departmental)	2,980	2,980
	8,900	1,084
<i>Appropriation: Financial Management and Accountability Act 1997 section 21</i>		
<i>Authorising Instrument: Fisheries Administration Act 2001 section 94B</i>		
<i>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.</i>		
Balance brought forward from previous period	28,057	-
Credit of prior year balance (Fisheries Legislation Amendment (New Governance Arrangements for the Australian Fisheries Management Authority and Other Matters) Act 2008 - Section 139)	-	17,876
Appropriation for output (Appropriation Act (No. 183))	23,048	603
Appropriation for output through Portfolio Department	-	22,682
Special appropriation (Victoria Administration Act 1992 - Section 91C)	11,288	8,711
Appropriations to take account of recoverable GST (FMA Act section 30A)	1,736	2,752
Other receipts	3,074	3,709
Total increase	59,173	71,043
Payments made:		
- capital payments	(21,224)	(9,565)
- operating payments	(20,621)	(20,111)
- financing (net) plus adjustments	11,270	2,948
Total decrease	(30,575)	(33,033)
Balance carried to next period and represented by:	15,775	29,057
Cash - held in the Official Public Account	15,300	18,763
Cash - held by the agency	475	1,294
Total balance carried to the next period	15,775	29,057

AFMA Services for Other Entities and Trust Monies Special Account (Special Public Money)
 NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
 for the year-ended 30 June 2010 (continued)

Note 23: Special Accounts (continued)

	2010	2009
AFMA Services for Other Entities and Trust Monies Special Account (Special Public Money)	\$'000	\$'000
<i>Appropriation: Financial Management and Accountability Act 1997 section 29</i>		
<i>Expenditure Instrument: Financial Management and Accountability Act 1997 section 20</i>		
<i>Purpose: For accounts that are held on trust or otherwise for the benefit of a person other than the Commonwealth</i>		
Balance carried from previous period	213	-
Other receipts	69	213
Total credits	282	213
Payments made – ongoing	(158)	-
Payments denied from the special account	(7)	-
Total debits	(165)	
Balance carried to next period and represented by:	119	213
Cash held by the agency	119	213
Total balance carried to the next period	119	213

Note 24: Assets Held in Trust

Monetary assets

Financial assets held in trust were also included in Note 23 Special Accounts in the table title AFMA Services for Other Entities and Trust Monies

	2010	2009
	\$'000	\$'000
Cash at bank – monetary asset		
Total value at the beginning of the reporting period	213	77
Additions		
Proceeds of raised cash (domestic)	39	13
Services for other parties	30	120
Reimbursable deposits – sale of apprehended vessels	-	(1)
Disposals		
Repayment of raised cash (drawings)	(4)	-
Refund of deposits – sale of apprehended vessels	(3)	-
Title passed to Australian Government	(156)	(22)
Total value at the end of the reporting period	119	278
Total	119	278

The values above were estimated the value of the fund when acquired.

Note 25: Compensation and Debt Relief

No 'Act of Oases' expenses were made during the reporting period (2009: No payments made).

No waivers of amounts owing to the Australian Government were made pursuant to section 103 of the *Financial Management and Accountability Act 1997* (2009: No waivers made).

No payments were provided under the Compensation for Detachment (issued by Defence Administration (W.D.A.) Scheme) during the reporting period (2009: No payments made).

No ex-gratia payments were provided for during the reporting period (2009: No payments made).

No payments were provided in special circumstances relating to AFS employment pursuant to section 7 of the *Public Service Act 1999* during the reporting period (2009: No payments made).

AUSTRALIAN FISHERIES MANAGEMENT AUTHORITY
 NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
 for the year ended 30 June 2010

Note 26: Reporting of Outcomes

AFMA has a single outcome for the financial year, *to deliver a sustainable and economically efficient and environmentally friendly, efficient and innovative and innovative Australian fisheries industry through the efficient and innovative use of public, including donated, resources and development of the industry.*

Note 26A: Net Cost of Outcome Delivery

	Outcome 1		Total	
	2010	2009	2010	2009
	\$'000	\$'000	\$'000	\$'000
Expenses:				
Administrative	4,321	4,983	4,321	4,983
Departmental	40,613	45,255	40,613	45,255
Total	44,934	50,238	44,934	50,238
Income from non-government sector				
Charitable fund				
Reimburse contributions and payments	12,433	2,240	12,433	2,240
Donor amounts received by special accounts	114,280	12,445	114,280	12,445
Grants	128	—	128	—
Lease income	1,178	1,527	1,178	1,527
Departmental				
Activities subject to cost recovery	11,955	1,497	11,955	1,497
Other	2,442	1,921	2,442	1,921
Total departmental	14,397	11,418	14,397	11,418
Total	15,575	13,965	15,575	13,965
Net cost of outcome delivery	29,359	36,273	29,359	36,273

We have disclosed in 4(a) the non-government contributions that we planned to calculate the actual budget Outcome.

Note 26B: Major Classes of Departmental Expense, Income, Assets and Liabilities by Outcome

	Outcome 1		Total	
	2010	2009	2010	2009
	\$'000	\$'000	\$'000	\$'000
Departmental Expenses:				
Employees	21,447	20,372	21,447	20,372
Supplies	17,583	23,140	17,583	23,140
Depreciation and amortisation	1,475	1,216	1,475	1,216
Write off, impairment and sale of assets	408	113	408	113
Total	40,613	45,255	40,613	45,255
Departmental Income:				
Income from investment	34,306	35,243	34,306	35,243
Other income and gains	2,909	2,927	2,909	2,927
Grant income	200	110	200	110
Interest	—	9	—	9
Total	37,415	38,189	37,415	38,189

AUSTRALIAN FISHERIES MANAGEMENT AUTHORITY
 NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
 for the year ended 30 June 2010

Note 26: Reporting of Outcomes (continued)

	Outcome 1		Total	
	2010	2009	2010	2009
	\$'000	\$'000	\$'000	\$'000
Departmental assets:				
Cash and cash equivalents	415	1,796	415	1,796
Trade and other receivables	16,186	19,245	16,186	19,245
Land and buildings	6,191	4,860	6,191	4,860
Property, plant and equipment	1,216	1,131	1,216	1,231
Intangibles	3,986	4,167	3,986	4,352
Other non-current assets	591	533	591	533
Total	28,385	31,651	28,385	31,651
Departmental liabilities:				
Supplier and other payables	5,563	7,404	5,563	7,404
Employee provisions	4,085	1,514	4,085	1,514
Total	9,651	12,066	9,651	10,966

Outcomes 1 is described in Note 14. Net cost above and net state government costs are items identified in calculating the total Budget outcome.

Note 26C: Major Classes of Administered Expenses, Income, Assets and Liabilities by Outcome

	Outcome 1		Total	
	2010	2009	2010	2009
	\$'000	\$'000	\$'000	\$'000
Administered Expenses:				
Impairment	3,950	1,264	3,950	3,444
Depreciation/amortisation	63	34	63	34
Trusts/operated/managed resources	108	—	108	—
Total	4,121	1,301	4,121	3,483
Administered Income:				
License and other fees	13,314	1,520	13,314	4,123
Other income	136	298	129	694
Total	12,465	2,004	12,463	4,817
Administered assets:				
Financial assets, net of impairment	1	1,810	1	1,810
Goodwill	577	171	577	171
Intangible assets	396	37	396	312
Total	1,274	2,018	1,274	2,193
Administered liabilities:				
Other payables	358	36	358	376
Total	358	36	358	376

Outcome 1 is described in Note 14.

APPENDICES



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APPENDIX 1: CIVIL LITIGATION OUTCOMES

Matter	Fishery	Outcome/Status
HIGH COURT OF AUSTRALIA		
<i>Muslimin v The Queen [2010] HCA 7</i>	N/A	Upheld
SUPREME COURT		
<i>Kerawang Pty Ltd t/as Barefoot Marine v Australian Fisheries Management Authority</i>	N/A	Settled
FEDERAL COURT		
<i>Kennedy v Australian Fisheries Management Authority [2009] FCA 1485</i>	Western Tuna and Billfish Fishery	Dismissed
<i>Australian Fisheries Management Authority v Gilmore [2009] FCA 1369</i>	Southern and Eastern Scalefish and Shark Fishery	Upheld
STATUTORY FISHING RIGHTS ALLOCATION REVIEW PANEL		
<i>YGO Eden Pty Ltd v Australian Fisheries Management Authority SPF2010/01-01</i>	Small Pelagic Fishery	Ongoing
<i>Denis Brown v Australian Fisheries Management Authority SPF2010/02-01</i>	Small Pelagic Fishery	Ongoing
<i>Harry K Mitchelson v Australian Fisheries Management Authority SPF2010/03-01</i>	Small Pelagic Fishery	Ongoing

Significant matters

1. *Muslimin v The Queen*

Mr Muslimin was charged with an offence under section 101(2) of the *Fisheries Management Act 1991* whereby it was alleged that, in April 2008, the Appellant was in charge of a foreign vessel equipped for fishing for sedentary organisms with nets, traps or other equipment in the waters where, by treaty, Australia had jurisdiction over the seabed and Indonesia the water column.

Mr Muslimin was found guilty at trial, which was upheld on appeal on 29 April 2009 to the Northern Territory Court of Criminal Appeal.

Mr Muslimin subsequently sought special leave to appeal to the High Court of Australia, which was granted on 1 October 2009.

On 10 March 2010, the High Court unanimously upheld the appeal, quashing the conviction. The Court found that on a matter of statutory construction, the application of section 101 of the *Fisheries Management Act 1991* could not extend to a “state of affairs” of merely being “equipped for fishing” in waters above Australia’s continental shelf but outside its Exclusive Economic Zone. Only the act of fishing for sedentary species itself could be an offence extending to such an area.

2. *Kerrawang Pty Ltd trading as Barefoot Marine v Australian Fisheries Management Authority*

Following the non-renewal of a contract for vessel caretaking in early 2006, AFMA was served in November 2008 with the Plaintiff's statement of claim relating to various belatedly rendered invoices arising between 2004 and 2007. The claim from Barefoot was \$1 543 377.36 plus interest. AFMA accepted and paid some of those invoices (totalling \$253 858.08), denied liability for some other invoices (totalling \$722 690.00) and paid into Court a compromised sum to meet a third group of invoices and the interest claimed.

At a mediation of the dispute in May 2009 involving AFMA Legal Services, Australian Government Solicitor Darwin and senior AFMA officers, a compromise offer exceeding the subsequent payment into Court was rejected. The matter then progressed through preparation towards a hearing in the Northern Territory Supreme Court. Immediately prior to the commencement of a proceeding in Darwin on 2 March 2010, the Plaintiff accepted AFMA's June 2009 payment into Court of \$571 268.67 including interest only to June 2009. An Order was made to this effect.

The total amount paid to the Plaintiff, including all interest, was \$924 483.29. AFMA also paid to the Plaintiff a negotiated costs amount of \$31 500.00. Through careful analysis of historical invoices the settled amount was about \$1.0 million less than claimed.

3. *Kennedy v Australian Fisheries Management Authority*

Mr Kennedy appealed the decision of the Statutory Fishing Rights Allocation Review Panel on his application for review of the Statutory Fishing Rights allocation in the Western Tuna and Billfish Fishery to the Federal Court. The hearing commenced on 14 and 15 April 2009 but was not completed and was relisted for 28 and 29 May 2009. Numerous amendments to the Appellant's applications contributed to a costs order in favour of AFMA.

The Federal Court dismissed the appeal, finding that the Panel's failure to provide adequate reasons for its decision did not give rise to an error of law which justified a reviewing Court setting aside the Panel's decision. The Court was also very critical of the Panel who had delayed significantly in handing down its decision. Costs were awarded in AFMA's favour.

4. *Australian Fisheries Management Authority v Gilmore*

On 16 January 2009, AFMA appealed to the Federal Court regarding the Statutory Fishing Rights Allocation Review Panel decision to grant Mr Gilmore and several other fishers more shark statutory fishing rights than they had been provisionally granted by AFMA. The allocation was under the *Southern and Eastern Scalefish and Shark Fishery Management Plan 2003*.

A hearing was held in Adelaide on 18 and 19 June 2009. On 24 November 2009 the Federal Court upheld AFMA's appeal by agreeing that the Panel is only required to apply the provisions of a management plan and it has no power to go behind those provisions, eg to depart from a formula prescribed in the plan. AFMA did not seek costs.

APPENDIX 2: MINISTERIAL DIRECTION IMPLEMENTATION

Progress against actions required by the Ministerial Direction as at 30 June 2010

In December 2005, the then Minister for Fisheries, Forestry and Conservation issued a formal Direction to AFMA. The aim of this

Direction was to initiate key actions to ensure the sustainability of fish stocks and secure the future of the Australian fishing industry. As part of the Direction, AFMA is required to report on the impact of the Direction on the operations of AFMA.

Component of the Direction	Specified Timeframe	Progress/Proposed Action
1. Take a more strategic, science-based approach to setting total allowable catch and/or effort levels in Commonwealth fisheries, consistent with the Commonwealth Harvest Strategy Policy.	1 January 2008	Thirteen harvest strategies covering 11 fisheries have been developed and implemented under the Harvest Strategy Policy.
2. The total allowable catch for the Bass Strait Central Zone Scallop Fishery be set at zero for 2006-08.	Effective 1 May 2006	<p>The total allowable catch was set at zero for 2006-08. A significant stock rebuild occurred under the zero total allowable catch and a new harvest strategy for the fishery was implemented in 2009.</p> <p>Based on the application of the new harvest strategy the total allowable catch was set to 2,500 tonnes and 3,000 tonnes for the 2009 and 2010 fishing seasons respectively.</p>

Component of the Direction	Specified Timeframe	Progress/Proposed Action
<p>3. Implement the government policy of managing Commonwealth fisheries using output controls in the form of individual transferable quotas.</p> <p>Where quota or effort based Statutory Fishing Rights have been granted, determine whether boat permits and/or boat Statutory Fishing Rights are an impediment to autonomous adjustment or to efficient management.</p>	<p>Implementation of individual transferable quotas where appropriate by 2010; determine whether boat Statutory Fishing Rights could be phased out by 2010 if appropriate.</p>	<p>AFMA is continuing to implement the government's policy of managing Commonwealth fisheries using individual transferable quotas. Currently the Southern and Eastern Scalefish and Shark, Bass Strait Central Zone Scallop, Heard Island and McDonald Island, Macquarie Island and Southern Bluefin Tuna fisheries have individual transferable quotas implemented. AFMA is currently moving three fisheries, the Small Pelagics, Eastern Tuna and Billfish and the Northern Prawn fisheries to individual transferable quotas. The Western Tuna and Billfish Fishery will move to individual transferable quotas from July 1 2010. AFMA expects to introduce individual transferable quotas in the Small Pelagics and Eastern Tuna and Billfish fisheries in the next 12 months, although this time frame is subject to any legal proceedings arising from the allocation of statutory fishing rights. Individual transferable quotas are expected to be implemented in the Northern Prawn Fishery in 2011–12 once management plan amendments have taken place.</p> <p>Once this is achieved, all major Commonwealth fisheries will be managed using individual transferable quotas.</p> <p>In 2008 the then AFMA Board approved recommendations set out in an independent report that quota or effort based Statutory Fishing Rights should remain and are generally not an impediment to autonomous adjustment or efficient management.</p>

Component of the Direction	Specified Timeframe	Progress/Proposed Action
4. Minimise incentives for discarding of quota species and manage the broader environmental impacts of fishing including minimising interactions with threatened or otherwise protected species.	Not specified	<p>A review of Commonwealth quota management system arrangements has commenced and will explicitly consider management arrangements for discarding. This review will be completed in 2010–11.</p> <p>The principles for minimising discards and managing the environmental impacts of fishing are contained in AFMA's <i>Program for Addressing Bycatch and Discarding in Commonwealth Fisheries: an Implementation Strategy</i>, finalised in February 2008.</p> <p>Fishery-specific Bycatch and Discard Workplans have been implemented in the Eastern and Western Tuna and Billfish fisheries, Great Australian Bight, Western Deepwater and North West Slope Trawl fisheries, Northern Prawn, Gillnet Hook and Trap, South East Trawl, Scallop Fishery, Small Pelagic and Coral Sea fisheries.</p>
5. Enhance monitoring of fishing activity, for example through increased use of vessel monitoring systems with daily reporting, and on-board cameras.	Not specified	<p>Ninety-six per cent of Commonwealth vessels (331 out of 345) had fully functional Vessel Monitoring System units as at 30 June 2010. The remaining vessels had systems fitted but non-functional at the time of assessment.</p> <p>On-board cameras are being trialled in the Eastern Tuna and Billfish Fishery and Northern Prawn Fishery. The results will be used to complete a cost-benefit analysis of this effectiveness of technology across a range of fisheries for multiple purposes.</p> <p>Specific observer programmes are operating in 12 fisheries; Southern Bluefin Tuna, Southern and Eastern Scalefish and Shark, Northern Prawn, Small Pelagic, Heard Island and McDonald Islands, Macquarie Island, Eastern Tuna and Billfish, Western Tuna and Billfish, Coral Sea, Western Deepwater Trawl, North West Slope, and Bass Strait Central Zone Scallop.</p>
6. Establish a system of fishery independent surveys.	Not specified	<p>Fishery independent surveys have been developed and implemented in most major fisheries, including the Southern and Eastern Scalefish and Shark, Eastern Tuna and Billfish, Northern Prawn Fishery, Bass Strait Central Zone Scallop, Heard and McDonald Islands, Macquarie Island, and Southern Bluefin Tuna.</p>

Component of the Direction	Specified Timeframe	Progress/Proposed Action
7. Identify and implement any required spatial closures in fisheries and coordinate closures with agencies implementing Marine Protected Areas.	Not specified	<p>Spatial closures are now in place in a number of Commonwealth fisheries and spatial management is being used to reduce the number of high risk species identified in the ecological risk assessments. AFMA commissioned CSIRO to develop a methodology to assess the effectiveness of various spatial management tools for fisheries management purposes. The final report from the project was received in November 2009 and that project is now complete.</p> <p>AFMA has an engagement strategy for its involvement with the Marine Bioregional Planning process being carried out by the Department of the Environment, Water, Heritage and the Arts. The Marine Bioregional Planning process includes the identification of marine reserves to be included in Australia's National Representative System of Marine Protected Areas. AFMA also holds membership on the National Marine Protected Area Working Group and works closely with the Department of the Environment, Water, Heritage and the Arts staff on an ad hoc basis for particular issues.</p> <p>The <i>Fisheries Management Amendment Regulation 2010</i> No. 1 was introduced on 12 February 2010, which further enhances AFMA's ability to monitor and enforce closures.</p>

Component of the Direction	Specified Timeframe	Progress/Proposed Action
8. Strengthen advice to the Commission by engaging high-level expertise in economics and science.	Not specified	<p>A Senior Economist was appointed to AFMA in 2007 to provide high level advice to AFMA, the Commission, and management advisory committees on the pursuit of maximum economic yield and incorporating economic objectives into day-to-day fisheries management.</p> <p>A contact list of economic and biological experts from domestic and international research agencies and academic institutions has been established that can be called upon to provide the Commission with additional advice on key decisions, on a case by case basis. AFMA has also, under its Memorandum of Understanding with CSIRO, set aside funds to provide scientific advice on key issues at the request of the Board. The memorandum expires on 30 June 2010 and AFMA is negotiating a new agreement with CSIRO.</p> <p>AFMA is in the process of negotiating a Memorandum of Understanding with the Australian Bureau of Agricultural and Resource Economics and the Bureau of Rural Sciences. Under memorandum, these agencies will provide expert scientific and economic advice and mapping services to AFMA on request. This Memorandum of Understanding will be formalised in early 2010–11.</p>
9. Reporting to the Minister on how AFMA is implementing the direction.	May 2006 Nov 2006 May 2007 June 2008	<p>All reports were submitted on time. The requirements of the Ministerial Direction have been incorporated into the key strategies to be pursued by AFMA. These are outlined in AFMA's corporate planning and accountability documents such as the Corporate Plan 2009-14 and the Annual Operational Plan 2009-10. AFMA reports annually on its progress against both of these documents in the annual report.</p>

APPENDIX 3: COMMISSION AND EXECUTIVE COMMITTEES

COMMISSION

Current Commissioners were appointed by our Minister on 1 March 2009, for five-year terms.



The Hon Michael Egan, FAICD – Chairman

Company Director, Chancellor of Macquarie University, Chairman of the Australia Day Council of NSW, Chairman of the Centenary Institute of Cancer Medicine and Chairman of the Newcastle Coal Infrastructure Group Pty Ltd. He was previously Treasurer of New South Wales, Minister of State Development and Leader of the Government in the Legislative Council.

commissions. Glenn is known internationally for his pursuit of responsible fisheries management and Australia's interests in international fisheries management organisations.



Mr Richard Stevens, OAM – Deputy Chairman

Richard has a BEcon, is a Director of the Fisheries Research and Development Corporation, Director of the Queensland Rural Adjustment Authority and chair/member of a number of State and Territory fisheries committees. Richard's expertise covers natural resource management, fishing industry operations and economics.



**Prof Glenn Hurry –
Chief Executive Officer**

Glenn has had a long and successful career in the Australian Public Service. In addition to expertise in public sector administration, Glenn has an extensive knowledge of Australian fisheries through his senior roles in the Department of Agriculture, Fisheries and Forestry, in AFMA and in the regional fisheries



Mr Ian Cartwright

Ian has an MSc (Economics), is Chair of the Tasmanian Fisheries Research Advisory Board and Chair of various fisheries committees. Ian's expertise covers commercial fishing, fisheries science, natural resource management, economics and business management.



Dr John Glaister

Currently Chief Scientist at Laing O'Rourke, an international infrastructure, building, rail and excellence in engineering company, and previously Deputy Director General of the Queensland Department of Transport, Chief Executive, Ministry of Fisheries, New Zealand, Deputy Director-General, Queensland Department of State Development and Innovation and Director-General, New South Wales Fisheries.



Ms Jenny Goddard

Economist and previously Deputy Secretary, Department of the Prime Minister and Cabinet. Jenny held a number of senior roles within the Department, and prior to that in the Department of the Treasury. She is now the inaugural Chair of the Australian Solar Institute Limited, a Director of the Grains Research and Development Corporation and an economics and public policy consultant.



Ms Elizabeth Montano

Former private sector financial services lawyer and Chief Executive in the Commonwealth,

Elizabeth is currently a Member of the Council (Board) of the Australian Institute of Marine Science, and their Audit Committee, a Member of the Audit Committee of the Customs and Border Protection Service and Principal of a consultancy business working in governance, business strategy, risk and audit. She holds the qualifications of BA, LLB and FAICD.



Ms Denise North

Denise has a BEc and MBA and is a Fellow of the Australian Institute of Company Directors and the Australian Institute of Management. She is Chairman of Streetwise Communications Ltd and of the Council of International House, University of Sydney. Denise has held diverse senior executive and consulting roles across a range of sectors, and is currently Chief Executive of the Insolvency Practitioners Association. Denise's expertise covers economics and business management, including corporate and business strategy development and organisational change.



Prof Keith Sainsbury

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

AFMA COMMISSIONERS – ATTENDANCE AT COMMISSION MEETINGS

Commissioner	Commission	Research Committee	Environment Committee	Audit and Risk Committee
The Hon Michael Egan FAICD (Chairman)	5 (9)*			
Prof Glenn Hurry (CEO)	8 (9)	0 (2)	1 (2)	
Mr Ian Cartwright	8 (9)	2 (2)	2 (2)	
Dr John Glaister	9 (9)	1 (1)		
Ms Jennifer Goddard	8 (9)		2 (2)	
Ms Elizabeth Montano	9 (9)			4 (4)
Ms Denise North	8 (9)			5 (5)
Prof Keith Sainsbury	8 (9)	2 (2)	1 (2)	
Mr Richard Stevens, OAM (Deputy Chair)	9 (9)			1 (1)

() number of meetings the commissioner was eligible to attend within their term of office

* Mr Egan was unable to attend four meetings due to illness.

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

Prof Glenn Hurry – CEO

Dr James Findlay – Executive Manager, Fisheries Management Branch

Mr Paul Murphy – General Manager, Operations

Mr Mark Farrell – Chief Information Officer

Mr John Bridge – General Manager, Corporate Governance Branch

Mr Peter Witheridge – Executive Secretary

Mr David Perrott – Chief Finance Officer

Mr Dave Galeano – Senior Economist

AUDIT AND RISK COMMITTEE

Role and function

The Audit and Risk Committee was established under the *Financial Management and Accountability Act 1997* by the Chief Executive Officer and met five times during the financial year. The main items considered by the Committee during the year were:

- the Committee's charter, membership and relationship to the Commission
- review of the 2008–09 financial statements and certificate of compliance
- review of the internal audit program and internal audit reports risk management arrangements and the fraud control plan
- financial reporting arrangements under the *Financial Management and Accountability Act 1997*
- review of the Chief Executive Instructions
- financial management information system improvements
- the risk management framework and Business Continuity Management Plan, and
- external accountability.

Membership

The Committee comprises at least one commissioner, an AFMA senior executive member and at least one independent member. The members during the reporting period were:

- Ms Denise North – Chair (Commissioner)
- Mr Richard Stevens (Commissioner) until September 2009
- Ms Elizabeth Montano (Commissioner) from October 2009
- Mr John Bridge (executive)
- Mr Brian Macdonald (independent)
- Ms Jenny Morison (independent)

A number of observers and advisers also attended meetings during the year, including the Chief Executive Officer, the Chief Finance Officer and audit representatives from Ernst & Young (internal audit providers), Price Waterhouse Coopers (contracted external auditors) and the Australian National Audit Office.

The AFMA Finance Section provides secretariat support for the Audit and Risk Committee.

RESEARCH COMMITTEE

Role and function

The Research Committee advises the AFMA Commission and the AFMA Chief Executive Officer on the strategic directions, priorities and funding for research relevant to meeting AFMA's information needs and objectives.

Membership

In 2009–10, the Committee was comprised of the following members:

- Mr Ian Cartwright – Chair (Commissioner)
- Prof Keith Sainsbury – Commissioner
- Dr John Glaister – Commissioner
- Prof Glenn Hurry – Chief Executive Officer
- Dr James Findlay – Executive Manager, Fisheries Management Branch
- Ms Sally McCarthy/Ms Natalie Couchman
- Secretary to the Committee

Permanent Advisors

Senior Manager, Environment and Research – Dr David Alden/Ms Selina Stoute

Manager Research – Dr Dave Alden/Ms Mandy Goodspeed

The Committee was also comprised of the following invited advisors:

Department of Agriculture, Fisheries and Forestry representative

Fisheries Research and Development Corporation representative

AFMA Senior Economist.

The Commonwealth Fisheries Association Chief Executive Officer became an observer to the Committee from November 2008.

AFMA Research Section provided secretariat services to the Committee.

ENVIRONMENT COMMITTEE

Role and function

The AFMA Environment Committee provides advice to AFMA on strategies to address environmental issues, including ecologically sustainable development, the precautionary principle and minimising the impact on non-target species.

In 2009–10 the Environment Committee:

- identified potential research gaps and provided advice on research scopes which relate to environmental issues or provide a cross fishery benefit
- monitored progress on:
 - Ecologically Sustainable Development (ESD) / Ecosystem Based Fisheries Management (EBFM)
 - Bycatch and Discard Program
 - Marine Bioregional Planning, and
 - climate change.

The AFMA Environment Committee met twice during 2009-2010. The thirtieth meeting was held on 21 September 2009 and the thirty-first meeting was held on 30 March 2010.

Membership

In 2009–10, the Committee comprised the following members:

- Professor Keith Sainsbury (Chair), Mr Ian Cartwright, Ms Jenny Goddard and Professor Glenn Hurry (AFMA CEO) – AFMA Commissioners
- Mr Glenn Sant (TRAFFIC International)
- Mr Chris Melham / Mr Alan Crosthwaite (Commonwealth Fisheries Association)
- Mr Nigel Routh (Department of the Environment, Water, Heritage and the Arts)
- Mr Roland Pittar (Department Agriculture Fisheries and Forestry)
- Dr James Findlay AFMA's Executive Manager, Fisheries Management Branch

The membership of the Environment Committee was extended in 2008–09 to include a Commonwealth Fisheries Association representative (Mr Chris Melham). Mr Melham was an apology for the thirtieth meeting and was replaced by Mr Allan Crosthwaite before the thirty-first meeting.

The Committee also comprised the following advisors:

- AFMA Senior Environment and Research Manager
- AFMA Manager, Environmental Assessments
- AFMA Manager, Ecological Risk.

The AFMA environment section provided the secretariat services for the Committee.

INFORMATION AND COMMUNICATIONS TECHNOLOGY GOVERNANCE COMMITTEE

The purpose of the Information and Communications Technology Governance Committee is to strengthen and enhance information and communications technology governance by advising and providing guidance on:

- strategic alignment of IT with business objectives and directions
- value delivery – concentrating on optimising expenses and proving the value of information and communications technology
- risk management – ensuring the safeguarding of information and communications technology assets through disaster recovery plans and business continuity plans
- resource management – optimising information and communications technology infrastructure
- performance management – tracking delivery and monitoring IT services.

The Committee's role is to advise on the strategic direction for the future of information and communications technology within AFMA. The combined business knowledge and strategic sense of the members of the Information and Communications Technology Governance Committee will contribute to an information and communications technology environment that appropriately supports business processes and effectively promotes business outcomes.

Membership

The Committee's membership comprises the Chief Executive Officer (as Chair), and all General Managers. There are another four members who represent senior management, significant business areas, and the Darwin and Thursday Island offices. The membership of the Committee is reviewed annually.

MANAGEMENT ADVISORY COMMITTEE (MAC) MEETINGS AND MEMBERSHIPS

TROPICAL TUNA MANAGEMENT ADVISORY COMMITTEE - TTMAC

Membership

Mr Bill Nagle –Chair

Mr Trent Timmiss –/AFMA Member

Dr Campbell Davies – Research Member

Mr Terry Romaro – Industry Member

Mr Geoff Binns – Industry Member

Mr Paul Williams – Industry Member

Mr Gary Heilmann – Industry Member

Mr Cathal Farrell – Industry Invited Participant

Ms Erica Starling – Industry Invited Participant

Mr Brian Jeffriess – Industry Invited Participant

Mr Peter Trott – Environment/Conservation Member

Mr Bill Edwards – Recreational/Charter Fishing Member

Mr Len Olyott – Recreational/Charter Invited Participant

Dr Brigid Kerrigan – State Government Invited Participant

Meetings

TTMAC was formed as a new MAC in July 2009 to provide management advice on the Eastern Tuna and Billfish, Western Tuna and

Billfish and Skipjack Tuna Fisheries. TTMAC met twice during 2009–10.

During the year TTMAC provided advice on the level of the total allowable effort set for the Eastern Tuna and Billfish Fishery, the first time a total allowable effort has been set for the fishery. TTMAC also provided advice on the level of total allowable commercial catches for the Western Tuna and Billfish Fishery, the first time total allowable commercial catch has been set for that fishery.

TTMAC also considered draft management plan amendments for the Eastern Tuna and Billfish Fishery necessary to implement quota management in the fishery, simplified management arrangements for the Skipjack Tuna Fishery and ecological risk management plans for the Western Tuna and Billfish Fishery and Skipjack Tuna Fisheries. A MAC liaison officer was also appointed to facilitate communication between TTMAC and the fishing industry.

GREAT AUSTRALIAN BIGHT TRAWL MANAGEMENT ADVISORY COMMITTEE - GABMAC

Membership

Mr Barry Windle – Chair

Mr Steve Auld – AFMA Member

Dr Ian Knuckey – Research Member

Vacant – Environment/Conservation Member

Mr Jim Raptis – Industry Member

Mr Jeff Moore – Industry Member
Mr Semi Skoljarev – Industry Member
Ms Marcia Valente – Industry Member
Mr Sean Sloan/Ms Alice Fistr – State Government Member

Meetings

GABMAC held one meeting during 2009–10, as scheduled.

The MAC supported the Great Australian Bight Industry Association’s proposed changes to mandatory gear restrictions in the Great Australian Bight Trawl Sector in order to improve bycatch mitigation.

Other issues that were discussed included further revision of the decision rules for Deepwater Flathead and Bight Redfish, AFMA’s draft information disclosure policy, and the MAC regionalisation review and future of GABMAC/GABRAG.

NORTHERN PRAWN MANAGEMENT ADVISORY COMMITTEE - NORMAC

Membership

Mr Stuart Richey (AM) – Chair
Ms Melissa Brown – AFMA Member
Dr Cathy Dichmont – Research Member
Mr David Carter – Industry Member
Mr Ronald Earle – Industry Member
Mr Norman Peovitis – Industry Member
Mr George Raptis – Industry Member
Mr Gregory Albert – Industry Member
Mr Eddie Hegerl – Environment/Conservation Member
Mr Eddie Jebreen – State Government Invited Participant

Meetings

NORMAC met twice during 2009–10, as scheduled.

The first meeting was in Brisbane on 23–24 July 2009 to discuss a report by Sustainable Environment Group on the results of a cost-benefit analysis on individual transferable quota options for the fishery. Options for both Tiger Prawns and Banana Prawns were considered as part of the analysis. The final report concluded that there were some economic benefits from an individual transferable quota management system for the fishery. Although the MAC was unable to put forward a unanimous position on a preferred quota model, the MAC had extensive discussion and the various views were considered by the AFMA Commission in reaching a decision to move to output controls in the form of an individual transferable quota system.

NORMAC met again in Brisbane on 18–19 February 2010 to consider the operational details of the proposed quota system, which is scheduled to be implemented in the fishery from 2012.

While some industry members have clearly stated their disagreement with the decision to implement output controls in the fishery, all MAC members will be invited to provide further input into the final quota system during July 2010.

SOUTHERN BLUEFIN TUNA MANAGEMENT ADVISORY COMMITTEE – SBTMAC

Membership

Mr Peter Neville – Chair
Ms Trysh Stone – AFMA Member
Dr Gavin Begg – Research Member
Mr Glenn Sant – Environment/Conservation Member

Mr Greg Honeychurch – Industry Member (Farm Sector)

Mr Michael Thomas – Industry Member (Farm Sector)

Mr Andrew Wilkinson – Industry Member (Farm Sector)

Mr Mario Valcic – Industry Member (Farm Sector)

Mr Terry Romaro – Industry Invited Participant

Mr John Brooker – Recreational/Charter Invited Participant

Mr Martin Smallridge – State Government Invited Participant

The SBTMAC met once during 2009–10, as scheduled. Key domestic management outcomes of the meeting included:

- recommending that the Observer Working Group be reconvened to oversee the future direction of issues associated with operational aspects of the purse seine observer program
- considering the processes for the consideration of the nomination of Southern Bluefin Tuna as conservation dependent species and the reconsideration of the Wildlife Trade Operation approvals granted under the *Environmental Protection and Biodiversity Conservation Act 1999*
- endorsing the proposal to use a temporary order to change the season length to two years and allow AFMA to determine the total allowable catch to be 8030 tonnes for two years, and
- considering a proposal from industry to change the date of the Australian quota year to earlier in the calendar year to maximise the value of the fishery.

BASS STRAIT CENTRAL ZONE SCALLOP FISHERY MANAGEMENT ADVISORY COMMITTEE - SCALLOPMAC

Membership

Mr Glenn Hurry/Mr John Pollock – Chair

Mr Shane Gaddes – AFMA Member

Mr Richard Martin – Research Member

Mr Jon Bryan – Environment/Conservation Member

Mr Jim Anastos – Industry Member

Mr Allan Barnett – Industry Member

Mr John Hammond – Industry Member

Mr Tom Mellas – Industry Member

Mr David Jarvis (Tas) – State Government Invited Participant

Ms Melissa Schubert (Vic) – State Government Invited Participant

Meetings

ScallopMAC held three meetings during 2009–10; two meetings were scheduled; however, an additional meeting was required to amend the areas within the fishery open to commercial fishing.

Key issues were an assessment of the effectiveness of voluntary arrangements and industry performance against these arrangements, a formal process and guidelines for reviewing the placement of boundaries of area/s open to commercial fishing within a given fishing season and a process to allow exploratory fishing in closed areas of the fishery.

SOUTH EAST MANAGEMENT ADVISORY COMMITTEE - SEMAC

Membership

Mr Steve McCormack – Chair
Ms Beth Gibson – AFMA Member
Dr Jeremy Prince – Research Member
Dr Ian Knuckey – Research Invited Participant
Mr Simon Boag – Industry Member
Mr Will Mure – Industry Member
Mr Theophilos Toumazos – Industry Member
Mr Shane Dugins – Industry Member
Mr Tony Lavalle – Industry Member
Mr Anthony Ciconte – Industry Invited Participant
Ms Anissa Lawrence – Environment/Conservation Member
Mr Malcolm Poole – Recreational/Charter Invited Participant
Mr Andrew Sullivan – State Government Invited Participant

Meetings

SEMAC held three meetings during 2009–10, as scheduled.

The key issues discussed were the draft Upper-Slope Dogfish Management Strategy, total allowable catch setting rules for the 2010–11 fishing year, management arrangements to mitigate fishing impacts on Australian Sea Lions, NSW Offshore Constitutional Settlement Developments changes, Trawl Gear Direction and bioregional marine planning impacts.

SUB-ANTARCTIC FISHERIES MANAGEMENT ADVISORY COMMITTEE - SOUTHMAC

Membership

Mr Bill Nagle – Chair
Mr Peter Neave – AFMA Member
Mr Jon Bryan – Environment/Conservation Member
Ms Gillian Slocum – Australian Antarctic Division (AAD) Member
Mr Martin Exel – Industry Member
Mr Les Scott – Industry Member
Prof Malcolm Haddon – Research Member

Meetings

The SouthMAC met once in 2009–10, as scheduled.

SouthMAC discussed the outcomes from the twenty-eighth meeting of the Commission for the Conservation of Antarctic Marine Living Resources including recommendations on the total allowable catch for Patagonian Toothfish and Mackerel Icefish in the Heard Island and McDonald Islands Fishery.

SouthMAC supported extending the Macquarie Island Toothfish Fishery longline trial for a fourth year. The MAC also supported increasing the maximum number of vessels allowed to operate in the Heard Island and McDonald Islands Fishery from three to five (only three of which can be trawlers) by way of an amendment to the *Heard and McDonald Island Fishery Management Plan 2002*. Other issues discussed were the ecological risk management reports for the Antarctic fisheries and the 2009–10 budgets.

SMALL PELAGIC FISHERY MANAGEMENT ADVISORY COMMITTEE - SPFMAC

Membership

Mr Steve McCormack – Chair

Mr Phil Domaschenz – AFMA Member

Mr Jon Bryan – Environment/Conservation
Member

Mr Denis Brown – Industry Member

Mr Michael Thomas – Industry Member

Mr Terry Romaro – Industry Member

Mr Gerry Geen – Industry Invited Participant

Dr Gavin Begg – Research Member

Mr Graham Pike – Recreational/Charter
Member

Mr Brett Cleary – Recreational/Charter Invited
Participant

Ms Michelle Besley – State Government
Member

Meetings

The SPFMAC held two meetings during
2009–10, as scheduled.

The key issues discussed included a report
on the Small Pelagic Fishery Management
Strategy Evaluation, Harvest Strategy
Review, Research Plan, Draft Bycatch and
Discard Workplan, observer coverage and the
determination of total allowable catch for
each species for the 2010–11 fishing season.

SOUTHERN SQUID JIG MANAGEMENT ADVISORY COMMITTEE - SQUIDMAC

Membership

Mr Duncan Leadbitter – Chair

Mr Shane Gaddes – AFMA Member

Dr Mark Norman – Environment/
Conservation Member

Mr Paul Anastasopoulos – Industry Member

Mr Peter Barwick – Industry Member

Mr Lisle Elleway – Industry Member

Mr Andrew Watts – Industry Member

Dr Lianos Triantafillos – Research Member

Mr David Molloy – State Government Invited
Participant

Ms Frances Seaborn – State Government
Invited Participant

Meetings

The SquidMAC held one meeting during
2009–10, as scheduled.

The MAC discussed the potential impacts
of the South-West and South-East marine
bioregional planning process, management
options for the fishery and the amalgamation
of SquidMAC into South East Management
Advisory Committee (SEMAC). The MAC also
recommended the total allowable effort for
the fishery and noted that a review of the
Harvest Strategy is scheduled during 2010.

APPENDIX 5: FREEDOM OF INFORMATION STATEMENT

This statement is published in accordance with Section 8 of the *Freedom of Information Act 1982*.

For the 2009–10 financial year AFMA received one request for information.

STRUCTURE, FUNCTIONS AND DECISION MAKING POWERS OF AFMA

The structure and functions of AFMA can be found on pages 37–39

AFMA decisions are made under the *Fisheries Management Act 1991*, *Fisheries Administration Act 1991*, and plans of management for those Commonwealth fisheries managed by AFMA. In some cases, AFMA's decision-making processes also include consideration of primary and subordinate legislations on matters relating to the imposition of levies.

Decisions made by AFMA include:

- the granting and transfer of fishing concessions, which include statutory fishing rights, fishing permits, foreign fishing boat licences and scientific permits
- the suspension and cancellation of fishing concessions, and
- the determination of levies payable.

AFMA also holds delegations in relation to specific powers and functions on behalf of the Minister and the Torres Strait Protected Zone Joint Authority under the *Torres Strait Fisheries Act 1984*.

ARRANGEMENTS FOR EXTERNAL PARTICIPATION

AFMA's legislation and policies provide for consultation with the fishing industry, other stakeholders and the general community in developing fisheries management arrangements for Commonwealth fisheries.

The consultation process includes the consideration of views from:

- management advisory committees
- fishery assessment groups
- commercial fishing industry
- state government/territory agencies responsible for fisheries management
- environmental organisations
- recreational fishing interests
- Aboriginal peoples and Torres Strait Islanders, and
- others whose interests may be affected by, or whose views may usefully contribute to, effective fisheries management.

In the making of plans of management and the allocation of Statutory Fishing Rights, the legislation requires public notice to be given of the availability of a draft plan or intention to grant Statutory Fishing Rights, and inviting public comment.

In other cases where major decisions are to be made, those directly affected are informed individually and are invited to comment. Where appropriate and if required, public meetings are held. Notice of those meetings is published in the Commonwealth Gazette, newspapers and AFMA's newsletter to industry, AFMA Update.

CATEGORIES OF DOCUMENTS IN THE POSSESSION OF AFMA

Specific Files: AFMA keeps specific files in the names of particular persons, names of particular boats or particular subjects.

General Files: Subjects include management, information technology, human resources, finance and legal. Files may contain correspondence and minutes, reports and submissions, computer printouts, briefing papers, pleadings and legally privileged information.

Mailing Lists: Mailing lists are held for sending information to AFMA's clients.

Databases: AFMA maintains a number of databases for purposes associated with its specified functions.

Registers: A register is kept of fishing rights holders in specified managed fisheries.

Maintenance of a register is mandatory in those fisheries for which a statutory management plan is in force. Included are a register of permit holders and a high seas register, both of which are public registers.

Series of documents as published on the AFMA website are free of charge from AFMA (or subject to postage):

- media releases
- AFMA Update and levy newsletters, bulletins and public information papers
- statutory management plans
- management arrangement booklets and informational booklets
- directions and determinations made under statutory management plans
- discussion papers on proposed management arrangements
- strategic assessments
- bycatch action plans

- environmental updates
- public fisheries research reports
- logbook data summaries
- principles and policy guidelines for the application of vessel monitoring systems
- maps

Copies of registers are available for purchase from AFMA.

FACILITIES FOR ACCESS TO DOCUMENTS

Once AFMA has notified an applicant in writing that access to a document or other material has been granted, and following payment of any appropriate fees, the Authority will either mail the material to the applicant or the applicant can peruse the material at AFMA's headquarters at:

6th Floor
73 Northbourne Avenue
CANBERRA ACT 2610

Special arrangements may be made where access to original material is required interstate.

ACCESSING DOCUMENTS

Requests for access to documents may be made to:

Attention: Freedom of Information Officer
Australian Fisheries Management Authority
Box 7051
Canberra Business Centre
CANBERRA ACT 2610

Ph: 1300 723 621 or (02) 6225 5555
Fax: (02) 6225 5500

APPENDIX 6: COMMONWEALTH DISABILITY STRATEGY

The Commonwealth Disability Strategy provides a framework to assist Australian Government departments and agencies to meet their obligations under the *Disability Discrimination Act 1992*. Australian Government organisations are required to report annually on their performance in implementing the strategy.

The Commonwealth Disability Strategy is based on and reports against five categories of the core roles of government: policy advisor, regulator, purchaser, provider and employer. AFMA's roles primarily fall into the categories of regulator, purchaser and employer. Reporting on the employer role is completed through the Australian Public Service Commission's State of the Service Report and is not included here.

THE REGULATOR ROLE

Performance Indicator	Current level of performance 2009 - 2010
Publicly available information on regulations and quasi-regulations is available in accessible formats for people with disabilities.	<p>All of AFMA's regulations and supplementary material, for example Directions, Determinations, logbooks are published through the ComLaw website and available in accessible format (HTML). AFMA provides this information through links to ComLaw from its website.</p> <p>No requests were received for information in accessible electronic formats in 2009–10.</p> <p>AFMA does not currently provide information in non electronic accessible format, and no requests to do so have been received.</p>
Publicly available regulatory compliance reporting is available in accessible formats for people with disabilities.	AFMA publishes compliance information via the Annual Report, which is provided in PDF and RTF formats on the AFMA website.

THE PURCHASER ROLE

Performance Indicator	Current level of performance 2009 - 2010
Publicly available information on agreed purchasing specifications are available in accessible formats for people with disabilities.	<p>Core publicly available information on purchasing specifications is provided in accessible electronic formats (HTML) on the AFMA website and contact details are provided in case any supplementary documentation is required in an accessible format.</p> <p>There were no requests for provision of supplementary information in accessible format in 2009–10.</p> <p>Purchasing specifications are also uploaded to the Austender website.</p> <p>AFMA does not currently provide information in non-electronic accessible format, and no requests to do so have been received.</p>
Processes for purchasing goods or services with a direct impact on the lives of people with disabilities are developed in consultation with people with disabilities.	<p>Few processes for purchasing goods or services directly impact on the lives of people with disabilities. AFMA therefore does not routinely develop purchasing processes in consultation with people with disabilities, although would do so should the situation arise.</p>
Purchasing specifications and contract requirements for the purchase of goods and services are consistent with the requirements of the <i>Disability Discrimination Act 1992</i> .	<p>AFMA’s purchasing specifications and contract requirements for the purchase of goods and services are not inconsistent with the <i>Disability Discrimination Act 1992</i>.</p>
Publicly available performance reporting against the purchase contract specifications requested in accessible formats for people with disabilities is provided.	<p>AFMA’s index of contracts is published on the AFMA website in PDF format only.</p> <p>AFMA does not currently provide information in non- electronic accessible format, and no requests to do so have been received.</p>
Complaints/grievance mechanisms, including access to external mechanisms, in place to address concerns raised about provider’s performance.	<p>AFMA has an established internal mechanism for complaints and grievances, and issues with providers may be raised here.</p> <p>AFMA’s Client Service Charter is available in accessible format (HTML) on the AFMA website. This outlines the procedures for making a complaint.</p> <p>External mechanisms, such as the Commonwealth Ombudsman, are also available.</p>

APPENDIX 7: 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 byproduct species bycatch, threatened, endangered, protected species, and community and habitat interactions.

To support and implement an ecologically sustainable development approach in its fisheries, AFMA commissioned ecological risk assessments for each Commonwealth fishery. Ecological risk assessments involve a number of methodologies including comprehensive qualitative and quantitative analyses. This approach screens out low risk activities focusing on species at greater potential risk within Commonwealth fisheries.

The results of these risk assessments for each fishery are consolidated into a priority list upon which an ecological risk management strategy is focused. A detailed ecological risk management strategy for each AFMA-managed fishery has been prepared, clearly identifying how each species or group of species will be managed.

Key management policy initiatives include:

- the harvest strategy policy and guidelines
- the Australian Sea Lion Management Strategy
- the Upper-Slope Dogfish Management Strategy

- a bycatch and discard program, and
- the *Chondrichthyan Guide for Fisheries Managers*.

To date, all AFMA-managed fisheries, other than the Commonwealth trawl sector of the South East Scalefish and Shark Fishery, have completed and published their ecological risk management reports. The number of species remaining at high risk across all Commonwealth fisheries is 108, 1.3 per cent of all species assessed, and it is expected that this will continue to reduce as the ERM reports are implemented.

OUTCOME CONTRIBUTING TO ECOLOGICALLY SUSTAINABLE DEVELOPMENT

AFMA's outcomes are directed at Commonwealth fisheries being both ecologically sustainable and economically efficient.

This approach reflects AFMA's commitment to pursuing management of Commonwealth fisheries in accordance with its legislative objectives and in partnership with others who also have an interest in sustainable management.

EFFECT OF ACTIONS ON THE ENVIRONMENT

All AFMA-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.

Part 13 of the Act defines a number of offences in relation to listed threatened species and ecological communities, but provides for accreditation of management plans or regimes (sections 208A, 222A, 245, 265). The effect of accreditation is that certain actions are not offences if they are carried out in accordance with those management plans or regimes. There is no requirement to remake the accreditation decisions unless the management plans or regimes change.

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 product from all assessed Commonwealth and Torres Strait 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.

ACTIONS TO MINIMISE IMPACT ON ENVIRONMENT

The development of the various elements of ecological risk management is designed to minimise the impact of fisheries on the environment.

Species identified as high risk after the application of the various ecological risk assessment methods are combined with any identified protected species to form the priority list on which AFMA focuses its ecological risk management efforts.



Turtle Excluder Devices, such as these being used in the Northern Prawn Fishery, allow turtles and other non-target species, including threatened, endangered and protected species, to escape trawl nets. Minimising the impacts of fisheries on the marine ecosystem is one of AFMA's key legislated objectives and an important part of ensuring AFMA meets its obligations under the *Environment Protection and Biodiversity Conservation Act 1999*. Photo – AFMA

Risk management strategies addressing species identified as at medium or low risk will be implemented at a later date.

Research has been commissioned to extend the ecological risk assessment methodology to habitats and communities. Extension to cumulative impacts has been identified as a priority for future research.

AFMA purchases a proportion (currently 10 per cent) of green electricity as part of the Commonwealth energy contract and has seven vehicles which are part of the Greenfleet program.

AFMA uses 90 per cent recycled paper in printers, copiers and fax machines.

AFMA's premises at 73 Northbourne Avenue have an overall four-star energy rating and include zoned air-conditioning and lighting and automatic light dimming in response to daylight sensors.

During 2009–10 AFMA's environment committee, Greenfish, continued its work making small changes around the office that can have important impacts in reducing AFMA's environmental footprint. Greenfish members also attend inter Departmental meetings on such issues where AFMA's building management can not.

MECHANISMS FOR REVIEWING

A number of elements exist for reviewing the effect of fishing on the environment. AFMA will conduct regular reassessments of each ecological risk assessment for Commonwealth fisheries as part of AFMA's ecological risk management framework. AFMA also regularly reviews the other elements of the ecological risk management framework, for example the Bycatch and Discard Workplans are formally reviewed every two years.

AFMA is also subject to reassessment of all its fisheries under Part 13A of the *Environmental Protection and Biodiversity Conservation Act 1999*. Fisheries granted exemptions are reassessed every five years. Fisheries granted wildlife trade operations are reassessed prior to the wildlife trade operations' expiry.

APPENDIX 8: CONSULTANCY SERVICES

SELECTION AND ENGAGEMENT OF CONSULTANTS

Most of the consultancy services engaged during 2009–10 were for fisheries research purposes. The selection and engagement of research consultants was primarily select tender process or direct sourcing. For select tender processes, AFMA approached the market and invited interested participants to submit a proposal. Proposals were assessed by the Commonwealth Fisheries Research

Advisory Body, an external panel of experts from several organisations who assessed each proposal and made recommendations to AFMA. In direct source or select tender processes for research projects, AFMA selected service providers with specialist areas of expertise or prior experience.

During the year we entered into 37 consultancy contracts, valued at \$8 039 121.78, where specialised or professional skills were not available internally or where we identified a need for independent research or assessment.

CONSULTANCY SERVICES LET DURING 2009–10 OF \$10 000 OR MORE

Consultant Name	Description	Contract Price	Selection Process (1)	Justification (2)
Fisheries Research and Development Corporation	Population biology of tuna in the Australian region	\$55 000.00	Direct	C
CSIRO Division of Fisheries	Assessment of high seas benthic impacts	\$110 000.00	Direct	C
SMS Management & Technology	Engagement of IT consultant	\$16 500.00	Direct	C
CSIRO Division of Fisheries	Refined fishery stock assessment	\$256 620.37	Direct	C
CSIRO Division of Fisheries	Fishery stock assessment for 2010	\$633 174.30	Direct	C
Readify Pty Limited	Software consulting services	\$48 000.00	Direct	C
IPP Consulting Pty Ltd	Provision of security assessment review	\$34 100.00	Direct	A
STRATSEC.NET Pty Ltd	Computer consulting services	\$12 248.50	Direct	C
Australian Risk Services Australasia	Occupational health and safety risk assessment	\$27 665.00	Select	C
CSIRO Division of Fisheries	Provision of expert advice for fishery	\$66 000.00	Direct	C

Consultant Name	Description	Contract Price	Selection Process (1)	Justification (2)
CSIRO Division of Fisheries	Stock assessment and advice for fishery	\$77 701.80	Direct	C
The University of Tasmania	Scientific survey of commercial scallops	\$16 700.00	Direct	C
RPV Consultants Pty Ltd	Engagement of consultant for telecommunications review	\$24 052.16	Select	C
Stokes.net.nz Ltd	Development of guidelines for fishery	\$10 000.00	Direct	C
J & J Baker & Associates Pty Ltd	Amending of fisheries management plan	\$44 000.00	Direct	B
Department of Agriculture, Fisheries & Forestry	Southern Bluefin Tuna aerial survey of the Great Australia Bight	\$273 048.05	Direct	C
CSIRO Division of Fisheries	Research project for recovery of fish population in Torres Strait	\$109 450.00	Direct	C
CSIRO Division of Fisheries	Research project stock assessment for Torres Strait Rock Lobster Fishery	\$282 318.30	Direct	C
IPP Consulting Pty Ltd	Security and physical risk review	\$54 890.00	Select	A
Ms Sevaly Sen	Engagement of panel member for the Independent Allocation Advisory Panel	\$39 600.00	Select	C
J & J Baker & Associates Pty Ltd	Drafting services for fishery management plan	\$40 000.00	Direct	B
CSIRO Division of Fisheries	Southern Bluefin Tuna habitat preference reports	\$25 677.30	Direct	C
Mr Anthony De Fries	Engagement of panel member for The Independent Allocation Advisory Panel	\$16 500.00	Select	C
Mr F Drenkhahn	Engagement of panel member for The Independent Allocation Advisory Panel	\$19 800.00	Select	C
Commonwealth Fisheries Association	Liaison/advisory services with fishing industry	\$33 000.00	Direct	C
Austral Fisheries Pty Ltd	Industry research survey for fisheries	\$1 851 300.00	Direct	C
Australian Antarctic Division	Research of Toothfish in commercial fisheries	\$135 245.00	Direct	C
Department of Primary Industries and Fisheries QLD	Torres Strait Prawn Fishery research and reporting	\$30 000.00	Direct	C

Consultant Name	Description	Contract Price	Selection Process (1)	Justification (2)
Fisheries Research and Development Corporation	Fishery independent surveys	\$1 376 322.20	Direct	C
CSIRO Division of Fisheries	Advisory services agreement	\$22 000.00	Direct	C
CSIRO Division of Fisheries	Designing information requirements for management of Commonwealth Fisheries	\$353 811.70	Direct	C
CSIRO Division of Fisheries	Northern Prawn Resource Assessment Group Assessments 2009/10	\$199 425.60	Direct	C
Ernst & Young	Internal audit and contractor services	\$52 321.50	Direct	C
Fish Ageing Services Pty Ltd	Fish ageing and length frequency services in Southern and Eastern Scalefish and Shark Fishery	\$1 175 800.00	Open	C
Fisheries Research and Development Corporation	Mapping the distribution and movement of Gulper Sharks	\$24 200.00	Direct	C
WW Fisheries Pty Ltd	Size monitoring program for Eastern Tuna & Billfish Fishery	\$165 000.00	Direct	C
Archipelago Marine Research Ltd	Electronic monitoring project in the Eastern Tuna and Billfish Fishery	\$327 650.00	Direct	C
TOTAL		\$8 039 121.78		

1) Explanation of selection process terms drawn from the Commonwealth Procurement Guidelines (January 2005):

Open Tender: A procurement procedure in which a request for tender is published inviting all businesses that satisfy the conditions for participation to submit tenders. Public tenders are sought from the marketplace using national and major metropolitan newspaper advertising and the Australian Government AusTender internet site.

Select Tender: A procurement procedure in which the procuring agency selects which potential suppliers are invited to submit tenders. Tenders are invited from a short list of competent suppliers.

Direct Sourcing: A form of restricted tendering, available only under certain defined circumstances, with a single potential supplier or suppliers being invited to bid because of their unique expertise and/or their special ability to supply the goods and/or services sought.

Panel: An arrangement under which a number of suppliers, usually selected through a single procurement process, may each supply property or services to an agency as specified in the panel arrangements. Tenders are sought from suppliers that have pre-qualified on the agency panels to supply to the government. This category includes standing offers and supplier panels where the consultant offers to supply goods and services for a pre-determined length of time, usually at a pre-arranged price.

2) Justification for decision to use consultancy:

A – skills currently unavailable within agency

B – need for specialised or professional skills

C – need for independent research or assessment

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GLOSSARY

Annual appropriation

The amount of public monies authorised by parliament for expenditure from the Consolidated Revenue Fund for a particular year.

Australian Fishing Zone

Waters adjacent to Australia and its external territories (excluding Torres Strait and the Antarctic territories) which extend from defined baselines to 200 nautical mile zones of other nations. Within the Australian Fishing Zone, Australia exercises jurisdiction over all fishing by Australian and foreign boats.

bilateral agreement

A government to government agreement between Australia and another nation allowing vessels of that nation to fish in the Australian Fishing Zone.

bycatch

In its broadest sense, all living and non-living material (except for the target species) that is caught while fishing, including byproduct, discards and that part of the catch which does not reach the deck but is affected by interactions with the fishing gear. For the purposes of the Commonwealth bycatch policy, bycatch is defined more narrowly as discards and that part of the catch which does not reach the deck but is affected by interactions with the fishing gear.

byproduct

Any part of the catch that is kept or sold by the fisher but is not the target species.

demersal trawl

Trawl gear designed to work on or near the sea bed, used to take demersal species of fish and prawns.

discard

Any part of the catch returned to the sea, whether dead or alive.

fishing capacity

The amount of fishing effort that a fishing boat, or a fleet of fishing boats, could exert if used to its full potential.

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.

fully fished

A term used to describe a fish stock for which current catches are close to sustainable levels, so that any increase in fishing may lead to overfishing.

incidental catch

Any part of the catch that is not the target species, including bycatch and byproduct.

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.

input controls

Restrictions placed on the amount of effort put into a fishery, for example by restricting types and size of fishing gear and boats and the amount of fishing time.

limited entry

Management arrangements restricting the number of operators allowed to fish in a particular fishery. New operators may only gain access to the fishery by purchasing an existing right.

longline fishing

A method of fishing that can be either surface-set (pelagic) or bottom-set (demersal) line fishing. Both methods use a mainline attached to branch lines, with each branch line fitted with one or more baited hooks or artificial lures.

memorandum of understanding (MoU) box

The area of the Australian Fishing Zone where traditional fishing by Indonesian nationals is permitted.

mid-water trawling

A form of trawling in which the net is off the sea bottom at all times. Such nets have large mouths and are used for targeting pelagic and semi-pelagic fish schools.

non-target species

See incidental catch.

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 term used to describe a fish stock for which levels of fishing or catches are excessive, or that still reflects the effects of earlier excessive fishing. In the former case, yields may be higher in the long term if the fishing level is reduced in the short term. A classification of 'overfished' may continue after fishing levels are reduced while the stock rebuilds to a desired level or until it is acceptable to resume fishing.

pelagic fish

Fish that are normally caught at or near the sea surface or in the water column.

pelagic longlining

A fishing method that targets pelagic fish species. A pelagic longline involves a mainline attached to branch lines, with each branch line fitted with one or more baited hooks or artificial lures. A pelagic longline is set so that the mainline, branch lines and hooks are suspended above the seabed by floats at the sea surface.

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 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.

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.

strategic assessment reports

Reports that consider the impacts of a fishery on target, byproduct and bycatch species and the broader marine environment. They are required by the *Environment Protection and Biodiversity Conservation Act 1999*.

sustainable yield

The maximum catch that can be taken from a fishery over an indefinite period without causing the stocks to be depleted.

target species

The species being sought by fishers.

Torres Strait Protected Zone Joint Authority

An authority comprising the Commonwealth Minister for Agriculture, Fisheries and Forestry (Chairperson), the Queensland Minister for Primary Industries and Fisheries and the Chair of the Torres Strait Regional Authority. The authority is responsible for monitoring the condition of the jointly managed fisheries and for 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

A term used to describe a fish stock whose status is unknown because there is inadequate or inappropriate information to form a reliable assessment. The species may be underfished, fully fished or overfished.

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