



Australian Government

Australian Fisheries Management Authority

A small inset photograph in the top left corner shows two people in high-visibility vests on a boat deck, handling a large, blue, diamond-shaped fishing net.

**ANNUAL REPORT  
2010|2011**





**Australian Government**

**Australian Fisheries Management Authority**



**ANNUAL REPORT  
2010|2011**



AFMA Annual Report 2010–11

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Designed by: ZOO Advertising

Contact officer: Melanie Jopling

Postal address: PO Box 7051

Canberra Business Centre

CANBERRA ACT 2610

Office address: 73 Northbourne Avenue

CANBERRA ACT 2600

Phone enquiries: 02 6225 5555

Email: [info@afma.gov.au](mailto:info@afma.gov.au)

Website – homepage: [www.afma.gov.au](http://www.afma.gov.au)

Web address for report: [www.afma.gov.au/annual-report-2010-11](http://www.afma.gov.au/annual-report-2010-11)



**Australian Government**  
**Australian Fisheries Management Authority**

7 October 2011

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

Dear Minister

We have much pleasure in presenting to you the annual report of the Australian Fisheries Management Authority (AFMA) for the financial year ended 30 June 2011.

This report has been prepared in accordance with section 87 of the *Fisheries Administration Act 1991* and the Requirements for Annual Reports 2010-11, approved by the Joint Committee of Public Accounts and Audit.

In addition, and as required by the Commonwealth Fraud Control Guidelines 2011, we certify that we are satisfied that the Authority has prepared fraud risk assessments and fraud control plans and has in place appropriate fraud prevention, detection, investigation, reporting and data collection procedures and processes that meet the specific needs of the Authority.

The Authority has also taken all reasonable measures to minimise the incidence of fraud in the agency and to investigate and recover proceeds of fraud against the agency.

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  
Chief Executive Officer

**Canberra Office**  
Box 7051  
Canberra Business Centre ACT 2610  
Phone: (02) 6225 5005  
Fax: (02) 6225 5500  
ABN: 81 008 487 517

**Darwin Office**  
GPO Box 121  
Darwin NT 0801  
Phone: (08) 8943 0333  
Fax: (08) 8942 2267

**Thursday Island Office**  
PO Box 376  
Thursday Island QLD 4875  
Phone: (07) 4069 1998  
Fax: (07) 4069 1277

# 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 2011, as forecast in the Agriculture, Fisheries and Forestry Portfolio Budget Statements 2010–11.

## 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 overview, a look at our key achievements in 2010–11, 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, and then measures the agency's performance against performance indicators and strategies.

## 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.

## PART 5 – FINANCIAL STATEMENTS

Part 5 consists of AFMA's financial statements for the 2010–11 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, disability reporting, ecologically sustainable development and environmental performance and consultancy services.

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# BUILDING REGIONAL CAPACITY IN FISHERIES MANAGEMENT

AFMA's program of international engagement and regional capacity building is improving fisheries management and contributes to the reduction of illegal, unregulated and unreported fishing in the South East Asian and Pacific regions.

During 2010-11, AFMA continued to work with Papua New Guinea, East Timor and Kiribati and recently expanded the program into other countries including Indonesia.

Fisheries officers from Papua New Guinea National Fisheries Authority and East Timor Ministry of Agriculture and Fisheries were sponsored by AFMA to undertake training in Government investigation.

Kiribati government officers attended AFMA's first train-the-trainer program in Canberra and Darwin. This will enable them to train fisheries and compliance officers in Kiribati, with AFMA playing a mentoring role.

AFMA officers travelled to East Timor to work with the Australian National Centre for Ocean Resources and

Security to identify areas AFMA can assist in further developing East Timor's fisheries legislation. Officers also travelled to Papua New Guinea to assist the National Fisheries Authority to develop a case management system.

AFMA is also working with the Australian Agency for International Development to conduct a capacity building program with the Indonesian Ministry of Marine Affairs and Fisheries.

In June 2011, AFMA officers travelled to Johor Bahru, Malaysia along with fisheries officers from Brunei, Cambodia, East Timor, Indonesia, Malaysia, Papua New Guinea, Singapore, Solomon Islands, Thailand and Vietnam. They all came together to participate in the Food and Agriculture Organisation (FAO) Port State Measures Agreement inspector training workshop.

AFMA continues to engage internationally through various forums in its efforts to combat illegal, unregulated and unreported fishing.



Courtesy of Department of Fisheries Malaysia – Group photo of attendees, trainers and facilitators of the FAO Port State Measures Agreement Inspector Training Workshop, Johor Bahru, Malaysia 6-10 June 2011.





# OVERVIEW

# 1

Chairman's and CEO's review

2

# CHAIRMAN'S AND CEO'S REVIEW

## KEY ACHIEVEMENTS FOR 2010–11

We continued to make strong progress towards our goals for the reporting period.

Following the development and ministerial approval of a revised management plan for the Eastern Tuna and Billfish Fishery we

introduced output controls in the form of individually transferable quotas to this fishery. This is in line with the Australian Government's policy preference for management of fisheries by output controls. In addition we continued to progress the introduction of output controls in the Northern Prawn Fishery.

We continued to effectively deter illegal fishing in the Australian Fishing Zone through our cooperative work with other Australian Government agencies working through the Border Protection Command. Foreign illegal fishing apprehensions in Australian waters are at an 18 year low, reflecting a significant reduction in illegal fishing activity.

We completed work on an extensive review of regulations to simplify and



The Hon Michael Egan, Chairman of AFMA's Commission, presented the award for Winner of Best Supplier (Interstate or Overseas) at the 2011 Sydney Fish Market Seafood to Elisha Yahel, General Manager of OPC Fish and Lobster, Excellence Awards- photo Sydney Fish Markets

streamline Commonwealth fisheries legislation to make it simpler to understand and more consistent across fisheries.

Management for sustainable fisheries continues to improve through formal harvest strategies under the *Commonwealth Harvest Strategy Policy* and continued trials of co-management with the fishing industry. To date the trials have indicated that the fishing industry is keen to take a greater role in the administration of Australian fisheries.

Our environmental risk assessment process further matured during this period with our ecological risk assessments showing that more than 96 percent of marine species potentially affected by fishing are at low or moderate risk under our current management arrangements.

We took decisive action through the implementation of closures and increased observer coverage to protect non target species in the Gillnet, Hook and Trap Sector of the Southern and Eastern Scalefish and Shark Fishery. The changes were designed to offer better protection to non-target



AFMA CEO James Findlay and Daniel Takai from Pearl Island Seafoods discuss tropical rock lobster management on Thursday Island - photo by AFMA

species in the fishery, particularly Australian Sea Lions, and to improve data collection on interactions with threatened, endangered and protected species.

Our report for this period provides quantitative information on our performance over the last year.

## Financial Performance

We reported an operating loss of \$3.8 million for the 2010-11 financial year, which was slightly in excess of budget expectations. Our total expenditure of \$45.4 million, including \$4.0 million in Administered expenditure, was \$0.7 million (2 percent) more than the previous year. This slight increase was due to the impact of asset revaluations on depreciation and amortisation, the finalisation of improvement projects, and some additional research expenditure.

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, contribution to the buy-back of Tropical Rock Lobster fishing boat licences 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 a break-even result in the 2011-12 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 remain relatively stable over the next two years, maintaining a balanced budget and consolidating savings required.

Administered expenditure is expected to increase by \$1.7 million to complete the construction of illegal foreign fishing vessel disposal facilities in Gove and Broome.

**TABLE 1: RESOURCE TABLE**

	Actual	Actual	Actual	Actual	Variance between budget and actual	%		Budget	Actual	Variance between budget and actual	%		Budget
	2007-08	2008-09	2009-10	2009-10	2009-10			2010-11	2010-11	2010-11			2011-12
	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s			\$'000s	\$'000s	\$'000s			\$'000s
PRICE OF AFMA'S OUTCOME- DEPARTMENTAL													
Departmental expenditure													
Employee benefits	18,526	20,317	21,447	21,447	-370	2%	22,502	20,083	-2,419	11%	20,729		20,729
Suppliers	31,300	23,607	17,583	17,583	-450	2%	16,055	19,494	3,439	21%	15,404		15,404
Depreciation and amortisation	797	1,216	1,475	1,475	-166	10%	1,365	1,861	496	36%	1,394		1,394
Write off and sale of assets	98	115	108	108	108	0%	0	3	3		-		-
Total cost of outcome - Departmental	50,721	45,255	40,613	40,613	-878	2%	39,922	41,441	1,519	4%	37,527		37,527
Departmental income													
Government appropriations	36,174	25,292	23,018	23,018	-	0%	23,028	23,028	0	0%	22,527		22,527
Levies and license fees	8,789	8,441	11,288	11,288	104	1%	13,114	12,961	-153	1%	13,168		13,168
Levy subsidies <sup>2</sup>	5,250	3,000	-	-	-	0%	-	-	-	-	-		-
Other revenue	4,274	2,456	3,109	3,109	759	32%	1,813	1,694	-119	7%	1,155		1,155
Total income - Departmental	54,487	39,189	37,415	37,415	863	2%	37,955	37,683	-272	1%	36,850		36,850
Departmental Surplus (deficit) <sup>3</sup>	3,766	-6,066	-3,198	-3,198	1,741		-1,967	-3,758	-1,791		-677		-677
Staffing levels <sup>4</sup>	211	215	214	214	-7	3%	213	193	-20	9%	198		198

PRICE OF AFMA'S OUTCOME - ADMINISTERED											
Administered expenditure											
Illegal foreign fishing vessel disposal <sup>5</sup>	n/a	4,983	4,013	-2,914	42%	4,100	3986	-114		3%	5,693
Impairment of financial assets <sup>6</sup>	71	-	108	108	0%	-	-				-
Total cost of outcome - Administered	71	4,983	4,121	-2,914	42%	4,100	3986	-114		3%	5,693
Administered income								0			
Levies <sup>7</sup>	9,366	9,320	12,337	408	3%	13,816	13,136	-680		5%	13,913
License fees and other revenue	87	648	126	-29	0%	155	177	22		14%	155
Total income - Administered	9,453	9,968	12,463	379	3%	13,971	13,313	-658		5%	14,068
Net cost of Outcome Delivery											
Expenditure - combined	50,792	50,238	44,734	-3,792	8%	46,363	45,427	-936		2%	43,220
Cost recovered and other revenue											
Departmental	13,063	10,897	14,397	863	6%	14,476	14,655	179		1%	14,323
Administered	9,453	9,968	12,463	379	3%	13,971	13,136	-835		6%	14,068
less levies credited to AFMA Special Account <sup>8</sup>	-8,789	-8,441	-11,288	-104	1%	-13,071	-12,961	110		1%	-13,168
Sub-total cost recovered and other revenue	13,727	12,424	15,572	1,138	8%	15,376	14,830	-546		4%	15,223
Net cost of Outcome delivery	37,065	37,814	29,162	-4,930	15%	30,987	30,597	-390		1%	27,997

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 became 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 2011–12 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 s94C 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.

## OUR OPERATING ENVIRONMENT

Knowledge of the size and condition of fish stocks and the marine ecosystems that support them is incomplete, and our knowledge of the impacts of fishing is imprecise. This requires a risk management approach to key aspects of AFMA's operations.

AFMA has identified the following major issues as likely to impact on fisheries management over the next four years. Our strategies are aimed at addressing these factors to the extent that our resources allow.

### **Economic and market factors**

Australia is a small player in the world seafood market and the profitability of many of our fishers is affected by the international price for fisheries products. Furthermore, the market price for the industry's key input, fuel, has risen significantly in the past ten years. While these factors have impacted on the profitability of the fishing fleet and will continue to do so in the future, AFMA's role is to implement management arrangements that allow the industry to maximise profitability subject to these external factors. While fuel costs have stabilised, the Australian dollar exchange rate is high and international markets are variable, affecting sales of Australian products. AFMA assists industry as a whole to adapt to changing economic conditions by managing fisheries with tradeable access rights and ensuring robust fish stocks.

### **Fisheries management funding**

Government, industry and community expectations regarding the standard of fisheries management arrangements are increasing and this expands the

scope of tasks to be managed and researched within the context of the budget. While the sustainability of Commonwealth fisheries is reasonably well assured through current and planned management practices, keeping management costs in line with beneficial outcomes to the fishing industry and the community is a constant challenge. AFMA annually takes a risk-based approach to pursuing its objectives within the available funding.

### **Climate change**

It is likely that Australia will experience changes in the distribution and abundance of some commercial species around its shores, particularly in the south-east and south-west of Australia and around sub-Antarctic territories. AFMA is working closely with the Australian Government Department of Agriculture, Fisheries and Forestry and the Australian Fisheries Management Forum on the fisheries response to climate change. From this general response AFMA will apply individual fisheries actions where necessary. However, we anticipate any need to specifically respond to climate change in fishery management arrangements will be limited within the next four years.



AFMA adopts a risk management approach to key aspects of AFMA operations

## Australian fish stocks

Australian fish stocks are 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 comprise a significant portion of Australian fisheries and AFMA provides technical advice to the responsible bodies.

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

The South East Asian region and oceans surrounding northern and southern Australia are heavily fished legally and illegally. Australia works



AFMA continues to refine and improve management arrangements to ensure the sustainable use of Commonwealth fisheries

with its neighbours to combat illegal fishing. Constant vigilance and capability are essential, and AFMA is a key participant in the Australian Government's deterrence of illegal fishing and border protection.

## OUTLOOK FOR 2011–12

We will continue to refine management arrangements consistent with the *Commonwealth Fisheries Harvest Strategy Policy* that facilitate sustainable and profitable fisheries.

We will commission fisheries research based on balancing catch and cost against ecological risk, and using ecological risk assessment and ecological risk management to meet AFMA's responsibilities for environmentally sustainable fisheries and prevent unacceptable effects of Commonwealth fisheries on marine ecosystems and organisms.

We will continue to provide incentives for voluntary compliance through simplified regulation of the commercial fishing industry, effective licensing services and by promoting direct industry involvement in managing their fisheries.

We will deter 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.

We will continue to deter illegal fishing in Commonwealth fisheries through targeted enforcement programs based on compliance risk assessments.

We will increase working with governments in the South East Asian and Oceania/Pacific regions on

cooperative management and deterring illegal fishing.

We expect to institute output controls in the form of individual transferable quota in line with Australian Government policy in the Northern Prawn Fishery by the end of 2012.

## ENVIRONMENT AND SUSTAINABILITY

Under the *Fisheries Management Act 1991* AFMA works to ensure that the management 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 Part 10 (strategic assessment), Part 13 (wildlife interactions) and Part 13A (export approval) of the *Environment Protection*

*and Biodiversity Conservation Act 1999*. This means that: each fishery has been assessed for its impact on matters of national environmental significance, in particular, the Commonwealth marine environment; interactions with protected species do not constitute an offence provided they are in accordance with the accredited management arrangements; and exports from the fishery are permitted to continue for the period of the accreditation.

For more information, see AFMA's report on domestic fisheries management on page 70, and report on ecologically sustainable development and environmental performance on page 179.



**Dr James Findlay**  
Chief Executive Officer



**The Hon Michael Egan, FAICD**  
Chairman



AFMA manages fisheries consistent with the precautionary principle

# MOVING FOCUS FROM TARGET SPECIES TO BYCATCH

Over the next five years AFMA will have an even greater focus on bycatch and the impact of fishing on protected species.

Bycatch is defined as that part of the fisher's catch which is returned to the sea either because it has no commercial value or because regulations preclude it from being retained. It also includes catch that does not reach the deck of the fishing vessel but is affected by interaction with the fishing gear.

AFMA has bycatch and discard work plans to minimise the take of high risk bycatch species and any protected species for each fishery. Innovative technological solutions are developed to protect bycatch species, including improved designs for seal excluder devices, bird deterrents and a range of fishing net designs that catch less small, unwanted animals (both bycatch and target species).

To address particular bycatch situations AFMA has introduced broader management strategies like the Australian Sea Lion Management Strategy. This strategy includes large area closures around Australian Sea Lion colonies and also sets limits (triggers) of Australian Sea Lions that can be taken in particular areas and prescribes actions that will occur if those limits are exceeded.

AFMA's approach to sustainability is based on the concept of ecologically sustainable development and when making management decisions AFMA considers economic, social and environmental implications and acts

on the 'precautionary principle' to protect the environment.

The Ecological Risk Management Framework is a key initiative driving ecologically sustainable development in Commonwealth fisheries. The framework details a process for assessing and addressing impacts that fisheries' activities have on the following five aspects of the marine ecosystem:

- target species
- byproduct and discard species
- protected species
- habitats, and
- communities

AFMA will be extending its ecological risk assessments to incorporate habitats and communities. Currently they address target species, byproduct and bycatch species and protected species.



AFMA maintains its focus on bycatch and the impact of fishing on threatened, endangered and protected species -photo J.Brook





# 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 of the 2010–11 Agriculture, Fisheries and Forestry Portfolio Budget Statements.

Our program, entitled 'Australian Fisheries Management Authority', directly reflects our outcome. Under that program, in 2010–11 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 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 programs 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.

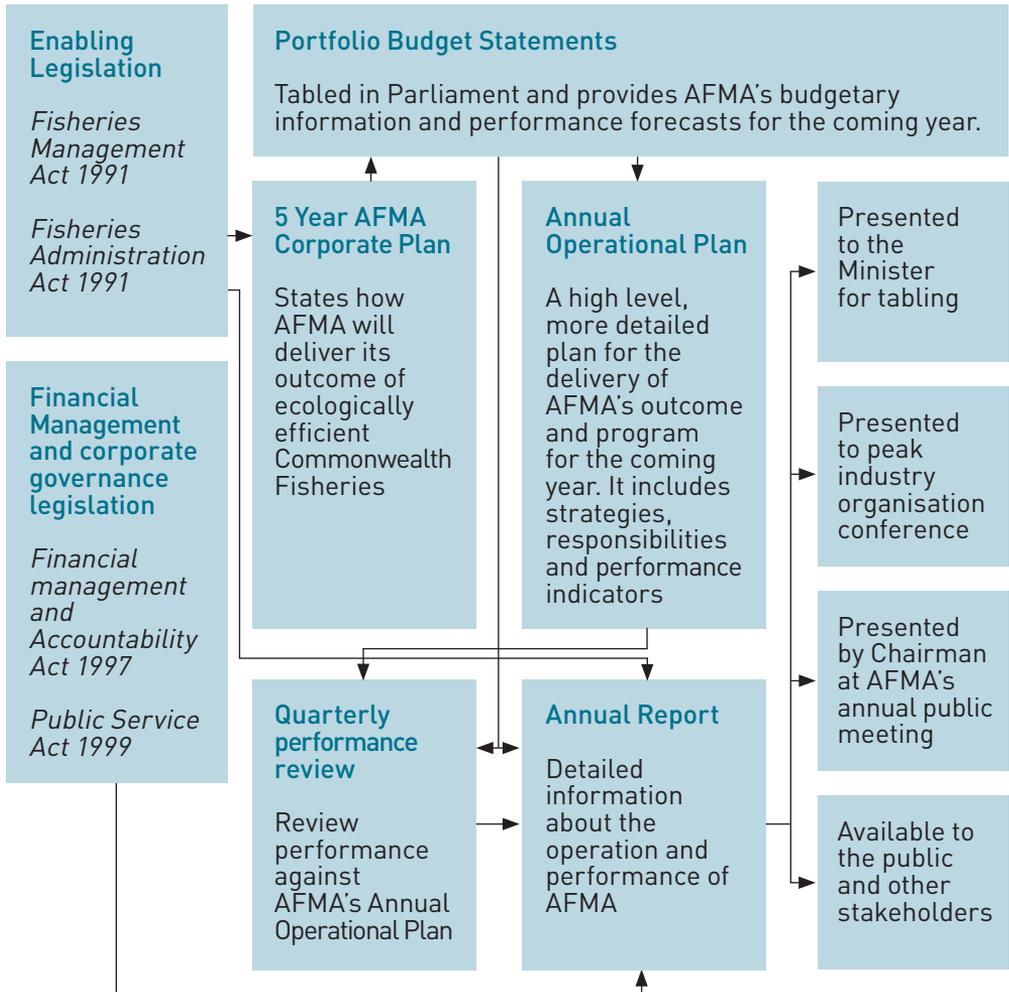
AFMA's 2010–14 Corporate Plan sets AFMA's goals and the strategies to achieve those goals for the reporting year and forward outlook. These are summarised in Table 2.

The AFMA program implementing these strategies is described in AFMA's Annual Operational Plan 2010–11 which sets out the intended actions arising from AFMA's Corporate Plan 2010–14. Performance against these intended actions is reported in pages 18–33.

For more information on these planning documents, see page 53.

TABLE 2: CORPORATE PLAN 2010–14	
Goal	Strategy
Complete the implementation of the Australian Government’s policy preference for management by output controls in the form of individual transferable quota in pursuit of better economic performance of Commonwealth fisheries	Introduce individual transferable quota management into the northern prawn and eastern tuna 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 focused 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

# PLANNING AND REPORTING STRUCTURE



# EASTERN TUNA AND BILLFISH FISHERY QUOTA IMPLEMENTATION

The *Eastern Tuna and Billfish Fishery Management Plan 2010* was introduced in 2010-11 changing catch management for the fishery.

The Eastern Tuna and Billfish Fishery extends from the tip of Cape York in the north right along the east coast of Australia to the South Australia/Victoria border and out from 3 to 200 nautical miles from the coast. It also includes a region of waters around Norfolk Island and adjacent high seas.

The fishery is also a small part of the much larger Western and Central Pacific Fishery which is governed by an international body, the Western and Central Pacific Fisheries Commission.

Australia catches around one percent of the total average catch from this fishery and ensure the conservation of the five included migratory stocks, which are caught by many countries in the Pacific.

The new management plan changed the fishery from one managed by the number of hooks set (input controls) to one managed by the weight of fish allowed to be taken (catch quota management). This change to a quota system was consistent with the Ministerial Direction in 2005 and the long standing Australian Government policy to manage Commonwealth fisheries through output controls.

The catch quota management system is a much more effective way to sustainably manage the fishery's major fish stocks; Albacore Tuna, Bigeye Tuna, Broadbill Swordfish, Striped Marlin and Yellowfin Tuna. The catch of these key commercial

species is capped at a total allowable commercial catch keep for each species set based on sound scientific advice on sustainable catch levels.

The new management plan also allows for an individual transferable quota system by granting tradeable statutory fishing rights.

After the Management Plan was accepted by the Parliamentary Secretary for Agriculture Fisheries and Forestry on 10 January 2011, AFMA granted statutory fishing rights to operators, which came into effect on 1 March 2011. Each statutory fishing right gives an operator an equal share of the total allowable commercial catch. Individual transferable quotas allow operators to trade quota to suit the needs of their individual fishing businesses.

The changes have brought a more sustainable means of management for the five main fish stocks in the fishery and greater certainty for fishers in their business planning.



Yellowfin tuna on their way to Japan for the export market

# 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 and eastern tuna fisheries

Intended actions in 2010–11	Achieved (✓ / ✗)	Comment
Determine the amended <i>Northern Prawn Fishery Management Plan</i> introducing individual transferable quota	✗	The move to individual transferable quota in the Northern Prawn Fishery has been delayed. This is because a method to set a total allowable catch for common banana prawns is still being developed. The revised timeframe for implementation is mid-2012
Determine the amended <i>Eastern Tuna and Billfish Fishery Management Plan</i> introducing Individual transferable quota	✓	A new <i>Eastern Tuna And Billfish Fishery Management Plan</i> was determined on 20 December 2010 which implemented individual transferable quota for the five key species. The new management plan was fully implemented on 1 March 2011
Continue to implement supporting technology for individual transferable quota management in the two fisheries	✓	AFMA's electronic licensing system GOFish was modified to include quota management in the Eastern Tuna and Billfish Fishery

# SIMPLIFYING COMMONWEALTH FISHERIES RULES AND REGULATIONS

Substantial progress was made during the year on a regulatory simplification project aimed to simplify the rules and regulations applying to Commonwealth fisheries.

Currently, commercial fishing operators are required to comply with a large number of rules contained in the *Fisheries Management Act 1991*, *Fisheries Management Regulations 1992*, individual fishery regulations and individual fishery management plans. To make matters more complicated, the same rule can be written differently in a number of different instruments.

The simplification project aims to deliver:

- standardised rules across all fisheries
- much simpler rules in each fishery management plan

- standard conditions on all fishing concessions

The project has taken 18 months to complete and required an extensive review and analysis by the project team of all existing rules in order to produce a simplified plain English set of standard rules that apply over all Commonwealth fisheries.

Once the new regulations are in place, the corresponding rules contained in individual fishery regulations and management plans will become redundant and will be removed.

Completion of the regulatory simplification project will be a significant step in the ongoing challenge of regulatory reform.

The new regulations are anticipated to be in place by the end of July 2011.



Andrew Powell and Brendan Kearney from AFMA's regulatory simplification project team discarded all the old, inconsistent, duplicated and triplicate rules and refined, combined and reorganised them into a much simpler format.

**Goal:** Maximise voluntary compliance

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

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

It is the act of complying motivated by an appreciation and understanding of the benefits of rules and regulations, rather

than the fear of negative consequences for non-compliance.

By reducing the complexity of fishery management rules it makes them easier to understand and generally consistent across fisheries, thereby making them easier to comply with. AFMA undertook a regulatory simplification project to rationalise the rules which were common across fisheries. By having standard rules it will make it easier for stakeholders to understand and follow thereby reducing the regulatory burden on operators throughout Commonwealth fisheries.

Intended actions in 2010–11	Achieved (✓ / ✗)	Comment
Reform fishery management rules to reduce complexity	In progress	The rules contained in the fisheries management regulations were reviewed and rationalised. The amendment to the fisheries management regulations to prescribe generic rules across all Commonwealth fisheries were drafted for submission to the Federal Executive Council for approval  Once implemented six of the ten existing fishery-specific regulations will be eliminated leaving only four fishery-specific regulations, the contents of which will be greatly simplified  The content of each management plan will also be greatly reduced
Seek amendment of the <i>Fisheries Management Act 1991</i> to allow regulations to be used to implement standard conditions across all fisheries	✓	The amendments to the <i>Fisheries Management Act 1991</i> came into effect on 4 January 2011

Intended actions in 2010–11	Achieved (✓ / ✗)	Comment
Implement standard conditions on fishing concessions	In progress	All remaining rules appearing as conditions on fishing concessions are being standardised and will be implemented on fishing concessions as soon as practicable
Each Management Advisory Committee meets twice	✓	The number of meetings held by management advisory committees in 2010–11 ranged from one to four. All management advisory committees met their minimum scheduled number of meetings
Each resource assessment group meets at least once	✓	Each resource assessment group met at least once during 2010–11
Provide 24 <i>AFMA Update</i> newsletters	✓	<i>AFMA Update</i> is a fortnightly newsletter published on the AFMA website and emailed to subscribers to keep them regularly informed of what is happening at AFMA  24 <i>AFMA Update</i> newsletters were published in 2010–11



AFMA fisheries officers conducting boarding operations at sea

# DOMESTIC COMPLIANCE – A SUMMARY OF THE YEAR’S WORK

In 2010-11 AFMA’s domestic compliance and enforcement activities involved a range of compliance measures designed to prevent, detect and respond to illegal fishing activities.

AFMA has adopted a targeted risk-based compliance and enforcement program, during 2010–11 the key risks targeted were:

- failure to carry observers when required
- taking in excess of allocated quota and failing to reconcile in the required timeframe
- not having an integrated computer vessel monitoring system on board and operating at all times
- breaching conditions designed to implement the threat abatement plan for the Eastern Tuna and Billfish Fishery
- shark finning and not retaining the carcasses
- failing to accurately complete or submit logbooks
- fishing and navigating in closed areas
- quota avoidance and evasion.

In addition to the intervention measures adopted to target these risks and to ensure compliance with Commonwealth conditions, Commonwealth fisheries officers conducted eight at-sea patrols, made 37 visits to 23 ports (including 20 of the 30 most active ports) and inspected 176 vessels and 40 fish receiver facilities, equating to 39 percent of the Commonwealth fleet being inspected at least once.

One hundred and six incidents were detected involving a range of issues such as unauthorised fishing, shark finning, and illegally fishing in the exclusive economic zone of another country all requiring investigation, this was in addition to the 25 matters still under investigation from the previous year.

Following investigations, 106 matters were closed within the year with the following outcomes;

- Seven closed following successful prosecutions for Commonwealth fishery offences.
- Nine closed following the issuing of one or more Commonwealth Fisheries Infringement Notices
- Forty eight closed following the issuing of cautions, warnings and suspensions, and
- Forty two closed as they required no further action.<sup>1</sup>



Department of Primary Industries and Resources South Australia (PIRSA) and AFMA fisheries officers returning to the PIRSA fisheries patrol vessel Southern Ranger during a joint patrol.

<sup>1</sup> No further action may include: No offence disclosed / insufficient evidence to proceed/statute of limitations expired/external referrals /Commonwealth Director of Public Prosecutions declined/not in public interest/duplicity of charges.

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

**Strategy:** Maintain a well trained and focused compliance enforcement team

AFMA continued to apply a risk-based domestic compliance program that enabled compliance and enforcement activity to be targeted to areas of most need, thereby maximising the use of resources. The domestic compliance program involved a series of steps to identify and assess risks of non-compliance and then apply tailored compliance measures to control these.

In addition to the risk treatment model, AFMA retained a general presence/deterrence role at all ports (and at sea) in order to discourage non-compliant behaviour by fishers.

In order to enhance skill levels, AFMA officers were trained in sea safety, defensive tactics, investigation techniques and the Indonesian language, the latter

to assist our officers in communicating more effectively in the field with foreign fishermen. All AFMA fisheries officers have obtained or maintained, at a minimum, Certificate IV qualifications in Government Investigations.

The incidence of illegal foreign fishing in the Australian Fishing Zone continued to decline during 2010–11. This is due to sustained efforts by AFMA and other Australian Government departments to deter illegal foreign fishing, through the interception and prosecution of offenders and the confiscation and destruction of fishing vessels. 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 2010–11 there were 14 apprehensions compared to 23 in 2009–10, 27 in 2008–09, and 156 in 2007–08. The number of illegal foreign fishing vessels apprehended in 2010–11 was the lowest recorded since 1992–93.

Intended actions in 2010–11	Achieved (✓ / ✗)	Comment
Undertake enforcement activities in accordance with priority areas established through risk assessment	✓	<p>The 2010–11 annual domestic compliance risk assessment was completed. Compliance risk management teams were established and intervention measures were applied to minimise the risks associated with fishing/navigating in closed areas, failure to operate an electronic vessel monitoring system, failure to cover overcatch and failing to accurately complete and submit logbooks on time. The risk associated with failing to carry an observer when required was further analysed and assessed as not needing any specific action as compliance levels were high. Activities to monitor the level of shark finning and actions to address the risks of quota evasion and interactions with threatened, endangered and protected species will continue into 2011–12.</p> <p>Quarterly and tactical input was provided to the common risk assessment methodology used by the Border Protection Command for the Australian Fishing Zone.</p>

Intended actions in 2010–11	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>AFMA continued to promote Torres Strait fisheries compliance issues by strengthening its relationship with provincial fisheries officers in Daru, Papua New Guinea, and by participating in the Australia Papua New Guinea Fisheries Bilateral meeting and the Australian Papua New Guinea Joint Advisory Council meeting</p> <p>AFMA officers undertook in-country public information campaigns and visited Indonesian ports known to be a source of illegal foreign fishing in the Australian Fishing Zone</p> <p>Capacity building exchange programs were conducted involving Papua New Guinean and East Timorese fisheries officers being placed on patrols and undertaking investigations training</p> <p>AFMA fisheries officers provided in-country mentoring support in Kiribati and to the Papua New Guinean National Fisheries Authority which included assistance with training and the development of standard operating procedures for surveillance operations and case file management</p> <p>AFMA has expanded the program into Indonesia by developing a capacity building program to be delivered in 2011–12. The program will also deliver training to officers from Kiribati and East Timor in Australia</p>
<p>Review and develop options to amend the <i>Fisheries Management Act 1991</i> structure for the domestic compliance regime, including powers, incentives, offences, and administrative and criminal penalties</p>	<p>In progress</p>	<p>AFMA commenced a review which focused on:</p> <ul style="list-style-type: none"> <li>(i) the vicarious liability of corporate concession holders for the acts of its crews; and</li> <li>(ii) the effectiveness of the fish receiver permit regime in monitoring catch quota documentation</li> </ul> <p>AFMA is now considering seeking amendments to the <i>Fisheries Management Act 1991</i> regime to address these shortcomings as well as other measures to effectively enhance its quota monitoring and enforcement functions</p>

# 'SHOW CAUSE' PROGRAM HAS PROVEN TO INCREASE COMPLIANCE

In AFMA's 2010–11 risk assessment process, fishing boats were identified fishing or navigating inside fishery closures. This activity was assessed as an occasional but significant risk. A "show cause" program was developed to deal with the potential fishing and navigation breaches inside closures.

The program works by identifying operators assessed as potentially having fished or navigated inside closures and supplying them with a snapshot of their activity, from AFMA's vessel monitoring system. The snapshot highlights their entry, internal movements and exit from closures. The identified operators were sent a letter asking them to explain or "show cause" for their activity, with the threat of potential compliance action being taken if they were unable to provide a satisfactory explanation.

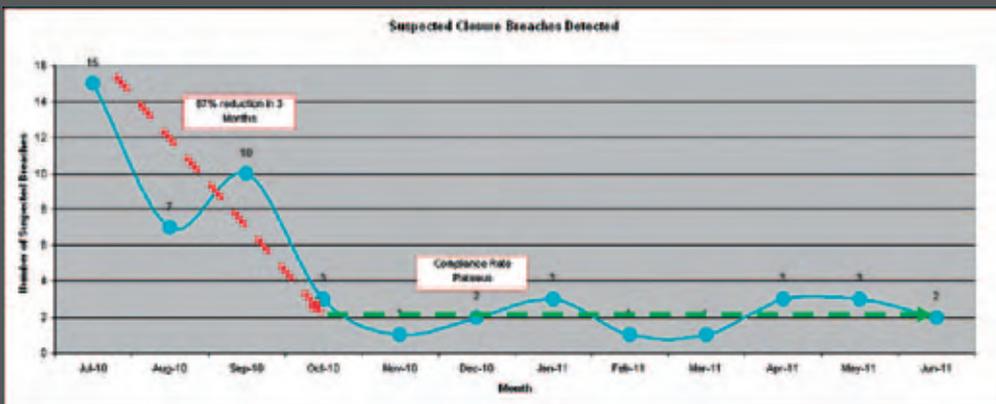
The show cause program assisted in a number of positive compliance outcomes as it:

- made operators aware that AFMA analyses vessel monitoring system data on a regular basis

- placed the onus on operators to explain their identified activity
- reminded operators that AFMA reserved the right to take enforcement action if the explanation provided was unsatisfactory
- made operators aware that not complying with closures was likely to be detected

After running the program for a year, the incidence of fishing or navigating in fishery closures had decreased markedly. During the initial three-month measurement phase from July to September 2010 there was an average of 11 breaches per month of fishing or navigating inside a fishery closure. Within a year, this number had dropped to less than two breaches per month.

This is an excellent example of how AFMA is using a combination of innovative and traditional mechanisms in a cost-effective way to achieve compliance in Commonwealth fisheries.



This graph demonstrates the dramatic decrease in detected closure breaches after the show cause initiative was implemented.

**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 2010–11	Achieved (✓ / ✗)	Comment
Complete consolidating management advisory committees, focusing on strategic fishery management issues	✓	As the final step in the consolidation of AFMA's management advisory committees, the number of management advisory committees was reduced from nine to seven on 1 July 2010  Management advisory committees now focus on strategic issues while industry associations focus on operational issues
Implement agreed findings of AFMA's review of resource assessment groups	✓	The resource assessment group review, conducted in June 2009 largely supported continuation of the status quo for AFMA's resource assessment group arrangements. This approach was accepted by AFMA's Commission while the management advisory committees were being consolidated. Following this a further review of AFMA's information arrangements, including the resource assessment groups was conducted during 2010–11
Finalise a plan of management for the Torres Strait Finfish Fishery on behalf of the Protected Zone Joint Authority	✗	The finalisation of the plan of management for the Torres Strait Finfish Fishery has been delayed. The revised timeframe for determination is mid-2012
Continue to implement appropriate and cost effective fisheries management arrangements in Torres Strait fisheries on behalf of the Protected Zone Joint Authority	✓	AFMA continues to implement appropriate and cost effective fisheries management arrangements in the Torres Strait. For example, the draft <i>Torres Strait Finfish Fishery Management Plan</i> , which is planned for release for public comment in late 2011, will formalise the management arrangement for this fishery

Intended actions in 2010–11	Achieved (✓ / ✘)	Comment
Complete the e-monitoring trial and cost benefit report and recommend a deployment action plan for AFMA fisheries	✓	Trials have been completed in the Eastern Tuna and Billfish Fishery, the Northern Prawn Fishery and the Gillnet Hook and Trap Fishery  Reports have been either finalised or drafted  E-monitoring systems are being installed in the Gillnet Hook and Trap Fishery
Develop a catch sharing policy to apportion shared resources between domestic jurisdictions	In progress	Catch sharing arrangements with state jurisdictions are being pursued on an 'as needs basis'
Evaluate the costs and benefits of a single plan of management for tuna and billfish species	✓	An assessment concluded that the costs of establishing a single management plan, including the need to re-allocate Statutory Fishing Rights, would outweigh any benefits



Skipper Nick Williams prefers the new e-log technology over the old paper-based reporting method - photo AFMA

# MANAGING CONCESSIONS ONLINE WITH GOFISH

## FEATURE STORY

Ms Barbara Bell from Austral Fisheries Pty Ltd in Perth has been managing the company's fishing concessions and doing business with AFMA using the GOFish e-licensing portal since the launch of the system in September 2009.

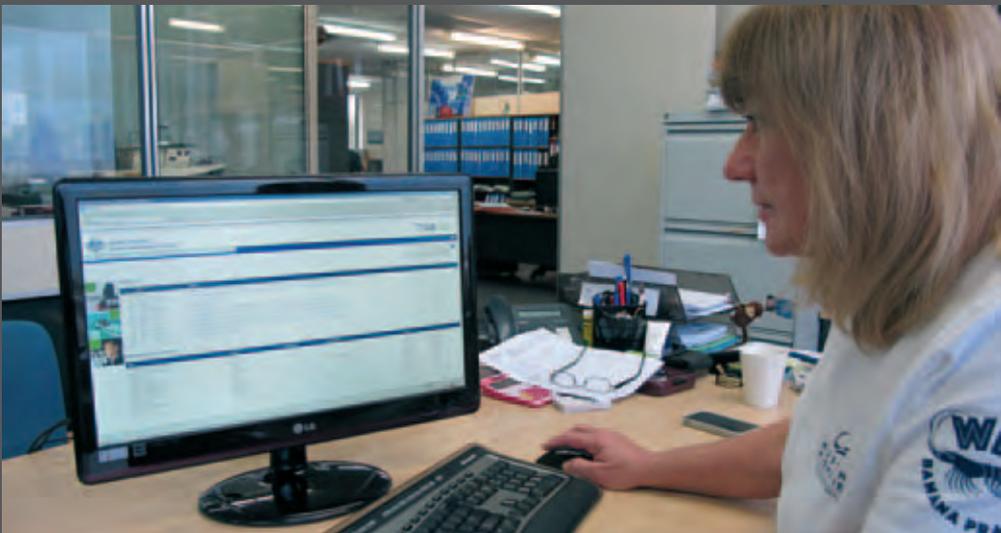
"GOFish lets us transfer fishing concessions and quota online. We can see our catch reports, quota balance and transaction records and make changes very easily. We can even apply for a scientific or fish receiver permit if we need to." said Ms Bell

Ms Bell was one of 14 industry representatives AFMA consulted with on the design and usability of the GOFish portal during its initial development. Ms Bell conducted testing of the facility from her office. "It's great that AFMA involved users like myself in the development of GOFish. The result is a very user-friendly system that saves heaps of time and paperwork" said Ms Bell

AFMA is continually working to 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.

"AFMA does regular scheduled maintenance, which means that upgrades and improvements can be done in a timely manner. If I ever have any suggestions or requests for the site to be amended or improved in any way, AFMA considers these without delay and consults with other stakeholders. Then if everyone thinks they're good ideas they're implemented as soon as possible" said Ms Bell.

The changes requested from industry included providing access to AFMA's other online services such as Quotaboard, a site where fishers can buy and sell quota between themselves.



Doing business with AFMA online using GOFish has saved Barbara Bell time and paperwork. Photo courtesy of Austral Fisheries Pty Ltd.

**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

The Australian Bureau of Agricultural and Resource Economics and Sciences (ABARES) classify overfished and overfishing as follows:

- Overfished – A fish stock with a biomass below the biomass limit reference point.
- Overfishing – A stock is experiencing too much fishing and the removal rate from the stock is unsustainable.

Intended actions in 2010–11	Achieved (✓ / ✗)	Comment
Implement stock recovery plans for species assessed as being below agreed limit reference points	✓	<p>With the exception of Gulper Sharks and Sandfish, stock recovery plans exist for all domestically managed species assessed as being below the limit reference point for their fishery. Stock recovery plans exist for Orange Roughy, Blue Warehou, Gemfish and School Sharks</p> <p>A stock recovery plan is currently being developed for Gulper Sharks</p> <p>While there is no formal rebuilding strategy for Sandfish in Australia’s area of the Torres Strait Protected Zone, a zero total allowable catch exists for Sandfish</p>

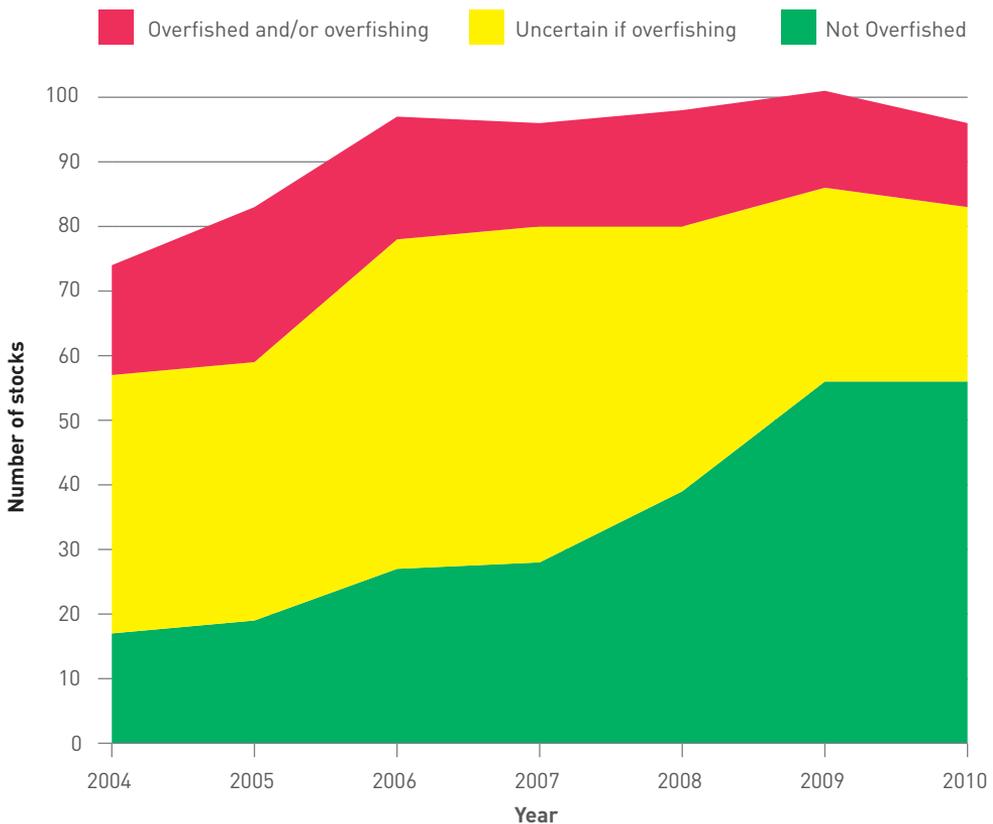


Recovering overfished stocks and preventing overfishing is a key goal of the agency

Intended actions in 2010–11	Achieved (✓ / ✗)	Comment
<p>Conduct assessments on key target species and set total allowable catch or total allowable effort at levels that will prevent overfishing in 2010–11 in accordance with agreed harvest strategies</p>	<p>✓</p>	<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 MacDonald Islands Fishery, Western Tuna and Billfish Fishery, Eastern Tuna and Billfish Fishery, Southern Bluefin Tuna Fishery and the Northern Prawn Fishery</p> <p>The Heard and McDonald Islands Fishery total allowable catches are based on Commission for the Conservation of Antarctic Marine Living resources decision rules</p> <p>The total allowable catches for Southern Bluefin Tuna are set in line with international agreements, as the Commission for the Conservation of Southern Bluefin Tuna is the responsible body for global conservation of the stock</p> <p>The Small Pelagic Fishery will set a total allowable catch once statutory fishing rights are granted in the fishery</p> <p>The Torres Strait Fisheries harvest strategies are managed and reported through the Torres Strait Protected Zone Joint Authority processes</p>
<p>Progress implementation of ecological risk management responses</p>	<p>✓</p>	<p>Ecological risk management strategies have been developed to address the priority lists identified for each fishery</p> <p>These are documented in ecological risk management reports for each fishery</p> <p>These reports outline how AFMA will address the impacts that fishing activities have on target species, byproduct and discard species and threatened and endangered species</p>

Intended actions in 2010–11	Achieved (✓ / ✗)	Comment
Increase the number of harvest strategies that have targets based on maximum economic yield or the best available proxy	✓	During 2010-11 AFMA increased the number of stocks that had targets based on maximum economic yield from 16 to 18
Reassess ecological risk assessment and ecological risk management responses for the Northern Prawn Fishery and any other fishery if the requirement is triggered	✓	In February 2011, the CSIRO finalised a report on the " <i>Sustainability assessment of fish species potentially impacted in the Northern Prawn Fishery: 2007 – 2009</i> "  A revised ecological risk management response for the Northern Prawn Fishery will be finalised in late 2011

Figure 1: Fish Stocks Status graph



# KEEPING SEALS OUT OF FISHING NETS

## FEATURE STORY

To stop seals getting into trawl nets, fishing operators can put a gate in the throat of the net that stops the seals swimming in but still lets the fish get caught. This gate is known in fisheries terminology as a seal excluder device.

A trawl net is shaped like a cone or funnel with a wide opening to catch fish and a narrow closed end called a cod-end. If seals do manage to swim into the wide open end of the net as it is going down to fish they are stopped by the seal excluder device.

While seal excluder devices are very good at saving the seals' lives, the fish can get out through the escape hatch too.

Since seals can only dive to 150 metres and fishing often takes place a lot deeper than that it makes sense to only use the seal excluder device when the net is hauled through the seal swimming zone.

During the 2010-11 year AFMA has worked closely with industry to develop an innovative new seal excluder device.

The device was designed by AFMA's Michael Tudman (Manager of the Bycatch Program) and his team and was built by Petuna Sealord Deepwater Fishing, New Zealand, with extra funding provided by the Australian Government's Caring for our Country program and CSIRO. This device is known as the "TuddySED".

The wings of the TuddySED net are held closed as it descends through the seal dive zone using net binding. These bindings break away after the net is beyond seal swimming depth, allowing the net to spread open for the fishing operation. When the full fishing net is hauled back up towards the surface the boat's electronic monitoring system detects when it is entering the seal zone. The boat's skipper pushes a button to trigger an acoustic device that closes the net again.

The TuddySED was first tested at the Australian Maritime College flume tank. Since then the TuddySED has been trialled at sea and the preliminary results are extremely positive.



AFMA staff have worked in partnership with industry during 2010-11 to develop the "TuddySED", an acoustically triggered seal excluder device.

**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 aims to improve 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 2010–11	Achieved (✓ / ✗)	Comment
Monitor and evaluate the trial of the specific collaborative co-management arrangements developed between AFMA and three trial fisheries	✓	An evaluation framework was developed with three trial groups, each of which is now working through the evaluation process  The report from each trial fishery will contribute to AFMA’s overall evaluation of co-management



Through co-management the roles and responsibilities of stakeholders in the management of fisheries may be increased.

# TESTING CO-MANAGEMENT IN THE NORTHERN PRAWN FISHERY

Since 2008, AFMA has been trialling co-management with NPF Industry Pty Ltd (NPF), the representative organisation for licence holders and fishers in the Northern Prawn Fishery.

The trial has explored the potential costs and benefits of greater collaboration and sharing of roles and responsibilities, with the aim of improving management outcomes and increasing efficiencies for the fishery.

The trials have tested the capacity and commitment of NPF and its members in having a more prominent role in managing the Northern Prawn Fishery.

Some of the responsibilities the NPF have taken on as part of this challenge are:

- recruiting, training and managing crew member observers to ensure a wider coverage of the fleet monitoring interactions with non-target species, particularly species of conservation importance
- managing the quality, accuracy, timeliness and dissemination of the fishery data program

- coordinating pre-season briefing of fishers to ensure operators are aware of all the rules regulating the fishery and that they are following best practice and undertaking essential reporting
- advising AFMA on operational matters in the fishery, including the timing of fishing seasons, the setting of fishing gear limits, research priorities and budget setting.

In advising AFMA, NPF has consulted with its members, AFMA's management team, the NPF Management Advisory Committee and the NPF resource assessment group.

There have been challenges for both AFMA and industry in developing the trial co-management partnership for the Northern Prawn Fishery.

However, both AFMA and NPF agree on; the value of building better working relationships, gaining efficiencies from sharing functions and the need for preconditions for a co-management partnership to succeed.



The Crew Member Observer Program (CMO) Training Workshop attendees.

Left to Right: Mark Tonks, Chelsea Nash, Jesse Moore, Angela Hearn, Terri Lester, Shea Denham, Samantha Larwood, Jason Thompson, Ian Maher, Gary Fry, Tom May Photo Courtesy of Matt Barwick, NPF Industry Pty Ltd.

# REPORT AGAINST SERVICES AND DELIVERABLES

Deliverables and Services	2009-10 Predicted	2009-10 Actual	2010-11 Predicted	2010-11 Actual	Comment
Completed research projects including Torres Strait fisheries <sup>1</sup>	16	16	Minimum of 10	18	The reporting date for three of these projects will continue into the 2011-12 financial year
Completed fishery independent surveys	5	7	8	8	Surveys have been completed for Bass Strait Central Zone Scallop Fishery, Northern Prawn Fishery, Heard and McDonald Islands Fishery, Macquarie Island Toothfish Fishery, Southern Bluefin Tuna Fishery, South East Trawl Sector, Torres Strait Rock Lobster Fishery and the Great Australian Bight Trawl Fishery
Regulate fisheries including Torres Strait Fisheries under plans of management	11	10	10	10	The <i>Torres Strait Finfish Management Plan</i> is expected to be operational by mid 2012

Deliverables and Services	2009-10 Predicted	2009-10 Actual	2010-11 Predicted	2010-11 Actual	Comment
Apply harvest strategies <sup>2</sup>	13	13	13	13	Thirteen harvest strategies have been implemented in 11 fisheries. These fisheries are the: 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  The Torres Strait Prawn Fishery is expected to implement its harvest strategy in July 2011
<b>Complete licensing transactions</b>					
a) manual	2,800	3172	2800	2,259	This figure is for paper based transactions
b) automated	400	683	600	1,613	Forty two percent of all transactions have been completed electronically, however not all transactions have an electronic option  Sixty six percent of the transactions that have an online option have been completed through GOFish in 2010-11

Deliverables and Services	2009-10 Predicted	2009-10 Actual	2010-11 Predicted	2010-11 Actual	Comment
Collect levies	Greater than 99 percent	97 percent collected to date	Greater than 99 percent	97.35 percent	\$338,892 remains outstanding as at 13 July 2011 Four hundred and twenty two concession holders have arrangements to pay
Prosecute illegal foreign fishers	193	51	Note <sup>3</sup>	25	Twenty four fishers were convicted under the <i>Fisheries Management Act 1991</i> One fisher was convicted under the <i>Torres Strait Fisheries Act 1984</i>
Dispose of illegal foreign fishing vessels	36	27	Note <sup>3</sup>	15	Ten vessels were destroyed by burning at AFMA land-based disposal facilities <sup>6</sup> A further four vessels were disposed of at sea and one vessel sunk following disembarkation of the crew In addition to the fishing boats AFMA disposed of 15 suspected illegal entry vessels on behalf of the Border Protection Command

Deliverables and Services	2009–10 Predicted	2009–10 Actual	2010–11 Predicted	2010–11 Actual	Comment
<b>Administered: Illegal foreign fishing vessel caretaking and disposal</b>					
Number of disposal facilities constructed <sup>4</sup>	2	1	2	0	Darwin is in the final stages of its infrastructure upgrade and will be completed next year  Infrastructure upgrades in Gove and Broome are currently in progress  Long term contracts are in place at all locations except Broome, which is operating under a 12 month interim contract
Forfeited vessels disposed of <sup>5</sup>	100 percent	100 percent	100 percent	100 percent	Ten vessels were destroyed by burning at AFMA land-based disposal facilities <sup>6</sup>

1. Includes only research projects that AFMA administers contracts with the research provider. It does not include research projects administered by other agencies for which AFMA co-invests
2. The reduction in 2010–11 reflects consolidation of four harvest strategies into one and one additional harvest strategy coming into effect
3. Performance cannot be reliably forecast
4. Construction rephased from 2009–10 to 2010–11
5. 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 and Response Program (Customs Program 4), and cannot be forecast reliably
6. Includes one vessel that was apprehended in 2009–10

# 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 net economic returns through fisheries management and applying a precautionary approach.

AFMA and ABARES are reviewing and testing harvest strategies to assess their effectiveness at meeting the objectives of the *Commonwealth Harvest Strategy Policy* over 2009 to 2012.

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.

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

Key Performance Indicators	2010–11 Forecast	2010–11 Actual
Total number of stocks assessed	32	32
For economically significant stocks <sup>1</sup>		
Maximise the number of key commercial stocks with harvest strategy targets based on maximum economic yield or the best available proxy <sup>2</sup>	18	18
Improve the number of stocks assessed as being on target	11	11
For those stocks that are assessed as not on target, improve the number that are heading towards their target reference point	7	7

1. The top 32 fish stocks contributing to the gross value of production of Commonwealth fisheries
2. Where higher and lower value species are caught together, different targets for the lower value species may maximise net economic returns over all

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

Key Performance Indicators	2010–11 Forecast	2010–11 Actual	Comment
Minimise the number of fish stocks subject to overfishing <sup>1</sup>	0	7	Seven stocks have been classified by ABARES as both overfished and subject to overfishing  This has increased from three stocks in 2008
Minimise the number of species assessed as remaining at high risk after mitigation <sup>2</sup>	133	73	The groups at high risk from fishing are: sharks/rays 19; invertebrates 10; marine reptiles 1; bony Fish 6; marine birds 4; marine mammals 33 (28 whales/dolphins and 5 seals/sea lions)
Maximise the disposal of apprehended foreign fishing vessels and suspected illegal entry vessels	100 percent	100 percent	One hundred percent of vessels were destroyed in accordance with quarantine protocols

1. In AFMA-managed fisheries, not including jointly and internationally managed fisheries
2. Ecological risk assessments for 30 Commonwealth-managed fisheries and sub-fisheries have been completed. The number of species identified at high risk has decreased from that reported in 2009–10 due to the completion of higher level assessments and the application of residual risk guidelines. Further assessments are scheduled during the reporting period which may identify additional high risk species

# MONITORING FISHING WITH ONBOARD CAMERAS AND OTHER TECHNOLOGY

AFMA has been working in partnership with commercial fishers to trial onboard cameras and electronic monitoring equipment in a number of Australian fisheries.

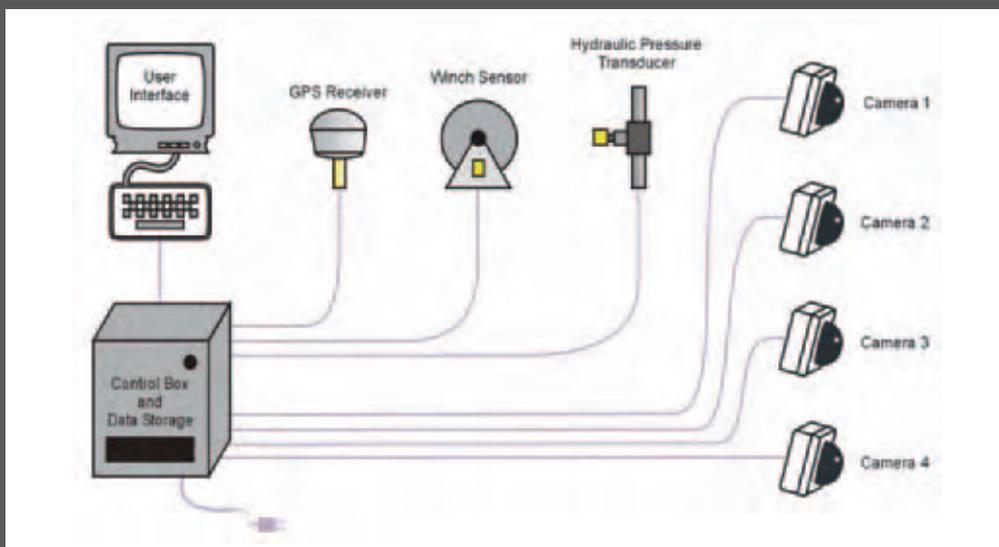
Electronic monitoring equipment is also being installed on a number of vessels in the South Australian shark gillnet fishery to provide a cost-effective alternative for the collection of data on interactions with threatened, endangered and protected species.

AFMA's electronic monitoring systems use sensors to automatically trigger the recording of footage of fishing activity in Commonwealth waters. This footage is recorded to a hard drive on the fishing boat, and is later collected by AFMA for review and analysis.

The data obtained from the camera footage complements existing data collection programs from observers, logbooks and vessel monitoring systems.

AFMA has completed recent trials and cost-benefit analyses of electronic monitoring technology in the Northern Prawn Fishery and Eastern Tuna and Billfish Fishery

In addition AFMA issued a Temporary Order requiring 100 percent independent, on-board monitoring in some areas of the Gillnet Hook and Trap Fishery, and is funding the installations of 12 boats with electronic monitoring technology to assist industry comply with this direction.



The electronic monitoring equipment installed on boats. The GPS receiver tells AFMA where the boat is at all times, the winch sensor and hydraulic pressure transducer detect when fishing equipment is being used. As soon as fishing activity is detected the cameras automatically begin filming the activity.





# 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*.

From July 2010 to September 2010, our Minister was the Hon. Tony Burke MP, the Minister for Agriculture, Fisheries and Forestry.

On 11 September 2010 Senator the Hon. Joe Ludwig was appointed as the Minister for Agriculture, Fisheries and Forestry. In addition, the Hon. Dr Mike Kelly AM MP, was appointed Parliamentary Secretary for Agriculture, Fisheries and Forestry.



Senator the Hon. Joe Ludwig  
Minister for Agriculture, Fisheries  
and Forestry.



The Hon. Dr Mike Kelly AM MP  
Parliamentary Secretary for  
Agriculture, Fisheries and Forestry.

## 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.

AFMA manages commercial fisheries from three nautical miles offshore to the boundary of the Australian Fishing Zone. State and territory governments manage fisheries within their borders and inside three nautical miles from shore, except where Offshore Constitutional Settlements exist between AFMA and state governments to rationalise management arrangements for straddling stocks.

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. We have an increasing involvement in managing fish stocks on the high seas. Since ratifying the United Nations Fish Stocks Agreement, 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 64.

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
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 pages 157–162.

## 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 adhering to the principles of public sector governance:

- accountability
- transparency/openness
- integrity
- stewardship
- leadership
- efficiency

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

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

The largest of these is the Canberra office, employing 156 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 36 staff, with a focus on AFMA's foreign compliance function. The Thursday Island office manages the Torres Strait fisheries and employs 5 staff. We also employed 27 casual field observers.

# ORGANISATIONAL STRUCTURE

Minister for Agriculture Fisheries and Forestry

Parliamentary Secretary for Agriculture Fisheries and Forestry

AFMA Commission

Chief Executive Officer – Dr James Findlay

<p><b>Fisheries Management Branch</b></p> <p>Acting Executive Manager Dr Sally Troy</p>	<p><b>Fisheries Operations Branch</b></p> <p>General Manager Mr Peter Venslovas</p>	<p><b>Corporate Governance Branch</b></p> <p>General Manager Mr John Bridge</p>	<p><b>Fisheries Information Services Branch</b></p> <p>Chief Information Officer Mr Mark Farrell</p>
<p><b>Torres Strait and Northern Prawn Fisheries</b></p> <p>Senior Manager</p>	<p><b>Regulation and Compliance Planning</b></p> <p>Senior Manager</p>	<p><b>Executive Secretariat</b></p> <p>Executive Secretary</p>	<p><b>IT Support and Operations</b></p> <p>Senior Manager</p>
<p><b>Demersal and Midwater Fisheries</b></p> <p>Senior Manager</p>	<p><b>Foreign Compliance Operations</b></p> <p>Senior Manager</p>	<p><b>Finance</b></p> <p>Chief Finance Officer</p>	<p><b>Data and Operations</b></p> <p>Senior Manager</p>
<p><b>Tuna and International Fisheries</b></p> <p>Senior Manager</p>	<p><b>Foreign Compliance Northern and Southern Policy and Projects</b></p> <p>Senior Manager</p>	<p><b>Legal Services</b></p> <p>Senior Manager</p>	<p><b>Service One</b></p> <p>Senior Manager</p>
<p><b>Economics, Policy, Environment and Research</b></p> <p>Senior Manager</p>	<p><b>Domestic Compliance</b></p> <p>Senior Manager</p>	<p><b>Human Resources</b></p> <p>Senior Manager</p>	
<p><b>Co-management</b></p> <p>Senior Manager</p>	<p><b>Regulatory Standards Projects</b></p> <p>Senior Manager</p>	<p><b>Risk Management</b></p> <p>Senior Manager</p>	

## 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 was established to manage Commonwealth fisheries. AFMA is a body corporate which can sue and be sued, however AFMA cannot hold money and all financial liabilities are taken to be liabilities of the Commonwealth.

AFMA'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 AFMA'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 for Agriculture Fisheries and Forestry 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 AFMA Commission: (Front row) Richard Stevens OAM (Deputy- Chair), The Hon Michael Egan FAICD (Chairman), Dr James Findlay (Chief Executive Officer)  
(Back row) Ryan Murphy (Executive Secretary), Elizabeth Montano, Dr John Glaister, Denise North FAICD, Prof Keith Sainsbury, Jenny Goddard, Ian Cartwright

The Commission is subject to limited government policy direction as stated in the *Fisheries Administration Act 1991* s91. The Minister is the approving authority for 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 AFMA'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.

The current AFMA 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 1 March- 24 September 2010), Dr James Findlay (Chief Executive Officer from 27 September), Ian Cartwright, Dr John Glaister, Jenny Goddard, Elizabeth Montano, Denise North, Prof Keith Sainsbury and Richard Stevens (Deputy Chair).

In September 2010 Prof Glenn Hurry resigned as Chief Executive Officer. The Minister appointed Dr James Findlay as acting Chief Executive Officer, from 27 September 2010. Dr Findlay was subsequently appointed Chief Executive Officer by the Minister for a five-year term from 30 March 2011.

For more information about AFMA's Commissioners and senior management committees, see Appendix 3 on page 163.

### 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/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. The Commission also holds a public meeting annually in different port areas.

## INTERNAL SCRUTINY

### Risk Management

The current risk management framework and risk register were reviewed in February 2011. Since initial implementation in 2008, AFMA's risk management has achieved demonstrable maturity through its well defined and clearly understood processes and is now an integral part of agency planning. Newly identified risks and changes to known risks are communicated through the Risk Management Committee for inclusion in the register, while treatments and ratings are ratified by the Executive as part of the twice-yearly review. All managers also have a responsibility to identify and treat risks as soon as they become apparent.

The risk register is reviewed by the Audit and Risk Committee and the AFMA Commission have a standing agenda item for its meetings to consider any risks that may affect AFMA.

## Business Continuity

The AFMA Business Continuity Management Plan identifies essential business activities and timeframes for implementing alternate processing arrangements in the event of incidents that disrupt service delivery. The management plan allows the priority allocation of resources to critical business processes to ensure that AFMA continues to provide services in the event of a disaster.

The management plan was implemented in May 2010 and tested in November 2010. We will conduct further testing and review in November 2011.

## Fraud Control

During 2010–11 AFMA detected and investigated 101 external fraud related matters primarily associated with breaches of the domestic quota management arrangements and unauthorised fishing in the Australian Fishing Zone. In addition AFMA carried over a further 12 fraud related matters from the previous year. Of the 113 fraud matters investigated AFMA finalised 99 as a result of instituting either administrative or prosecution action. Fourteen matters are still in the process of being finalised.

There were no reported external fraud issues associated with AFMA contractors or internal fraud matters detected during the 2010–11.

In accordance with the Commonwealth Fraud Control Guidelines AFMA produced the Fraud Control Plan 2010–2012 in February 2010. 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.

AFMA will review the plan in February 2012.

## 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 independent assurance and assistance to the Chief Executive Officer and the Commission (where relevant) on AFMA's risk, control and compliance framework, and its external accountability responsibilities.

For further information on the Audit and Risk Committee see page 166–167.

## EXTERNAL SCRUTINY

During 2008–09, the Australian National Audit Office (ANAO) carried out an audit of AFMA's management of domestic fishing compliance. The final report was tabled in Parliament on 25 June 2009. AFMA has completed action on the major recommendations from the report and incorporated suggested actions into standard procedures as appropriate.

AFMA was not involved in any other ANAO performance audits during 2010–11.

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 156.

## 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 unless there is a specific exemption
- 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.

### Asset management

AFMA manages its assets in accordance with the relevant FMA requirements, accounting standards and Chief Executive Instructions. Departmental assets of \$22.8m include cash, receivables, land, buildings, property plant and equipment, intangibles and other assets. Administered assets of \$1.2m include 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 \$3 000, 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 \$5 000 are listed on our internal contracts register
- all contracts over \$10 000 are reported on the Austender website [www.tenders.gov.au](http://www.tenders.gov.au), and
- all contracts over \$100 000 are listed on our website twice a year

During the year, we entered into 28 consultancy contracts valued at \$3.3m 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 182–184 for more information on consultancy contracts.

## Advertising and market research

During the financial year we spent \$0.086m on advertising. Most of this expenditure related to recruitment, fishery notices and media monitoring. There were no payments made over \$11 200.

## Discretionary grants

No discretionary grants were administered during 2010–11.

## 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 produce for the purpose of good governance. The key elements are:

### Corporate Plan

AFMA is required under the *Fisheries Administration Act 1991* to submit its corporate plan to the Minister for Agriculture Fisheries and Forestry for consideration and approval.

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 2010–14 on pages 39–40.

### Annual Operational Plan

The annual operational plan covers 12 months and gives detail to the strategies identified in the relevant corporate plan. A report against the intended actions and services and deliverables as described in our Annual Operational Plan 2010–11 can be found on pages 35–38.

## Portfolio Budget Statements

AFMA contributes to the Agriculture, Fisheries and Forestry Portfolio Budget 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

The Chief Executive Officer and Commission receive quarterly reports against the key result areas, strategies and key performance indicators identified in our 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.



AFMA won the Gold award for the 2009-10 Annual Report at the IPAA awards. L-R: Andrew Metcalfe, President of IPAA ACT Division; Sophie Dening and John Bridge, AFMA; Terry Moran, Secretary, Department of the Prime Minister and Cabinet

# PEOPLE MANAGEMENT

## OUR STAFF

At 30 June 2011, AFMA employed 224 staff (184 ongoing and 40 non-ongoing). Most staff were located in the Canberra office, with 36 staff located in the Darwin office, 5 on Thursday Island, and 27 fishery observers undertaking duties on commercial fishing vessels around Australia. This total of 224 staff members included 18 employees on long-term leave or on temporary transfer to other APS agencies.

AFMA's employment profile has not changed significantly from 2009-10. The proportion of part-time staff has increased slightly to 13.5 per cent in 2010-11 from 11.3 per cent in 2009-10 due to an increase in casual field observers, and is just under the APS average of 13.7 per cent.

The proportion of females has remained relatively static at 35 percent in 2010-11 compared to 34.8 percent in 2009-10. However the percentage of women at executive levels has declined slightly from 30.5 percent in 2009-10 to 29.5 percent in 2010-11.

There was a significant increase in the number of staff from non-English speaking backgrounds, from 12 to 17, however there was a decrease in the number of staff whose parents come from a non-English speaking background from 33 to 30. The number of Aboriginal and Torres Strait Islander staff members reduced from six to three. We had six employees who identified as having a disability, an increase over the previous year which appears to have resulted from improved reporting.



AFMA staff are located in Canberra, Thursday island and Darwin - photo AFMA

TABLE 3: EQUAL OPPORTUNITY PROFILE OF AFMA STAFF AS AT 30 JUNE 2011

Level	NESB1	NESB2	People with disability	Aboriginal and Torres Strait Islander	Women	Men	Total staff at level
APS 2-4	6	11	3	2	27	49	76
APS 5-6	8	9	1	1	33	50	83
EL1	1	7	2	0	11	30	41
EL2	2	3	0	0	7	13	20
SES	0	0	0	0	1	3	4
<b>Total</b>	<b>17</b>	<b>30</b>	<b>6</b>	<b>3</b>	<b>79</b>	<b>145</b>	<b>224</b>

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 2011

Level	Location	Female		Male		Total staff at level
		Part time	Full time	Part time	Full time	
APS 1-2	Canberra	2	1	0	2	5
	Darwin	1	0	0	0	1
	Thursday Island	0	0	0	0	0
APS 3-4	Canberra	6	11	0	10	27
	Darwin	0	3	0	7	10
	Thursday Island	0	0	0	1	1
APS 5-6	Canberra	9	19	1	32	61
	Darwin	0	2	0	15	17
	Thursday Island	0	1	0	0	1
EL1	Canberra	1	6	2	22	31
	Darwin	0	2	0	3	5
	Thursday Island	0	1	0	1	2

Level	Location	Female		Male		Total staff at level
		Part time	Full time	Part time	Full time	
EL2	Canberra	1	6	0	12	19
	Darwin	0	0	0	0	0
	Thursday Island	0	0	0	0	0
SES	Canberra	1	0	0	2	3
	Darwin	0	0	0	1	1
	Thursday Island	0	0	0	0	0
<b>Total</b>		<b>21</b>	<b>52</b>	<b>3</b>	<b>108</b>	<b>184</b>

\* This figure includes 18 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 2011

Level	Location	Women		Men		Total staff at level
		Part time	Full time	Part time	Full time	
APS 1-2	Canberra	0	0	1	1	2
	Darwin	0	1	0	0	1
	Thursday Island	0	1	0	0	1
	Field Staff (casual)	1	0	20	0	21
APS 3-4	Canberra	0	0	0	1	1
	Darwin	0	0	0	0	0
	Thursday Island	0	0	0	0	0
	Field staff (casual)	0	0	6	0	6
APS 5-6	Canberra	0	1	0	2	3
	Darwin	0	1	0	0	1
	Thursday Island	0	0	0	0	0

Level	Location	Women		Men		Total staff at level
		Part time	Full time	Part time	Full time	
EL1	Canberra	0	1	0	2	3
	Darwin	0	0	0	0	0
	Thursday Island	0	0	0	0	0
EL2	Canberra	0	0	0	1	1
	Darwin	0	0	0	0	0
	Thursday Island	0	0	0	0	0
SES	Canberra	0	0	0	0	0
	Darwin	0	0	0	0	0
	Thursday Island	0	0	0	0	0
<b>Total</b>		<b>1</b>	<b>5</b>	<b>27</b>	<b>7</b>	<b>40*</b>

\* This figure includes 18 staff on long-term leave or temporary transfer to other Australian Public Service agencies.

AFMA experienced a higher rate of departures than in previous financial years; however many of those departures were transfers to other agencies within the Australian Public Service. In addition, a high proportion of departures relate to employees who have taken leave without pay or temporary transfers in previous financial years which have resulted in resignation or permanent transfer in 2010–11. Therefore the higher turnover rate is not fully indicative of the number of actual departures during 2010–11.

## OUR HUMAN RESOURCE MANAGEMENT

During 2010–11 AFMA implemented an employee self-service system (Kiosk). Kiosk is linked to AFMA's payroll system (Chris 21) and provides staff with access

to their personal details including remuneration. The system also allows staff to make online leave requests and for managers to approve leave through the system. The introduction of Kiosk has significantly improved the processing of leave requests and reduced the administrative processing of routine payroll matters. More improvements are expected in the 2011–12 financial year as staff members become more familiar with the system and additional functionality is implemented.

Throughout May and June 2011 AFMA conducted a staff survey to gather staff opinions about AFMA's work culture, management, systems and processes. Seventy-seven percent of staff participated in the survey and the results showed that staff rated

aspects of their immediate work and environment highly, such as 'My manager treats me with respect' and 'I have the skills to do my current job' but that improvements could be made to efficiency of systems and processes, timeliness in recruitment and managing underperforming staff members. AFMA's consultative group, the People's Initiatives Committee, has commenced work to better understand and to address these issues. The Executive will be monitoring progress throughout 2011-12 and another survey is planned for 2012.

A new performance development scheme developed during the later stages of 2010-11 is ready for implementation in the 2011-12 performance cycle. The new scheme was designed after extensive staff consultation through focus groups at several stages of the process. The new scheme will provide a greater focus on linking learning and development to individual needs, and on regular feedback and improvement advice.

AFMA conducted a security risk assessment of the Canberra, Darwin and Thursday Island offices in 2010. Following receipt of the security risk assessment report, AFMA implemented a range of recommendations across all sites to improve security arrangements and provide a single security solution to mitigate identified risks. AFMA also worked to comply with the Protective Security Policy Framework, Personnel Security Protocol and other government requirements.

AFMA implemented an online records management portal to improve efficient management and use of the current record keeping system. The system allows staff to search, create and allocate records and provides more

accurate record keeping and better compliance with information access.

AFMA's high performing staff members were acknowledged through a number of rewards and recognition programs throughout the year.

Each year AFMA offers staff the opportunity to nominate for a Development Award. The intention of the award is to recognise and reward performance on the part of the individual whilst at the same time providing an opportunity for personal development that will ultimately benefit both the individual and AFMA.

The annual achievement awards are presented in December each year to teams and the individuals who have made a significant contribution to AFMA during the year.

In 2010 the individual outstanding achievement award went to Steve Hall for his work implementing e-monitoring of boats. The team outstanding achievement award was presented to members of the human resources team for the significant achievement in their knowledge, team spirit, networking and contribution to AFMA's human resources.

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

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



Recipients of the 2010 AFMA Development Award -Gavin Thomson, Rachel French, David Power and Kylie Tonon

## 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 was due to expire on 30 June

2011. AFMA is currently in the process of negotiating a new enterprise agreement. The current collective agreement promotes a principle-based approach that promotes discussion and interaction between AFMA management and staff and the new enterprise agreement will be developed to continue this approach.

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

## REMUNERATION

AFMA's salary ranges are contained in the collective agreement. The salary amounts as at 30 June 2011 are shown in table 6.

**TABLE 6: COLLECTIVE AGREEMENT SALARY RANGES AS AT 30 JUNE 2011**

Classification	Minimum	Maximum
APS 1	\$34,617	\$44,181
APS 2	\$47,367	\$50,557
APS 3	\$51,848	\$56,349
APS 4	\$58,598	\$62,651
APS 5	\$64,580	\$68,399
APS 6	\$72,216	\$79,858
EL1	\$88,836	\$98,736
EL2	\$104,223	\$121,508

Sixteen staff members received performance bonuses averaging \$2555.94. These bonuses were awarded in July 2010 and related to performance during 2009–10.

The remuneration of senior executives is determined with reference to the remuneration survey published by the Australian Public Service Commission and is commensurate with the assessed complexity of their work. Senior executives are not eligible for a bonus amount after a performance assessment by the Chief Executive Officer as this component was rolled into salary effective 1 July 2011. In addition to the salary ranges, and as part of their total remuneration package, senior executive service officers are also eligible to access additional provisions including salary in lieu of a vehicle and car parking. Due to the small

numbers of senior executives within AFMA, further breakdown of senior executive service officers' remuneration packages 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 2010–11.

## TRAINING AND DEVELOPMENT

AFMA is highly committed to providing opportunities for staff development to ensure a capable workforce, and to encourage continuous learning. In 2010–11 we had a particular focus on training in the following areas:

- leadership and management
- negotiation skills
- writing for the public sector
- sea safety training
- first aid and fire warden training
- using Microsoft office – introductory to advanced
- job application and interview skills
- participation on selection panels
- giving and receiving feedback
- respect and courtesy in the workplace

Training needs are determined annually based on 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.

Executive level staff (executive level 1 and 2 and senior executive service) participated in a 360 degree feedback process during 2011. The 360 degree tool provides those staff with practical information on their leadership behaviours as seen in the context of the integrated leadership system. As part of the process staff were provided with an executive leadership profile report which is built around the specific development needs and leadership behaviours of staff at the executive level and will be used within the context of management and leadership, performance management, coaching and career management.

AFMA also offers a studies assistance program to staff wishing to obtain qualifications. Assistance can be in the form of funding and/or study leave. In 2010–11, 22 staff members were granted studies assistance for studies in various areas including fisheries policy, law, marine science, economics and public policy.

## OCCUPATIONAL HEALTH AND SAFETY

AFMA's *Health and Safety Management Arrangements 2008* outline the occupational health and safety 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 and will be reviewed in the 2011-2012 financial year, in consultation with staff and management. The arrangements, and any relevant information, are made available to staff on AFMA's intranet.

The Occupational Health and Safety Committee met four times during 2010–11 to review AFMA's health and safety performance including identifying risks and developing strategies to reduce them.

### Health and safety initiatives

Every year, staff members are provided with the option of free onsite influenza vaccinations to staff. In June 2011 we also provided free health checks for all staff. We experienced a strong take-up rate for both of these opportunities. Eleven workstation assessments were conducted in 2010–11 for staff experiencing any sort of pain or discomfort at their workstation. As a result of these assessments a variety of measures were implemented, including the purchase of specialised chairs, desk and computer equipment.

### Health and safety outcomes achieved

AFMA again performed well in occupational health and safety. Our workers compensation premium remained below the Commonwealth average and there were no notifiable injuries or incidents.

The unplanned absence rate was 8.1 days per person which is up slightly from last year (7.7 days) but still lower than the APS average of 10.5 days per employee per year.

## Accident or dangerous occurrence statistics

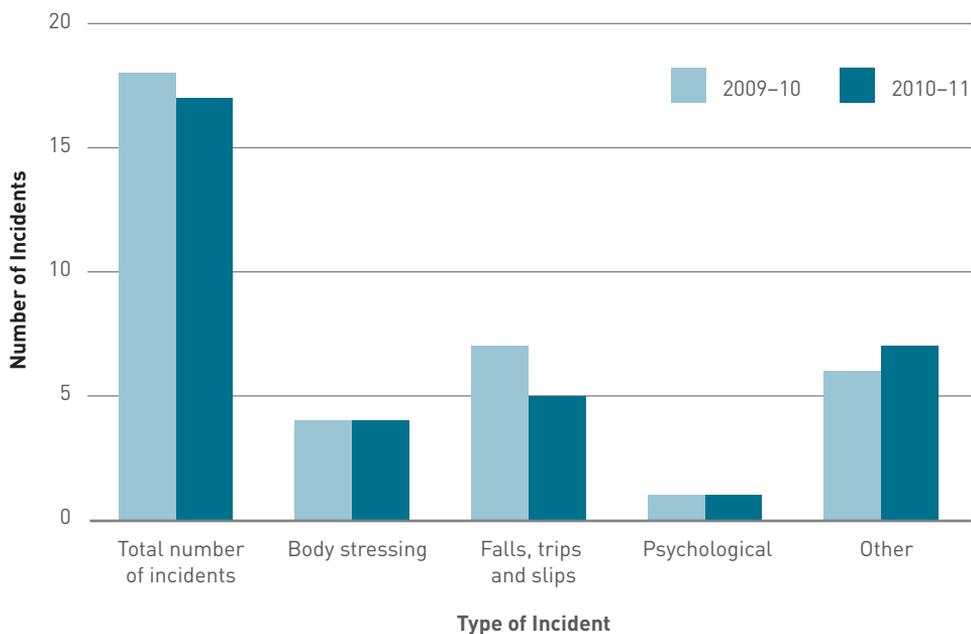
In 2010–11 there were 17 recorded incidents, accidents or near-misses (see figure 2). This rate is similar to the previous year and again dominated by minor incidents, with only one serious personal injury involving an absence of two or more weeks.

OH&S risk assessment of AFMA's at-sea activities was undertaken with the risk assessment component identifying the operational risks for the four at-sea operational areas – Observers, Domestic Compliance Canberra, Domestic Compliance Darwin and Foreign Compliance Darwin. Risk assessments were made for each area, identifying current risk mitigation activities and recommending some further actions. The additional controls are being implemented and AFMA's Sea Safety Policy will be updated.

## 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, no notices were issued in relation to health and safety representatives and no prohibition notices were issued.

FIGURE 2: AFMA OH&S INCIDENT REPORTS COMPARISON



# STAKEHOLDER SATISFACTION

## OUR STAKEHOLDERS

When developing and implementing fisheries management arrangements, AFMA works in partnership with key stakeholders including Indigenous interests commercial fishing operators and associations, charter fishing, researchers, recreational environment/conservation organisations and where appropriate, others who have an interest in how Australia's Commonwealth fisheries are managed.

AFMA engages with stakeholder groups through a variety of avenues, including management advisory committees, liaison officers, port visits, newsletters, *AFMA Update* 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. With these 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 fisheries resources sustainably.



AFMA works in partnership with key stakeholders when developing management arrangements.

## 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 we are developing or amending managements plans for the different fisheries under the control of the Commonwealth.

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

In addition to statutory processes, we consult 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 in Appendix 4 on pages 170–174.

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.

We convey 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 management plans.

AFMA has the ability to use integrated computer vessel monitoring systems, a satellite-based system, to communicate with fishing vessels via text message or email anywhere in the world.

## 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 consist of commercial fishers, processors, environmental groups, marine researchers, recreational fishers, charter boat operators and relevant state and Commonwealth agencies.

In response to an agency-wide business efficiency review, the number of management advisory committees was reduced from twelve to nine on 1 July 2009. On 1 July 2010, the number of management advisory committees was further reduced from nine to seven. The committees that operated throughout 2010–11 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)

AFMA will work closely with GABMAC and SEMAC on transitioning these two committees to a single committee by 1 July 2013.

For information on specific management advisory committees, their memberships and meetings held during 2010–11, 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 our fisheries administration and corporate services, including our licensing function. The Client Service Charter is available on AFMA's website.

AFMA has performed well against the customer service standards in our Client Service Charter and continues to streamline processes to improve our customer service. In 2010–11, GOFish (AFMA's electronic licensing system)

has assisted in improving the timeliness of responses for licensing transactions. GOFish allows concession holders to lease and transfer concessions and nominate a selected boat without the assistance of AFMA licensing staff.

Around 43 percent of fishing concession holders used GOFish during 2010–11. AFMA is seeking a target of 80 percent and will be implementing a range of strategies in 2011–12 to increase use.

Of the licensing transactions completed manually, 97 percent were within the timeframes provided in the client service charter. This figure relates to manual transactions submitted by concession holders and responses to correspondence and information requests.

AFMA has commenced using MinCor4 to track all executive and ministerial correspondence received.

During 2010–11 AFMA was notified of one complaint to the ombudsman. This complaint is still the subject of investigation.









# OUR FISHERIES

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# QUICK REFERENCE GUIDE TO DOMESTIC FISHERIES PERFORMANCE IN 2010-11

✓ Performance target met or exceeded for 2010-11 ✓ Performance target partially met for 2010-11 ✗ Performance target not met for 2010-11

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	

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	
Northern Prawn Fishery	✓	✓	✓	✓	✓	✓	✓	✓	
North West Slope Trawl Fishery	✓	n/a	✓	✓	✓	✓	n/a	✓	
Skipjack Tuna Fishery	✓	n/a	n/a	✓	✓	✓	n/a	n/a	
Small Pelagic Fishery	✓	✓	✓	✓	✓	✓	✓	✓	
Southern Bluefin Tuna Fishery	✓	✓	✓	n/a	✓	✓	✓	✓	
Southern and Eastern Scalefish and Shark Fishery	✓	✓	✓	✓	✓	✓	✓	✓	
Southern Squid Jig Fishery	✓	✓	✓	✓	✓	✓	✓	✓	
Western Deepwater Trawl Fishery	✓	n/a	✓	✓	✓	✓	n/a	✓	
Western Tuna and Billfish Fishery	✓	✓	✓	n/a	✓	✓	✓	✓	

## Stock status of target species

■ No overfishing/not overfished    
 ■ Uncertain    
 ■ Overfishing/overfished

Fishery	Overfishing	Overfished	Stock status of target species (Australian Bureau of Agricultural and Resource Economics and Sciences <i>Fishery Status Report 2010</i> )
Bass Strait Central Zone Scallop Fishery			Commercial Scallop
			Other sea cucumber species (11 species), demersal and mid-water fish and crustaceans (Trawl and Trap Sector)
			Black Teatfish, Prickly Redfish, White Teatfish, Surf Redfish and mixed reef fish (Line and Trap Sector). <i>See AFMA Footnote <sup>1</sup></i>
Coral Sea Fishery			Aquarium species, Tropical Rock Lobster and Trochus
			Swordfish, Albacore Tuna, Yellowfin Tuna. <i>See AFMA Footnote <sup>2</sup></i>
			Striped Marlin. <i>See AFMA Footnote <sup>2</sup></i>
Eastern Tuna and Billfish Fishery			Bigeye Tuna. <i>See AFMA Footnote <sup>2</sup></i>
			Mackerel Icefish, Patagonian Toothfish. <i>See AFMA Footnote <sup>2</sup></i>
Heard Island and McDonald Islands Fishery			Patagonian Toothfish. <i>See AFMA Footnote <sup>2</sup></i>
Macquarie Island Toothfish Fishery			Patagonian Toothfish. <i>See AFMA Footnote <sup>2</sup></i>

Fishery	Overfishing	Overfished	Stock status of target species (Australian Bureau of Agricultural and Resource Economics and Sciences <i>Fishery Status Report 2010</i> )
Norfolk Island Fisheries	Not assessed		
Northern Prawn Fishery			White Banana Prawn, Red Legged Banana Prawn, Brown Tiger Prawn, Grooved Tiger Prawn, Blue Endeavour Prawn
			Red Endeavour Prawn
North West Slope Trawl Fishery			Scampi (3 species)
Skipjack Tuna Fishery			Skipjack Tuna, Pacific Ocean. <i>See AFMA Footnote <sup>2</sup></i>
			Skipjack Tuna, Indian Ocean. <i>See AFMA Footnote <sup>2</sup></i>
Small Pelagic Fishery			Australian Sardine, Blue Mackerel (east), Blue Mackerel (west), Jack Mackerel (east; 2 species); Jack Mackerel (west; 2 species) and Redbait (east)
			Redbait (west)
Southern Bluefin Tuna Fishery			Southern Bluefin Tuna. <i>See AFMA Footnote <sup>2</sup></i>

Fishery	Overfishing	Overfished	Stock status of target species (Australian Bureau of Agricultural and Resource Economics and Sciences <i>Fishery Status Report 2010</i> )
Southern and Eastern Scalefish and Shark Fishery			Blue Eye Trevalla, Blue Grenadier, Eastern School Whiting, Flathead (5 species), John Dory, Mirror Dory, Orange Roughy (Cascade Plateau), Oreo Dory – Smooth (Cascade Plateau), Oreo Dory – Smooth (non Cascade Plateau), Oreo Dory – other, Royal Red Prawn, Silver Trevally, Silver Warehou, Alfonsino, Bight Redfish, Deepwater Flathead, Elephant Fish, Gummy Shark Ocean Jacket (eastern) and Ocean Jacket (western)
			Gemfish (western) and Ocean Perch (2 species)
			Orange Roughy (eastern zone), Orange Roughy (southern zone), Orange Roughy (western zone) and Orange Rough (South Tasman Rise Fishery) <i>See AFMA Footnote</i> <sup>3</sup>
			Blue Warehou <sup>1</sup> , Gulper Sharks (3 species), School Shark and Gemfish (eastern)
			Jackass Morwong. <i>See AFMA Footnote</i> <sup>4</sup>
			Pink Ling
			Ribaldo and Sawshark
			Orange Roughy (Great Australian Bight Trawl Sector), Deepwater Sharks (western; 18 species), Deepwater Sharks (eastern; 18 species) and Redfish (eastern)

Fishery	Overfishing	Overfished	Stock status of target species (Australian Bureau of Agricultural and Resource Economics and Sciences <i>Fishery Status Report 2010</i> )
Southern Squid Jig Fishery	Green	Green	Gould's Squid
Western Deepwater Trawl Fishery	Green	Yellow	Bugs, Orange Roughy and Ruby Snapper
Western Tuna and Billfish Fishery	Yellow	Yellow	Albacore Tuna, Striped Marlin and Longtail Tuna. <i>See AFMA Footnote 2</i>
	Green	Green	Yellowfin Tuna Swordfish and Bigeye Tuna. <i>See AFMA Footnote 2</i>

1 There are two blue warehou stocks in the SESSF; an eastern stock and a western stock. These stocks are managed as a single management unit, under a single TAC. As a result of their being a single management unit, the stocks are afforded one status classification for biomass and one for fishing mortality, based on the outputs of the tier 4 assessments and a comparison of current catches with the RBCs. The Tier 4 assessment results for both stocks (east and west) indicate both are below the limit reference point and have been so for some time (overfished). Further, it does not appear that current catches will allow the stocks to recover in the timeframe specified by the recovery strategy (subject to overfishing).

**Footnote 1:** Historically, low levels of effort in this fishery have precluded investment in data collection and research.

**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)

**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.

**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 and Mackerel Icefish

**Estimated catch 2009-10:** 3000 tonnes

**Gross value of production 2009-10:**  
Not available

## DEVELOPMENTS IN 2010-11

### Macquarie Island Toothfish Fishery

- On 12 April 2011 AFMA issued a direction to allow for demersal longline fishing in the Macquarie Island Toothfish Fishery. This was following a trial which showed that Patagonian Toothfish could be effectively targeted by longlining and that the adoption of a range of mitigation strategies could avoid interactions with seabirds. The Minister for Sustainability, Environment, Water, Population and Communities has shown support for the introduction of the method.
- In June 2011, the AFMA Commission agreed to determine an amendment to the *Macquarie Island Toothfish Fishery Management Plan 2006* to amalgamate the two sectors of the fishery into a single area, to reflect the single stock nature of toothfish around Macquarie Island. This will result in a single total allowable catch being set for the fishery from the start of the 2012-13 season and beyond.

### Heard Island and McDonald Islands Fishery

- Discussions on a proposed amendment to the *Heard Island and McDonald Islands Fishery Management Plan 2002* to allow more vessels to operate in the fishery are ongoing. The aim is to provide industry with flexibility to maximise their catch by non-trawl fishing methods, particularly longlining. The amendment is expected to be finalised in 2011-12.

### 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 2010-11.



Patagonian Toothfish and Mackerel Icefish are the target species in the Antarctic fisheries

## REPORT AGAINST MANAGEMENT PLANS

### Macquarie Island Toothfish Fishery

The Macquarie Island Toothfish Fishery continued to be managed under the *Macquarie Island Toothfish Fishery Management Plan 2006* in 2010–11. All operations conducted in the fishery were in compliance with the performance criteria outlined in the management plan.

Two longline vessels conducted operations in the fishery in 2010–11.

### Heard Island and McDonald Islands Fishery

The Heard Island and McDonald Islands Fishery continued to be managed under the *Heard Island and McDonald Islands Fishery Management Plan 2002* and the management principles mandated by the Commission for the Conservation of Antarctic Marine Living Resources in 2010–11. All operations conducted in the fishery were in compliance with the performance criteria outlined in the management plan.

Three vessels (one trawler, one longliner and one dual purpose vessel capable of pot fishing and longlining) conducted operations in the fishery in 2010–11.



Heard Island and McDonald Islands Fishery are managed under the *Heard Island and McDonald Islands Fishery Management Plan 2002*

# CORAL SEA FISHERY

## Major species:

Line and Trap Sector – tropical finfish and sharks

Trawl and Trap Sector – tropical finfish and crustaceans;

Sea Cucumber Sector – White Teatfish, Surf Redfish, Prickly Redfish, Black Teatfish, Sandfish and other sea cucumber species.

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 *Chondrichthys* (cartilaginous fishes) and *Osteichthyes* (bony fishes), as well as invertebrates and live rock (limestone encrusted with organisms). The collection of live coral is prohibited in this fishery.

## Estimated catch 2009–10:

4 tonnes excluding the Aquarium Sector.

## Gross value of production:

Not available

## DEVELOPMENTS IN 2010–11

Further progress has been made during 2010–11 to refine existing management arrangements and develop new management arrangements based on the results of risk assessments and the review of the harvest strategy. These developments include:

- reaccreditation of the fishery as an approved Wildlife Trade Operation by the Australian Government Department of Sustainability, Environment, Water, Population and Communities on 19 November 2010 for a further three year period;
- implementation of a bycatch and discard workplan for the fishery to mitigate the risks to non-target species including starting development of a code of practice for the handling and release of sharks;
- finalising and implementing appropriate management arrangements to restrict the take of Humphead Maori Wrasse to precautionary catch limits due to the species' listing under Appendix II of the Convention on International Trade in Endangered Species;
- convening a panel of experts in June 2011 to determine the risks to target, bycatch and discard species in the Coral Sea Fishery as part of the harvest strategy review;
- conducting an annual meeting of stakeholders in June 2011 to consider management arrangements for 2011–12 and risk analysis of fishing activities.

## 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 at this time. 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 and

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.



The Coral Sea fishery uses a range of fishing methods to target a diverse mix of species

# NORFOLK ISLAND FISHERIES

## Major species:

Norfolk Island Inshore Fishery – Red Throat Emperor

Norfolk Island Offshore Demersal Finfish Fishery – n/a

## Estimated catch 2009-10:

No commercial catch. Recreational and charter fishing only.

**Gross value of production:** Nil

## DEVELOPMENTS IN 2010–11

### Norfolk Island Inshore Fishery

- AFMA has continued working with the Norfolk Island Government and other stakeholders to implement the commitments made under the *Norfolk Island Inshore Fishery Management Policy 2009* and associated Memorandum of Understanding (MOU). The MOU has enabled AFMA to maintain a monitoring and advisory role in the fishery, which has included the collection and reporting of data.
- 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 work commenced in 2010–11 and will continue to be undertaken in 2011–12 in consultation with Australian Government agencies.

- AFMA has also undertaken to develop a small scale commercial fishery in the inshore waters around Norfolk Island following the AFMA Commission's 'in principle' agreement to undertake this work. This work commenced in 2010–11 and will continue in 2011–12. Following consultation with Australian Government agencies and the Norfolk Island Government the scale and nature of the fishery will be determined. Any management arrangements developed will consider the financial and legislative reforms being applied on Norfolk Island by the Australian Government.

### Norfolk Island 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 that time. A strategic approach to managing all small, developing and exploratory Commonwealth fisheries, including this fishery, is underway.



AFMA continues work with the Norfolk Island Government and other stakeholders to implement the commitments made under the *Norfolk Island Inshore Fishery Management Policy 2009*

# NORTHERN PRAWN FISHERY

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

**Estimated catch 2009–10:** 7466 tonnes

**Gross value of production 2009–10:** \$88.8 million

## DEVELOPMENTS IN 2010–11

- All 52 boat statutory fishing rights were used during the 2010 tiger prawn season (1 August to 30 November 2010). The total allowable tiger prawn effort was increased for the season to meet the maximum economic yield targets for the fishery. The effort increase was applied through a gear increase and additional fishing time. In 2010 operators were allowed to begin targeting tiger prawns from 1 May, through the removal of a spatial closure. The fishery experienced an increase in average catch rates (nominal catch per unit of effort) for 2010 (0.416 tonne per day) compared with 2009 (0.325 tonne per day). Effort was within the sustainable limits for the fishery.
- During the 2011 banana prawn season (1 April to 24 June 2011) 51 of the 52 boat statutory fishing rights were used. The season was extended because the unique level of rainfall observed during the 2010–11 summer was expected to result in a large availability of banana prawns. Decision rules were applied during the season, with average catch rates meeting the required trigger points for the fishery to remain open for the maximum 12-week season. The estimated total catch for the 2011 season was 6632 tonnes.
- During 2010–11, the three-year co-management trial in the fishery continued and progressed well. The trial has the Northern Prawn Fishery Industry Pty Ltd taking on greater responsibility for management of providers for the pre-season surveys, as well as managing catch and effort data and the crew-member observer program. The industry association is responsible for making recommendations directly to AFMA on commercial and operational matters in the fishery and in 2011–12 they will also trial management of the scientific observer program.

- The co-management 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 in 2011–12, while a review is undertaken. Any outcomes of the review will be considered when developing the future plan for co-management in the fishery.

## REPORT AGAINST MANAGEMENT PLAN

The fishery is managed through a combination of input controls (limited entry, seasonal closures, gear restrictions and operational controls), which are implemented under the

*Northern Prawn Fishery Management Plan 1995*. Management arrangements for the fishery remained unchanged for 2010–11, however a transition to output controls in the form of individual transferable quota has begun. It is expected that the fishery will be operating under output controls by August 2012.

To implement output controls in the fishery, the existing management plan needs to be revoked and replaced with a newly drafted management plan. Drafting of the new plan has commenced. AFMA is working closely with stakeholders to develop the most cost effective and practical system for setting total allowable catches.



The Northern Prawn Fishery aims to be operating under output controls by August 2012

# NORTH WEST SLOPE AND WESTERN DEEPWATER TRAWL FISHERIES

## Major species:

North West Slope Trawl – Scampi and Deepwater Prawns

Western Deepwater Trawl – Bugs, Snapper, Deepwater Flathead and mixed finfish

## Estimated catch 2009-10:

North West Slope Trawl – 35 tonnes

Western Deepwater Trawl – 13 tonnes

## Gross value of production 2009-10:

Not available

- A review of the Western Trawl Fisheries Harvest Strategy is underway. 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.

## REPORT AGAINST MANAGEMENT PLAN

The fisheries were managed in accordance with a statement of management arrangements and permit conditions.

## DEVELOPMENTS IN 2010-11

- The Commonwealth and Western Australian governments continued to discuss the boundary descriptions of the two Commonwealth fisheries in the Offshore Constitutional Settlement arrangement. The discussions have revolved around re-alignment of the boundary description to better reflect the 200 metre isobath along the coast of Western Australia. A partial area closure direction in the northern region of the North West Slope Trawl Fishery expired on 31 December 2010. This was replaced by a voluntary closure of the same area, which expires on 30 September 2011.



Key species of the North West Slope and Western Deepwater Trawl Fisheries are scampi, bugs and deepwater flathead

# 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:

South East Trawl Fishery – 14 023 tonnes  
Great Australian Bight Fishery – 2374 tonnes  
Gillnet, Hook and Trap Fishery – 4116 tonnes  
East Coast Deepwater Fishery – 18 tonnes  
Victorian Inshore Trawl Fishery – 151 tonnes

## Gross value of production 2009–10:

South East Trawl Fishery – \$56.7 million  
Great Australian Bight Fishery – Not available  
Gillnet, Hook and Trap Fishery – \$ 24.5 million  
East Coast Deepwater Fishery – Not available  
Victorian Inshore Trawl Fishery – Not available

## DEVELOPMENTS IN 2010–11

- AFMA put in place a temporary order under the *Fisheries Management Act 1991* that introduced a number of changes to gillnet fishing in the Southern and Eastern Scalefish and Shark Fishery. These changes aim to further reduce the impact of gillnet fishing on Australian Sea Lions and to better monitor gillnet fishing interactions with other threatened, endangered and protected species.
- The AFMA Commission agreed to the use of gillnets of up to 6000 metres in the Southern and Eastern Scalefish and Shark Fishery, an increase from the previous limit of 4200 metres. The use of longer nets will be subject to a rigorous monitoring and evaluation strategy to assess any differences resulting from their use. Evaluation outcomes may result in the complete removal of net length restrictions in the fishery.
- AFMA continues to refine and implement measures to reduce the ecological risk of fishing on Harrison's, southern and endeavour dogfishes and Greeneye Spurdog to maintain viability of populations in the wild. As a component of the Upper-Slope Dogfish Management Strategy, AFMA put in measures to implement cost effective research to gather more information on the species, close known upper-slope dogfish grounds and introduce catch limits.

- AFMA continued the process of implementing individual vessel seabird management plans for the trawl boats in the fishery. These plans outline requirements to reduce or avoid seabird interactions.
- AFMA and Fisheries Victoria have successfully initiated a trial to minimise discards of Snapper by allowing fishers in waters adjacent to eastern Victoria to land incidental bycatch of Snapper above the 50 kg trip limit.
- The South East Trawl Fishing Industry Association in conjunction with Fishwell Consulting and the South East Australian Maritime Education Centre successfully delivered an Environmental Skipper Accreditation Course: Improved Environmental Work Practices through which 82 Commonwealth Trawl Sector skippers and senior crew were accredited.
- A fishery independent survey was successfully completed in the Great Australian Bight Trawl Sector and the Commonwealth Trawl Sector in 2011 and 2010 respectively. The surveys provide a fishery independent index of abundance for the main target species in the fishery, plus many other bycatch and byproduct species.
- An acoustic survey of the eastern Orange Roughy zone was successfully completed by industry in conjunction with the South East Trawl Fishing Industry Association. The results are being used in the 2011 stock assessment for the species.
- AFMA and the South East Trawl Fishing Industry Association have worked together throughout the year to initiate the development of codes of conduct. These codes are designed

to increase awareness and modify fishing practices to improve fisher's avoidance of Eastern Gemfish and Blue Warehou, both of which are under Commonwealth rebuilding strategies.

## 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:

- Measures to prohibit the catch of School Shark in proportion to Gummy Shark quota holdings. This measure further supports the School Shark Stock Rebuilding Strategy and reinforces AFMA's direction that School Shark should not be targeted by fishers.
- Permanent spatial closures to ensure future sustainability of Orange Roughy, Deepwater Sharks, Upper-slope Dogfish, Australian Sea Lions, School Shark, Gummy Shark, Great White Sharks, Blue Eye Trevalla and other various scalefish and areas of benthic habitat.

- Requirements to use seal exclusion devices in trawl nets on freezer boats in the Commonwealth Trawl Sector.
- Fishing gear requirements in multiple sectors of the Southern and Eastern Scalefish and Shark Fishery to reduce the capture of non-target species, as well as small and juvenile commercial species.
- Individual vessel seabird management plans to reduce seabird interactions in the trawl sector.

Total allowable catch limits for the fishing season commencing 1 May 2011 increased for Alfonsino, Deepwater

Flathead, Deepwater Shark (west), Elephant Fish, Ribaldo and Silver Trevally. Reductions in catch limits were made for Bight Redfish, Blue-eye Trevalla, Blue Warehouse, Western Gemfish, oreo (basket), Redfish, Royal Red Prawn, Saw Shark, School Shark, and School Whiting. The total allowable catches for the remaining 18 quota species did not change. There have also been multi-year catch limits introduced for five species due to the ecologically robust nature of the stock assessments. These species are Bight Redfish, Blue Grenadier, Deepwater Flathead and flathead (basket).



A range of strong measures have been introduced to minimise interactions with threatened, endangered and protected species

# BASS STRAIT CENTRAL ZONE SCALLOP FISHERY

**Major species:** Commercial Scallops

**Estimated catch:** 2189 tonnes  
(1 April – 20 December 2010)

**Gross value of production:** \$4.6 million

## DEVELOPMENTS IN 2010–11

- Fishery wide surveys continue to be 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.
- Fishing for the 2010 season started on 1 April 2010 and closed on 20 December 2010 with a total allowable catch of 100 tonnes for Doughboy Scallops and 3000 tonnes for Commercial Scallops (plus 150 tonnes research quota allowance). No Doughboy Scallops were landed as a market for this species is yet to be developed.
- The 2010 fishing season was generally considered successful, yielding 2189 tonnes (73 percent) of the 3000 tonne Commercial Scallop total allowable catch and 73 tonnes of the 150 tonne Commercial Scallop research catch allowance also landed.

- A fishery wide pilot survey was conducted in January 2011 to establish biomass estimates for scallop beds. This survey identified two commercially viable areas, with biomass estimates of 2444 tonnes and 578 tonnes.
- Based on the survey results and the application of the harvest strategy a total allowable catch of 2000 tonnes has been set for the 2011 season, to be fished in the area containing the larger biomass estimate.
- Research is currently being conducted on the effect of seismic testing on scallop stocks in the fishery. The results of this research are not expected for another two years.



Fishery wide surveys are used to assess the status of the scallop stock

## 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 2011-12. A key management tool is the fishery's Harvest Strategy. The harvest Strategy for this fishery 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 total allowable catch for the 2011 season of 2,000 tonnes is based on the assessment and application of the Harvest Strategy decision rules and the *Bass Strait Central Zone Scallop Fishery Management Plan 2002*. Fishing in the 2011 season will be undertaken in the same area fished in the 2010 season.



Scallops- photo AFMA



The scallop Harvest Strategy is a detailed spatial management system which keeps the fishery closed unless surveys indicate that decision rules have been met

# SOUTHERN SQUID JIG FISHERY

**Major species:** Arrow Squid

**Estimated catch 2009-10:** 62 tonnes

**Gross value of production 2009-10:**  
\$93 000

release shortly. Results of this project will provide a more detailed understanding of the relationship between Arrow Squid populations and environmental conditions.

## DEVELOPMENTS IN 2010-11

- Activity in the fishery remained low due to low market prices and competition from cheaper imported squid product.
- The final report from the Fisheries Research and Development Corporation project 'Arrow Squid- stock variability, fishing techniques, trophic linkages- facing the challenges' is due for

## REPORT AGAINST THE MANAGEMENT PLAN

The Southern Squid Jig Fishery continued to be managed under the arrangements in the *Southern Squid Jig Fishery Management Plan 2005* during 2010-11. Based on the harvest strategy and the provisions of the management plan the total allowable effort limit for the 2011 season was set at 560 standard squid jigging machines.



Arrow squid is the major species targeted in the Southern Squid Fishery

# SMALL PELAGIC FISHERY

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

**Estimated catch 2009-10:** 1901.8 tonnes

**Gross value of production:**  
Not available

## DEVELOPMENTS IN 2010-11

- 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 that grant. The Panel has now heard all allocation appeals. The final grant of Statutory Fishing Rights will commence once the appeals are resolved.
- Activity in the fishery was low this year. Some permit holders were awaiting the outcomes of the appeals process. Other permit holders chose to concentrate their efforts in adjacent State fisheries.
- All major species are assessed in the ABARES Fishery Status Report 2009 as not overfished and not subject to overfishing, with the exception of Redbait- East, which is assessed as uncertain.
- The management advisory committee for this fishery was amalgamated in 2010-11 into the South East Management Advisory Committee. This will allow costs to be reduced,

over time, and enable more integrated management of southern and south eastern fisheries.

- AFMA has also recently sought public comment on proposals to integrate the resource assessment group for this fishery with resource assessment groups of other south and south eastern fisheries, again to foster integrated management.



Small pelagic species targeted by this fishery include Australian Sardine, Jack, Blue Mackerel and Redbait

# EASTERN TUNA AND BILLFISH FISHERY

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

**Estimated catch 2009-10:** 5,707 tonnes

**Gross value of production:**  
\$30.14 million

## DEVELOPMENTS IN 2010-11

- the Eastern *Tuna and Billfish Management Plan 2005* (old Plan), which managed the fishery by limiting the number of hooks allowed to be deployed, was revoked in January 2011.
  - AFMA introduced individual transferable quotas in the fishery which required determining a new Management Plan. This made Albacore Tuna, Bigeye Tuna, Yellowfin Tuna, Broadbill Swordfish and Striped Marlin subject to Total Allowable Commercial Catch limits.
  - the *Eastern Tuna and Billfish Fishery Management Plan 2010* (new Plan) was Determined by the AFMA Commission on 20 December 2010. It was accepted by Parliamentary Secretary Kelly on 10 January 2011.
  - boat and Quota Statutory Fishing Rights under the new Plan were granted to the holders of Statutory Fishing Rights under the old Plan during February 2011.
- the new Plan came into full effect on 1 March 2011 when the 2011-12 fishing season began.
  - the total allowable commercial Catch limits were set at 2,500 tonnes for Albacore Tuna, 1,056 tonnes for Bigeye Tuna, 2,200 tonnes for Yellowfin Tuna, 1,550 tonnes for Broadbill Swordfish and 390 tonnes for Striped Marlin.



Longliner crew about to haul up

## REPORT AGAINST MANAGEMENT PLAN

The 16-month fishing season under the old plan was completed on 28 February 2011. In accordance with the decision rules of the Eastern Tuna and Billfish Fishery Harvest Strategy, the total allowable effort limit for this season was set at 12 million hooks. Effort in the fishery during the season did not exceed the total limit, nor did any individual exceed their hook limits.

The *Eastern Tuna and Billfish Fishery Management Plan 2010* was fully implemented from 1 March 2011 when the 2011–12 fishing season began. This requires all vessels fishing for tuna and billfish species in the Eastern Tuna and Billfish Fishery to have either a longline

or minorline boat Statutory Fishing Right to use each method respectively and to have enough quota Statutory Fishing Rights to cover their catch of each of the five quota species.

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 accounted within the Southern Bluefin Tuna total allowable catch. To enter the core and buffer zones, operators must hold a minimum amount of Southern Bluefin Tuna quota and have varying levels of observer coverage depending on the amount of quota they hold. The zones are updated fortnightly using a model from CSIRO, sea surface temperatures and industry information.



Individual transferable quotas were introduced to the Eastern Tuna and Billfish fishery in March 2011

# SOUTHERN BLUEFIN TUNA FISHERY

**Major species:** Southern Bluefin Tuna

**Estimated catch 2009-10:** 4124 tonnes

**Gross value of production 2009-10:**  
\$38.1 million

## DEVELOPMENTS IN 2010-11

- In 2009 the AFMA Commission agreed on an 8030 tonne total allowable catch for the Southern Bluefin Tuna fishery for the next two years. There was a two-year season of which 2010-11 was the second year.
- On 24 November 2010, the Commonwealth Minister for Sustainability, Environment, Water, Population and Communities announced his decision to list Southern Bluefin Tuna as 'conservation dependent' under the *Environment Protection and Biodiversity Conservation Act 1999*. The listing as conservation dependent recognises the strong measures in place in Australia to manage Southern Bluefin Tuna, and also accounts for the progress being made at an international level to rebuild the global stock to ecologically sustainable levels. It does not add additional restrictions to fishing within Australian waters.
- On 19 October 2010 the Southern Bluefin Tuna Fishery was recredited as an approved Wildlife Trade Operation under the *Environment Protection and Biodiversity Conservation Act 1999*. The accreditation is valid until 24 July 2013.
- At the 16th meeting of the Commission for the Conservation of Southern Bluefin Tuna in October 2009, it was agreed that Australia would begin a commercial trial of stereo video technology covering 10 percent of the catch in the 2011 season. The technology will be assessed for its ability to improve the accuracy of the quota decrementation process in the farm sector of the fishery. The trial was conducted in February/ March 2011. A report on the outcomes of the trial will be presented to the AFMA Commission in 2011-12.
- On 28 April 2011, industry conducted a live release of Southern Bluefin Tuna. AFMA officers on board the release vessel reported that the release was conducted in accordance with the trial provisions of the *Southern Bluefin Tuna Management Plan 1995*. The trial release provisions outlined in the management plan have been extended until the end of the 2013 fishing season.

## REPORT AGAINST MANAGEMENT PLAN

Southern Bluefin 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 2010 AFMA amended the plan to:

- remove the prescribed procedures for undertaking a verified count, and
- extend the restricted overcatch and live release 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.

Catches in 2009–10, the first half of the two-year season, were within the maximum 5265 tonnes that could be taken during the first 12 months.

### **Correction to the Estimated Catch figures provided in the 2009–10 Annual Report.**

*Due to a typographical error the catch for the 2008–09 season was reported as 506 tonnes. The actual catch was 5242 tonnes.*



Strong measures are in place to continue rebuilding the global Southern Bluefin Tuna stock

# SKIPJACK TUNA FISHERY

**Major species:** Skipjack Tuna

**Estimated catch 2009-10:** 0 Tonnes

**Gross value of production:** nil

## DEVELOPMENTS IN 2010-11

- There has been no effort in the Skipjack Tuna Fishery during 2010-11. This trend continues from 2009-10 with fishers avoiding fishing for Skipjack Tuna due to a combination of low value product, 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.
- A number of permit conditions for Skipjack Tuna were amended in 2010-11 to ensure that if fishing takes place it conforms to the conservation and management measures implemented by the Western Central Pacific Fisheries Commission.



# WESTERN TUNA AND BILLFISH FISHERY

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

**Estimated catch 2009-10:** 538 tonnes

**Gross value of production 2009-10:**  
Not available

## DEVELOPMENTS IN 2010-11

- Quota-based management arrangements under the *Western Tuna and Billfish Management Plan 2005* which commenced on 1 July 2010.
- The fishery continues to operate at low levels of effort compared to the early 2000s due to economic conditions. However, catch has increased from a total catch of 290.7 tonnes in 2008-09 to 538 tonnes in 2010-11.



Major Species in the WTBF are Sword fish, Big eye Tuna, Yellowfin Tuna and Striped Marlin

## REPORT AGAINST MANAGEMENT PLAN

The *Western Tuna and Billfish Management Plan 2005* was fully implemented on 1 July 2010 following the final grant of Statutory Fishing Rights in May 2010. Under the *Western Tuna and Billfish Management Plan 2005*, the Western Tuna and Billfish Fishery is now managed through a quota system with total allowable commercial catch limits established each season for each of the major target species (see table below).

AFMA has specified the season dates within the fishery regulations, with the first fishing season running for 19 months commencing on 1 July 2010. All subsequent fishing seasons will commence annually on 1 February and run until 31 January.

The total allowable commercial catch for this extended season has been set in line with the Australian Government position on catch in the Indian Ocean Tuna Commission area of competence. 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 January 2012
Bigeye Tuna	3150
Yellowfin Tuna	7900
Broadbill Swordfish	4750
Striped Marlin	200





# FINANCIAL STATEMENTS

# 5



## INDEPENDENT AUDITOR'S REPORT

To the Minister for Agriculture, Fisheries and Forestry

### Report on the Financial Statements

I have audited the accompanying financial statements of the Australian Fisheries Management Authority for the year ended 30 June 2011, 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 comprising a Summary of Significant Accounting Policies and other explanatory information.

### The Chief Executive's Responsibility for the Financial Statements

The Chief Executive of the Australian Fisheries Management Authority is responsible for the preparation of financial statements that give a true and fair view in accordance with the Finance Minister's Orders made under the *Financial Management and Accountability Act 1997*, including the Australian Accounting Standards, and for such internal control as the Secretary determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

### 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 about 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 Authority's preparation of the financial statements that give a true and fair view 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 Authority's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made by the Chief Executive, as well as evaluating the overall presentation of the financial statements.

GPO Box 707, CANBERRA ACT 2601  
19 Richmond Circuit, BARTON ACT 2602  
Phone (02) 6701 7500 Fax (02) 6201 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 my audit, I have followed the independence requirements of the Australian National Audit Office, which incorporate the requirements of the Australian accounting profession.

#### ***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 2011 and of its financial performance and cash flows for the year then ended.

#### **Report on Other Legal and Regulatory Requirements**

As described in notes 22 and 23 to the financial statements, the Australian Fisheries Management Authority has recently become aware there is a risk of a breach of section 83 of the Constitution where payments are made from special appropriations and special accounts in circumstances where the payments do not accord with conditions included in the relevant legislation, and has advised that these circumstances will be investigated.

Australian National Audit Office



Peter Kerr

Executive Director

Delegate of the Auditor-General

Canberra

16 September 2011

**AUSTRALIAN FISHERIES MANAGEMENT AUTHORITY**  
**FINANCIAL STATEMENTS**  
*for the year ended 30 June 2011*

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**STATEMENT BY THE CHIEF EXECUTIVE AND CHIEF FINANCE OFFICER**

In our opinion, the attached financial statements for the year ended 30 June 2011 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.



Dr James Finlay  
Chief Executive  
16 September 2011



Anna Rowin  
Chief Finance Officer  
16 September 2011

**AUSTRALIAN FISHERIES MANAGEMENT AUTHORITY**  
**STATEMENT OF COMPREHENSIVE INCOME**  
*for the year ended 30 June 2011*

	Notes	2011 \$'000	2010 \$'000
<b>EXPENSES</b>			
Employee benefits	3A	20,083	21,447
Supplier expenses	3B	19,494	17,583
Depreciation and amortisation	3C	1,861	1,475
Write-down and impairment of assets	3D	3	108
<b>Total expenses</b>		<b>41,441</b>	<b>40,613</b>
<b>LESS:</b>			
<b>OWN-SOURCE INCOME</b>			
<b>Own-source revenue</b>			
Sale of goods and rendering of services	4A	1,449	2,875
Rental income	4B	204	200
<b>Total own-source revenue</b>		<b>1,653</b>	<b>3,075</b>
<b>Gains</b>			
Sale of assets	4C	8	2
Other	4D	33	32
<b>Total gains</b>		<b>41</b>	<b>34</b>
<b>Total own-source income</b>		<b>1,694</b>	<b>3,109</b>
<b>Net cost of services</b>		<b>(39,747)</b>	<b>(37,504)</b>
Revenue from Government	4E	35,989	34,306
<b>Deficit attributable to the Australian Government</b>		<b>(3,758)</b>	<b>(3,198)</b>
<b>OTHER COMPREHENSIVE INCOME</b>			
Changes in asset revaluation reserves		-	969
<b>Total other comprehensive income</b>		<b>-</b>	<b>969</b>
<b>Total comprehensive loss attributable to the Australian Government</b>	27	<b>(3,758)</b>	<b>(2,229)</b>

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

**AUSTRALIAN FISHERIES MANAGEMENT AUTHORITY**  
**BALANCE SHEET**  
*as at 30 June 2011*

	Notes	2011 \$'000	2010 \$'000
<b>ASSETS</b>			
<b>Financial Assets</b>			
Cash and cash equivalents	5A	608	415
Trade and other receivables	5B	11,351	16,186
<b>Total financial assets</b>		<b>11,959</b>	<b>16,601</b>
<b>Non-Financial Assets</b>			
Land and buildings	6A,C	6,195	6,191
Property, plant and equipment	6B,C	1,236	1,216
Intangibles	6D,E	2,989	3,686
Other	6F	419	591
<b>Total non-financial assets</b>		<b>10,839</b>	<b>11,684</b>
<b>Total assets</b>		<b>22,798</b>	<b>28,285</b>
<b>LIABILITIES</b>			
<b>Payables</b>			
Suppliers	7A	362	107
Other	7B	3,970	5,456
<b>Total payables</b>		<b>4,332</b>	<b>5,563</b>
<b>Provisions</b>			
Employee provisions	8A	3,390	4,088
<b>Total provisions</b>		<b>3,390</b>	<b>4,088</b>
<b>Total liabilities</b>		<b>7,722</b>	<b>9,651</b>
<b>Net assets</b>		<b>15,076</b>	<b>18,634</b>
<b>EQUITY</b>			
Contributed equity		9,416	9,216
Reserves		3,854	3,854
Retained surplus		1,806	5,564
<b>Total equity</b>		<b>15,076</b>	<b>18,634</b>

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 2011*

	Retained earnings		Asset revaluation reserve		Contributed equity		Total equity	
	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000
<b>Opening balance</b>								
Balance carried forward from previous period	5,564	8,762	3,854	2,885	9,216	9,216	18,634	20,863
Adjustment for errors	-	-	-	-	-	-	-	-
<b>Adjusted opening balance</b>	<b>5,564</b>	<b>8,762</b>	<b>3,854</b>	<b>2,885</b>	<b>9,216</b>	<b>9,216</b>	<b>18,634</b>	<b>20,863</b>
<b>Comprehensive income</b>								
Asset revaluations	-	-	-	969	-	-	-	969
Deficit for the period	(3,758)	(3,198)	-	-	-	-	(3,758)	(3,198)
<b>Total comprehensive income</b>	<b>(3,758)</b>	<b>(3,198)</b>	<b>-</b>	<b>969</b>	<b>-</b>	<b>-</b>	<b>(3,758)</b>	<b>(2,229)</b>
<b>Transactions with owners</b>								
Departmental capital budget	-	-	-	-	200	-	200	-
<b>Sub-total transactions with owners</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>200</b>	<b>-</b>	<b>200</b>	<b>-</b>
<b>Closing balance as at 30 June attributable to the Australian Government</b>	<b>1,806</b>	<b>5,564</b>	<b>3,854</b>	<b>3,854</b>	<b>9,416</b>	<b>9,216</b>	<b>15,076</b>	<b>18,634</b>

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

**AUSTRALIAN FISHERIES MANAGEMENT AUTHORITY**  
**CASH FLOW STATEMENT**  
*for the year ended 30 June 2011*

	Notes	2011 \$'000	2010 \$'000
<b>OPERATING ACTIVITIES</b>			
<b>Cash received</b>			
Appropriations		41,182	37,727
Goods and services		2,339	3,051
Net GST received		1,708	1,736
<b>Total cash received</b>		<b>45,229</b>	<b>42,514</b>
<b>Cash used</b>			
Employees		20,748	21,224
Suppliers		23,230	20,623
<b>Total cash used</b>		<b>43,978</b>	<b>41,847</b>
<b>Net cash from operating activities</b>	10	<b>1,251</b>	<b>667</b>
<b>INVESTING ACTIVITIES</b>			
<b>Cash received</b>			
Proceeds from sales of property, plant and equipment		25	22
<b>Total cash received</b>		<b>25</b>	<b>22</b>
<b>Cash used</b>			
Purchase of property, plant and equipment		1,083	1,570
<b>Total cash used</b>		<b>1,083</b>	<b>1,570</b>
<b>Net cash used by investing activities</b>		<b>(1,058)</b>	<b>(1,548)</b>
<b>Net increase (decrease) in cash held</b>			
		<b>193</b>	<b>(881)</b>
Cash and cash equivalents at the beginning of the reporting period		415	1,296
<b>Cash and cash equivalents at the end of the reporting period</b>	5A	<b>608</b>	<b>415</b>

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

**AUSTRALIAN FISHERIES MANAGEMENT AUTHORITY**  
**SCHEDULE OF COMMITMENTS**  
*as at 30 June 2011*

	2011	2010
	\$'000	\$'000
<b>BY TYPE</b>		
<b>Commitments receivable</b>		
Sublease rental income <sup>1</sup>	62	25
Net GST recoverable on commitments	2,171	2,730
<b>Total commitments receivable</b>	<u>2,233</u>	<u>2,755</u>
<b>Commitments payable</b>		
<b>Other commitments</b>		
Operating leases <sup>2</sup>	14,819	17,445
Research and development	3,802	5,467
Other <sup>3</sup>	5,266	2,783
<b>Total other commitments</b>	<u>23,887</u>	<u>25,695</u>
<b>Net commitments by type</b>	<u>21,654</u>	<u>22,940</u>
<b>BY MATURITY</b>		
<b>Commitments receivable</b>		
<b>Operating lease income</b>		
One year or less	62	25
From one to five years	-	-
Over five years	-	-
<b>Total operating lease income</b>	<u>62</u>	<u>25</u>
<b>Net GST recoverable on commitments</b>		
One year or less	827	622
From one to five years	865	1,621
Over five years	479	487
<b>Total net GST recoverable on commitments</b>	<u>2,171</u>	<u>2,730</u>
<b>Commitments payable</b>		
<b>Operating lease commitments</b>		
One year or less	2,252	2,066
From one to five years	8,180	10,017
Over five years	4,387	5,362
<b>Total operating lease commitments</b>	<u>14,819</u>	<u>17,445</u>
<b>Research and development and other commitments</b>		
One year or less	6,848	4,956
From one to five years	1,336	3,294
Over five years	884	-
<b>Total research and development and other commitments</b>	<u>9,068</u>	<u>8,250</u>
<b>Net commitments by maturity</b>	<u>21,654</u>	<u>22,940</u>

Note: Commitments are GST inclusive where relevant.

<sup>1</sup> AFMA in its capacity as a lessor sub-leases staff housing on Thursday Island.

<sup>2</sup> 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 still current. Both leases may be renewed for up to three years (Canberra) and five years (Darwin).

<sup>3</sup> The nature of Other commitments is for the purchase of ongoing services, including fishery management research.

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

**AUSTRALIAN FISHERIES MANAGEMENT AUTHORITY**  
**SCHEDULE ASSET ADDITIONS**  
*for the year ended 30 June 2011*

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

	Land \$'000	Buildings \$'000	Leasehold Improvements \$'000	Property, plant & equipment \$'000	Intangibles \$'000	Total \$'000
<b>Additions funded in the current year</b>						
By purchase - appropriation ordinary annual services	-	145	476	316	146	1,083
Ordinary operating costs	-	145	476	316	146	1,083
<b>Total funded additions funded in the current year</b>						
<b>Total additions</b>	-	145	476	316	146	1,083

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

	Land \$'000	Buildings \$'000	Leasehold Improvements \$'000	Property, plant & equipment \$'000	Intangibles \$'000	Total \$'000
<b>Additions funded in the current year</b>						
By purchase - appropriation ordinary annual services	-	620	252	541	157	1,570
Ordinary operating costs	-	620	252	541	157	1,570
<b>Total funded additions funded in the current year</b>						
<b>Total additions</b>	-	620	252	541	157	1,570

**AUSTRALIAN FISHERIES MANAGEMENT AUTHORITY  
SCHEDULE OF ADMINISTERED ITEMS**

	Notes	2011 \$'000	2010 \$'000
<b>Income administered on behalf of Government</b>			
<i>for the year ended 30 June 2011</i>			
<b>Revenue</b>			
<b>Taxation revenue</b>			
Levies and charges	15A	<u>13,136</u>	12,337
<b>Total taxation revenue</b>		<u>13,136</u>	12,337
<b>Non-taxation revenue</b>			
Sale of goods and rendering of services	15B	6	13
Fees and fines	15C	128	112
Interest	15D	39	-
Other	15E	<u>4</u>	1
<b>Total non-taxation revenue</b>		<u>177</u>	126
<b>Gains</b>			
Reversal of previous asset write-downs and impairments	15F	<u>9</u>	-
<b>Total gains</b>		<u>9</u>	-
<b>Total income administered on behalf of Government</b>		<u>13,322</u>	12,463
<b>Expenses administered on behalf of Government</b>			
<i>for the period ended 30 June 2011</i>			
Suppliers expenses	16A	3,951	3,950
Depreciation and amortisation	16B	35	63
Write-down and impairment of assets	16C	-	108
<b>Total expenses administered on behalf of Government</b>		<u>3,986</u>	4,121

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

**AUSTRALIAN FISHERIES MANAGEMENT AUTHORITY  
SCHEDULE OF ADMINISTERED ITEMS**

	Notes	2011 \$'000	2010 \$'000
<b>Assets administered on behalf of Government</b> <i>as at 30 June 2011</i>			
<b>Financial assets</b>			
Cash and cash equivalents	17A	7	1
Trade and other receivables	17B	584	672
<b>Total financial assets</b>		<b>591</b>	<b>673</b>
<b>Non-financial assets</b>			
Land and buildings	17C	561	596
Other	17D	38	-
<b>Total non-financial assets</b>		<b>599</b>	<b>596</b>
<b>Total assets administered on behalf of Government</b>		<b>1,190</b>	<b>1,269</b>
<b>Liabilities administered on behalf of Government</b> <i>as at 30 June 2011</i>			
<b>Payables</b>			
Suppliers	18A	310	-
Other	18B	490	358
<b>Total payables</b>		<b>800</b>	<b>358</b>
<b>Total liabilities administered on behalf of Government</b>		<b>800</b>	<b>358</b>

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

**AUSTRALIAN FISHERIES MANAGEMENT AUTHORITY  
SCHEDULE OF ADMINISTERED ITEMS**

	Notes	2011 \$'000	2010 \$'000
<b>Administered Cash Flows</b> <i>for the year ended 30 June 2011</i>			
<b>OPERATING ACTIVITIES</b>			
<b>Cash received</b>			
Levies and charges		13,365	11,649
Interest		39	-
Fees		96	113
Fines		42	13
Net GST received		366	514
<b>Total cash received</b>		<u>13,908</u>	<u>12,289</u>
<b>Cash used</b>			
Suppliers		4,045	4,562
<b>Total cash used</b>		<u>4,045</u>	<u>4,562</u>
<b>Net cash flows from operating activities</b>		<u>9,863</u>	<u>7,727</u>
<b>INVESTING ACTIVITIES</b>			
<b>Cash used</b>			
Purchase of property, plant and equipment		-	272
<b>Total cash used</b>		<u>-</u>	<u>272</u>
<b>Net cash flows used by investing activities</b>		<u>-</u>	<u>(272)</u>
<b>Net increase in cash held</b>		<u>9,863</u>	<u>7,455</u>
Cash and cash equivalents at the beginning of the reporting period		1	2,610
Cash from Official Public Account for:			
- Appropriations		3,680	1,783
		<u>3,680</u>	<u>1,783</u>
Cash to Official Public Account for:			
- Appropriations		13,537	11,847
		<u>13,537</u>	<u>11,847</u>
<b>Cash and cash equivalents at the end of the reporting period</b>	17A	<u>7</u>	<u>1</u>

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

**AUSTRALIAN FISHERIES MANAGEMENT AUTHORITY  
SCHEDULE OF ADMINISTERED ITEMS**

	2011	2010
	\$'000	\$'000
<b>Administered Commitments</b>		
<i>as at 30 June 2011</i>		
<b>BY TYPE</b>		
<b>Commitments receivable</b>		
Net GST recoverable on commitments	1,095	157
<b>Total commitments receivable</b>	<u>1,095</u>	<u>157</u>
<b>Commitments payable</b>		
<b>Other commitments</b>		
Operating leases <sup>1</sup>	-	594
Project commitments <sup>2</sup>	10,946	1,140
<b>Total other commitments</b>	<u>10,946</u>	<u>1,734</u>
<b>Net commitments by type</b>	<u>9,851</u>	<u>1,577</u>
<b>BY MATURITY</b>		
<b>Commitments receivable</b>		
<b>Net GST recoverable on commitments</b>		
One year or less	442	87
From one to five years	653	70
Over five years	-	-
<b>Total net GST recoverable on commitments</b>	<u>1,095</u>	<u>157</u>
<b>Commitments payable</b>		
<b>Operating lease commitments</b>		
One year or less	-	66
From one to five years	-	330
Over five years	-	198
<b>Total operating lease commitments</b>	<u>-</u>	<u>594</u>
<b>Other commitments</b>		
One year or less	4,414	127
From one to five years	6,532	633
Over five years	-	380
<b>Total other commitments</b>	<u>10,946</u>	<u>1,140</u>
<b>Net commitments by maturity</b>	<u>9,851</u>	<u>1,577</u>

NB: Commitments are GST inclusive where relevant.

<sup>1</sup> AFMA leases land in Gove for the disposal of illegal foreign fishing vessels.

<sup>2</sup> The nature of Other commitments is retainers and other agreements for the caretaking and disposal of illegal foreign fishing vessels. Agreements also include costs for the caretaking and disposal of vessels on a per unit basis.

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

**AUSTRALIAN FISHERIES MANAGEMENT AUTHORITY  
SCHEDULE OF ADMINISTERED ITEMS**

**Administered Asset Additions**

*for the year ended 30 June 2011*

**There were no additions in 2010-11.**

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

	Leasehold improvements \$'000	Total \$'000
<b>Additions funded in the current year</b>		
By purchase - appropriation ordinary annual services		
Ordinary operating costs	272	272
<b>Total funded additions funded in the current year</b>	<b>272</b>	<b>272</b>
<b>Total additions</b>	<b>272</b>	<b>272</b>

**AUSTRALIAN FISHERIES MANAGEMENT AUTHORITY**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
*for the year ended 30 June 2011*

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**AUSTRALIAN FISHERIES MANAGEMENT AUTHORITY**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
*for the year ended 30 June 2011*

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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 to pursue the implementation of efficient and cost effective fisheries management consistent with the principles of ecologically sustainable development and maximising the net economic returns for the Australian community from the management of Australian fisheries for which the Commonwealth has legislative responsibilities.

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

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

AFMA conducts the following administered activities: Collection of levies 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 general purpose financial statements and are required by section 49 of the *Financial Management and Accountability Act 1997*.

The Financial Statements have been prepared in accordance with:

- Finance Minister's Orders (or FMOs) for reporting periods ending on or after 1 July 2010; 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 or the financial position.

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

Unless 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 AFMA 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 executor contracts are not recognised unless required by an accounting standard. Liabilities and assets that are unrecognised are reported in the schedule of commitments or Note 11: Contingent Assets and Liabilities.

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

Administered revenues, expenses, assets and liabilities and cash flows reported in the Schedule of Administered Items and related notes are accounted for on the same basis and using the same policies as for departmental items, except where otherwise stated at Note 1.18.

**AUSTRALIAN FISHERIES MANAGEMENT AUTHORITY**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
*for the year ended 30 June 2011*

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### 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 recorded 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.
- Long service leave liability has been valued using the short hand method as permitted by the Finance Minister's Orders for financial reporting

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.

### 1.4 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 signoff date were applicable to the current reporting period and 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 Australian Accounting Standards Board prior to signoff date are expected to have a material financial impact on AFMA for future reporting periods.

### 1.5 Revenue

Revenue from the sale of goods is recognised when:

- the risks and rewards of ownership have been transferred to the buyer;
- AFMA 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 AFMA.

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

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

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

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

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

#### 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. Use of those resources is recognised as an expense.

**AUSTRALIAN FISHERIES MANAGEMENT AUTHORITY**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
*for the year ended 30 June 2011*

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

Contributions of assets at no cost of acquisition or for nominal consideration are recognised as gains 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).

Revenue from Government

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

Parental Leave Payments Scheme

AFMA offsetted amounts received under Parental Leave Payments Scheme (for payment to employees) by amounts paid to employees under that scheme, because these transactions are only incidental to the main revenue-generating activities of AFMA. Amount received by AFMA not yet paid to employees would be presented gross as cash and a liability (payable).

**1.6 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. Use of those resources is recognised as an expense.

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

Contributions of assets at no cost of acquisition or for nominal consideration are recognised as gains at their fair value when the asset qualifies for recognition, unless received from another Government entity 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.

**1.7 Transactions with the Government as Owner**

Equity Injections

Amounts appropriated which are designated as 'equity injections' for a year (less any formal reductions) and from 1 July 2010 Departmental Capital Budgets (DCBs) are recognised directly in contributed equity in that year.

Restructuring of Administrative Arrangements

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

Other Distributions to Owners

The FMOs require that distributions to owners be debited to contributed equity unless it is in the nature of a dividend.

**AUSTRALIAN FISHERIES MANAGEMENT AUTHORITY**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
*for the year ended 30 June 2011*

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### **1.8 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 obligations are 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 non-vesting and the average sick leave taken in future years by employees of AFMA is estimated 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 be applied at the time the leave is taken, including AFMA's employer superannuation contribution rates to the extent that the leave is likely to be taken during service rather than paid out on termination.

The liability for long service leave has been determined by reference to the shorthand method as permitted in the FMOs. The estimate of the present value of the liability takes into account attrition rates and pay increases through promotion and inflation.

#### Separation and Redundancy

Provision is made for separation 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

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

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

The liability for defined benefits is recognised in the financial statements of the Australian Government and is settled by the Australian Government in due course. This liability is reported by the Department of Finance and Deregulation as an administered item.

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

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

### **1.9 Leases**

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

Where 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.

**AUSTRALIAN FISHERIES MANAGEMENT AUTHORITY**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
*for the year ended 30 June 2011*

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

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

#### **1.11 Financial Assets**

AFMA classifies its financial assets as loans and receivables:

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

Financial assets are recognised and derecognised upon trade date.

##### Effective Interest Method

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

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

##### Loans and receivables

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

##### Impairment of Financial Assets

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

Financial assets held at amortised cost - if there is objective evidence that an impairment loss has been incurred for loans and receivables, 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.

**AUSTRALIAN FISHERIES MANAGEMENT AUTHORITY**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
*for the year ended 30 June 2011*

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**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 in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability.

*Other Financial Liabilities*

Other financial liabilities, including borrowings, are initially measured at fair value, net of transaction costs. These liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective 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 exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period.

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

**1.13 Contingent Liabilities and Contingent Assets**

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

**1.14 Acquisition of Assets**

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

Assets acquired at no cost, or for nominal consideration, are initially recognised as assets and income at their fair value at the date of acquisition, unless acquired as a consequence of restructuring of administrative arrangements. In the latter case, assets are initially recognised as contributions by owners at the amounts at which they were recognised in the transferor'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 similar items which are significant in total).

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

**AUSTRALIAN FISHERIES MANAGEMENT AUTHORITY**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
*for the year ended 30 June 2011*

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 exc. Leasehold improvements	Market selling price
Leasehold improvements	Depreciated replacement cost
Property, plant and equipment	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 valuations depends upon the volatility 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 assets 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 asset restated to the revalued amount.

All leasehold improvement assets including property, plant and equipment were formally valued as at 30 June 2010 by an independent valuer.

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:

	<u>2011</u>	<u>2010</u>
Buildings on freehold land	<b>40 years</b>	40 years
Leasehold improvements	<b>Lease term</b>	Lease term
Plant and Equipment	<b>4 to 13 years</b>	4 to 13 years

Impairment

All assets were assessed for impairment at 30 June 2011. Where indications of impairment exist, the asset's recoverable amount is estimated and an impairment adjustment made if the asset's recoverable amount is less than its carrying amount.

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

Derecognition

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

**AUSTRALIAN FISHERIES MANAGEMENT AUTHORITY**  
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### **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 (2009-10: 3 to 7 years).

All software assets were assessed for indications of impairment as at 30 June 2011.

### **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**

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

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

#### Administered Cash Transfers to and from the Official Public Account

Revenue collected by AFMA for use by the Government rather than AFMA is administered revenue. Collections are transferred to the Official Public Account maintained by the Department of Finance and Deregulation. Conversely, cash is drawn from the OPA to make payments under Parliamentary appropriation on behalf of Government. These transfers to and from the OPA are adjustments to the administered cash held by AFMA on behalf of the Government and reported as such in the statement of cash flows in the schedule of administered items and in the administered reconciliation table in Note 19.

#### Revenue

All administered revenues are revenues relating to the course of ordinary activities performed by AFMA on behalf of the Australian Government.

Revenue is generated from the collection of fishing levies, fines and the proceeds of apprehended catch and vessels on behalf of the Commonwealth as provided by Sections 7 and 8 of the *Fisheries Administration Act 1991* when the proceeds of apprehended catch or vessels become the property of the Commonwealth. Administered fee revenue is recognised when invoiced to the fee payer.

### **Note 2: Events After the Reporting Period**

There have been no significant subsequent events after the reporting period that impact on the financial statements for the year ended 30 June 2011.

**AUSTRALIAN FISHERIES MANAGEMENT AUTHORITY**  
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**Note 3: Expenses**

	2011	2010
	\$'000	\$'000
<b>Note 3A: Employee Benefits</b>		
Wages and salaries	16,256	16,869
Superannuation:		
Defined contribution plans	1,616	1,438
Defined benefit plans	1,115	1,225
Leave and other entitlements	1,096	1,915
<b>Total employee benefits</b>	<b>20,083</b>	<b>21,447</b>
<b>Note 3B: Suppliers</b>		
<b>Goods and services</b>		
Research	5,410	4,191
Surveillance and compliance	557	654
Consultants and contractors	4,329	3,374
Travel and meetings	2,072	2,365
Information technology and communications	1,287	1,260
Training and development	459	523
Building repairs and outgoings	526	615
Contributions - Torres Strait	104	494
General administrative	2,198	1,752
<b>Total goods and services</b>	<b>16,942</b>	<b>15,228</b>
Goods and services are made up of:		
Goods and services - related entities	3,964	4,909
Goods and services - external parties	12,978	10,319
<b>Total goods and services</b>	<b>16,942</b>	<b>15,228</b>
<b>Other supplier expenses</b>		
Operating lease rentals – external parties:		
Minimum lease payments	2,318	2,225
Workers compensation expenses	234	130
<b>Total other supplier expenses</b>	<b>2,552</b>	<b>2,355</b>
<b>Total supplier expenses</b>	<b>19,494</b>	<b>17,583</b>
<b>Note 3C: Depreciation and Amortisation</b>		
Depreciation:		
Property, plant and equipment	401	383
Buildings	617	441
<b>Total depreciation</b>	<b>1,018</b>	<b>824</b>
Amortisation:		
Computer software purchased	159	137
Computer software internally developed	684	514
<b>Total amortisation</b>	<b>843</b>	<b>651</b>
<b>Total depreciation and amortisation</b>	<b>1,861</b>	<b>1,475</b>
<b>Note 3D: Write-Down and Impairment of Assets</b>		
Asset write-downs and impairments from:		
Write-down of property, plant and equipment	3	108
<b>Total write-down and impairment of assets</b>	<b>3</b>	<b>108</b>

**AUSTRALIAN FISHERIES MANAGEMENT AUTHORITY**  
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**Note 4: Income**

	2011	2010
	\$'000	\$'000

**REVENUE**

**Note 4A: Sale of Goods and Rendering of Services**

Rendering of services - related entities	766	1,261
Rendering of services - external parties	683	1,614
<b>Total sale of goods and rendering of services</b>	<b>1,449</b>	<b>2,875</b>

Represented by:

Observer fees	484	652
Other charges to the fishing industry	669	16
Compliance	59	-
Project funding	193	1,263
Other revenue	44	944
<b>Total sale of goods and rendering of services</b>	<b>1,449</b>	<b>2,875</b>

**Note 4B: Rental Income**

Operating lease:

Sublease - staff housing	55	41
Employee car parking	149	159
<b>Total rental income</b>	<b>204</b>	<b>200</b>

**GAINS**

**Note 4C: Sale of Assets**

Property, plant and equipment:

Proceeds from sale	25	22
Carrying value of assets sold	(17)	(19)
Selling expense	-	(1)
<b>Net gain from sale of assets</b>	<b>8</b>	<b>2</b>

**Note 4D: Other Gains**

Resources received free of charge

Resources received free of charge	33	32
<b>Total other gains</b>	<b>33</b>	<b>32</b>

**REVENUE FROM GOVERNMENT**

**Note 4E: Revenue from Government**

Appropriations:

Departmental appropriation	23,028	23,018
Special Appropriation <sup>1</sup> (Levies and licensing charges)	12,961	11,288
<b>Total revenue from Government</b>	<b>35,989</b>	<b>34,306</b>

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

**AUSTRALIAN FISHERIES MANAGEMENT AUTHORITY**  
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**Note 5: Financial Assets**

	2011	2010
	\$'000	\$'000
<b>Note 5A: Cash and Cash Equivalents</b>		
Special Accounts	608	415
<b>Total cash and cash equivalents</b>	<b>608</b>	<b>415</b>
<b>Note 5B: Trade and Other Receivables</b>		
<b>Good and Services:</b>		
Goods and services - related entities	39	180
Goods and services - external parties	286	47
<b>Total receivables for goods and services</b>	<b>325</b>	<b>227</b>
<b>Appropriations receivable:</b>		
Departmental Capital Budget	200	-
For existing programs - special account	10,147	15,340
<b>Total appropriations receivable</b>	<b>10,347</b>	<b>15,340</b>
<b>Other receivables:</b>		
GST receivable from the Australian Taxation Office	679	620
<b>Total other receivables</b>	<b>679</b>	<b>620</b>
<b>Total trade and other receivables (gross)</b>	<b>11,351</b>	<b>16,187</b>
Less impairment allowance account:		
Goods and services	-	(1)
<b>Total impairment allowance account</b>	<b>-</b>	<b>(1)</b>
<b>Total trade and other receivables (net)</b>	<b>11,351</b>	<b>16,186</b>
Receivables are expected to be recovered in:		
No more than 12 months	1,004	2,383
More than 12 months	10,347	13,803
<b>Total trade and other receivables (net)</b>	<b>11,351</b>	<b>16,186</b>
Receivables are aged as follows:		
Not overdue	11,321	16,139
Overdue by:		
0 to 30 days	-	10
31 to 60 days	29	-
61 to 90 days	-	-
More than 90 days	1	38
<b>Total receivables (gross)</b>	<b>11,351</b>	<b>16,187</b>
The impairment allowance account is aged as follows:		
Not overdue	-	-
Overdue by:		
0 to 30 days	-	(1)
31 to 60 days	-	-
61 to 90 days	-	-
More than 90 days	-	-
<b>Total impairment allowance account</b>	<b>-</b>	<b>(1)</b>

**AUSTRALIAN FISHERIES MANAGEMENT AUTHORITY**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
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**Note 5: Financial Assets (Continued)**

**Reconciliation of the Impairment Allowance Account:**

**Movements in relation to 2011**

	Goods and services \$'000	Total \$'000
<b>Opening balance</b>	(1)	(1)
Amounts written off	1	1
<b>Closing balance</b>	-	-

**Movements in relation to 2010**

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

**AUSTRALIAN FISHERIES MANAGEMENT AUTHORITY**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
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**Note 6: Non-Financial Assets**

	2011	2010
	\$'000	\$'000
<b>Note 6A: Land and Buildings</b>		
Freehold land at fair value	229	229
Buildings on freehold land:		
Fair value	1,567	1,422
Accumulated depreciation	(89)	(51)
<b>Total buildings on freehold land</b>	<u>1,478</u>	<u>1,371</u>
Leasehold improvements:		
Fair value	5,078	4,603
Accumulated depreciation	(590)	(12)
<b>Total leasehold improvements</b>	<u>4,488</u>	<u>4,591</u>
<b>Total land and buildings</b>	<u>6,195</u>	<u>6,191</u>

Land and 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.

No land or 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	2,214	1,839
Accumulated depreciation	(978)	(623)
<b>Total property, plant and equipment</b>	<u>1,236</u>	<u>1,216</u>

All revaluations were conducted in accordance with the revaluation policy stated at Note 1.

Minor indicators of impairment to the value of \$3,000 were found for property, plant and equipment.

No property, plant or equipment is expected to be sold or disposed of within the next 12 months.

**AUSTRALIAN FISHERIES MANAGEMENT AUTHORITY**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
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**Note 6: Non-Financial Assets (Continued)**

**Note 6C: Reconciliation of the Opening and Closing Balances of Property, Plant and Equipment (2010-11)**

	Land \$'000	Buildings \$'000	Leasehold Improvements \$'000	Total land and buildings \$'000	Property, plant & equipment \$'000	Total \$'000
<b>As at 1 July 2010</b>						
Gross book value	229	1,422	4,603	6,254	1,839	8,093
Accumulated depreciation and impairment	-	(51)	(12)	(63)	(623)	(686)
<b>Net book value 1 July 2010</b>	<b>229</b>	<b>1,371</b>	<b>4,591</b>	<b>6,191</b>	<b>1,216</b>	<b>7,407</b>
Additions*	-	145	476	621	316	937
Impairments recognised in the operating result	-	-	-	-	(3)	(3)
Depreciation expense	-	(38)	(579)	(617)	(401)	(1,018)
Other movements**	-	-	-	-	125	125
Disposals	-	-	-	-	(17)	(17)
<b>Net book value 30 June 2011</b>	<b>229</b>	<b>1,478</b>	<b>4,488</b>	<b>6,195</b>	<b>1,236</b>	<b>7,431</b>
<b>Net book value as of 30 June 2011 represented by:</b>						
Gross book value	229	1,567	5,078	6,874	2,214	9,088
Accumulated depreciation and impairment	-	(89)	(590)	(679)	(978)	(1,657)
	<b>229</b>	<b>1,478</b>	<b>4,488</b>	<b>6,195</b>	<b>1,236</b>	<b>7,431</b>

\* Disaggregated additions information are disclosed in the Schedule of Asset Additions.

\*\* Adjustments to the revaluation of furniture and fittings (\$78,000) and the correction of a previous disposal of computer equipment (\$47,000) which occurred in 2009-10.

**AUSTRALIAN FISHERIES MANAGEMENT AUTHORITY  
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*for the year ended 30 June 2011*

**Note 6: Non-Financial Assets (Continued)**

**Note 6C (Cont'd): Reconciliation of the Opening and Closing Balances of Property, Plant and Equipment (2009-10)**

	Land \$'000	Buildings \$'000	Leasehold Improvements \$'000	Total land and buildings \$'000	Property, plant & equipment \$'000	Total \$'000
<b>As at 1 July 2009</b>						
Gross book value	229	802	4,654	5,685	1,456	7,141
Accumulated depreciation and impairment	-	(20)	(819)	(839)	(325)	(1,164)
<b>Net book value 1 July 2009</b>	<b>229</b>	<b>782</b>	<b>3,835</b>	<b>4,846</b>	<b>1,131</b>	<b>5,977</b>
Additions*	-	620	252	872	541	1,413
Revaluations and impairments recognised in other comprehensive income	-	-	914	914	55	969
Depreciation expense	-	(31)	(410)	(441)	(383)	(824)
Disposals	-	-	-	-	(128)	(128)
<b>Net book value 30 June 2010</b>	<b>229</b>	<b>1,371</b>	<b>4,591</b>	<b>6,191</b>	<b>1,216</b>	<b>7,407</b>
<b>Net book value as of 30 June 2010 represented by:</b>						
Gross book value	229	1,422	4,603	6,254	1,839	8,093
Accumulated depreciation and impairment	-	(51)	(12)	(63)	(623)	(686)
	<b>229</b>	<b>1,371</b>	<b>4,591</b>	<b>6,191</b>	<b>1,216</b>	<b>7,407</b>

\* Disaggregated additions information are disclosed in the Schedule of Asset Additions.

**AUSTRALIAN FISHERIES MANAGEMENT AUTHORITY**  
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**Note 6: Non-Financial Assets (Continued)**

	2011	2010
	\$'000	\$'000
<b>Note 6D: Intangibles</b>		
Computer software:		
Internally developed - in use	4,293	4,293
Internally developed - accumulated amortisation	(1,595)	(911)
Purchased	681	534
Purchased - accumulated amortisation	(390)	(230)
<b>Total computer software</b>	<b>2,989</b>	<b>3,686</b>

No indicators of impairment were found for intangible assets.

No intangibles are expected to be sold or disposed of within the next 12 months.

**Note 6E: Reconciliation of the Opening and Closing Balances of Intangibles (2010-11)**

	Computer software internally developed \$'000	Computer software purchased \$'000	Total \$'000
<b>As at 1 July 2010</b>			
Gross book value	4,293	534	4,827
Accumulated amortisation and impairment	(911)	(230)	(1,141)
<b>Net book value 1 July 2010</b>	<b>3,382</b>	<b>304</b>	<b>3,686</b>
Additions*	-	146	146
Amortisation	(684)	(159)	(843)
<b>Net book value 30 June 2011</b>	<b>2,698</b>	<b>291</b>	<b>2,989</b>
<b>Net book value as of 30 June 2011 represented by:</b>			
Gross book value	4,293	681	4,974
Accumulated amortisation and impairment	(1,595)	(390)	(1,985)
	<b>2,698</b>	<b>291</b>	<b>2,989</b>

\* Disaggregated additions information are disclosed in the Schedule of Asset Additions.

**AUSTRALIAN FISHERIES MANAGEMENT AUTHORITY**  
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**Note 6: Non-Financial Assets (Continued)**

**Note 6E (Cont'd): Reconciliation of the Opening and Closing Balances of Intangibles (2009-10)**

	Computer software internally developed \$'000	Computer software purchased \$'000	Total \$'000
<b>As at 1 July 2009</b>			
Gross book value	4,294	377	4,671
Accumulated amortisation and impairment	(385)	(104)	(489)
<b>Net book value 1 July 2009</b>	<b>3,909</b>	<b>273</b>	<b>4,182</b>
Additions*	-	157	157
Amortisation	(514)	(137)	(651)
Other movements	(13)	11	(2)
<b>Net book value 30 June 2010</b>	<b>3,382</b>	<b>304</b>	<b>3,686</b>
<b>Net book value as of 30 June 2010 represented by:</b>			
Gross book value	4,293	534	4,827
Accumulated amortisation and impairment	(911)	(230)	(1,141)
	<u>3,382</u>	<u>304</u>	<u>3,686</u>

\* Disaggregated additions information are disclosed in the Schedule of Asset Additions.

	2011 \$'000	2010 \$'000
<b>Note 6F: Other Non-Financial Assets</b>		
Prepayments	334	184
Accrued revenue	85	407
<b>Total other non-financial assets</b>	<b>419</b>	<b>591</b>

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

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

**AUSTRALIAN FISHERIES MANAGEMENT AUTHORITY**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
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**Note 7: Payables**

	2011 \$'000	2010 \$'000
<b>Note 7A: Suppliers</b>		
Trade creditors and accruals	362	107
<b>Total supplier payables</b>	<b>362</b>	<b>107</b>
Supplier payables expected to be settled within 12 months:		
Related entities	312	23
External parties	50	84
<b>Total</b>	<b>362</b>	<b>107</b>

Settlement is usually made within 30 days.

**Note 7B: Other Payables**

Accrued expenses	1,932	3,793
Lease incentives	304	343
Operating lease rentals	1,032	899
Salaries and wages	391	367
Superannuation	59	50
Unearned revenue	252	4
<b>Total other payables</b>	<b>3,970</b>	<b>5,456</b>
Total other payables are expected to be settled in:		
No more than 12 months	2,673	4,254
More than 12 months	1,297	1,202
<b>Total other payables</b>	<b>3,970</b>	<b>5,456</b>

**Note 8: Provisions**

	2011 \$'000	2010 \$'000
<b>Note 8A: Employee Provisions</b>		
Leave	3,390	4,088
<b>Total employee provisions</b>	<b>3,390</b>	<b>4,088</b>
Employee provisions are expected to be settled in:		
No more than 12 months	2,957	1,669
More than 12 months	433	2,419
<b>Total employee provisions</b>	<b>3,390</b>	<b>4,088</b>

**Note 9: Restructuring**

**Note 9A: Departmental Restructuring**

As a result of a restructuring of administrative arrangements in October 2010, AFMA assumed responsibility for all activities of an administrative nature associated with the Queensland Fisheries Joint Authority, the Western Australian Fisheries Joint Authority, the Northern Territory Fisheries Joint Authority and the Torres Strait Protected Zone Joint Authority from the Department of Agriculture, Fisheries and Forestry. Additional funding of \$270,000 was provided to AFMA to undertake these functions in 2010-11.

No assets or liabilities were transferred in respect of functions assumed.

**AUSTRALIAN FISHERIES MANAGEMENT AUTHORITY**  
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**Note 10: Cash Flow Reconciliation**

	2011	2010
	\$'000	\$'000
<b>Reconciliation of cash and cash equivalents as per Balance Sheet to Cash Flow Statement</b>		
<b>Cash and cash equivalents as per:</b>		
Cash flow statement	608	415
Balance sheet	608	415
<b>Difference</b>	<u>-</u>	<u>-</u>
<b>Reconciliation of net cost of services to net cash from operating activities:</b>		
Net cost of services	(39,747)	(37,504)
Add revenue from Government	35,989	34,306
<b>Adjustments for non-cash items</b>		
Depreciation / amortisation	1,861	1,475
Net write down of non-financial assets	3	108
Gain on disposal of assets	(8)	(2)
<b>Changes in assets / liabilities</b>		
(Increase) / decrease in net receivables	5,357	3,417
(Increase) / decrease in prepayments	(150)	181
Increase / (decrease) in prepayments received	248	-
Increase / (decrease) in employee provisions	(698)	223
Increase / (decrease) in supplier payables	130	107
Increase / (decrease) in other payable	(1,734)	(1,644)
<b>Net cash from operating activities</b>	<u>1,251</u>	<u>667</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.

**AUSTRALIAN FISHERIES MANAGEMENT AUTHORITY**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
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**Note 12: Senior Executive Remuneration**

**Note 12A: Senior Executive Remuneration Expense for the Reporting Period**

	2011	2010
	\$	\$
Short-term employee benefits:		
Salary	772,249	864,775
Annual leave accrued	57,464	3,040
Performance bonuses	-	84,032
Other	-	104,524
Total short-term employee benefits	<u>829,713</u>	<u>1,056,371</u>
Post-employment benefits:		
Superannuation	<u>127,391</u>	130,084
Total post-employment benefits	<u>127,391</u>	<u>130,084</u>
Other long-term benefits:		
Long-service leave	<u>26,924</u>	35,930
Total other long-term benefits	<u>26,924</u>	<u>35,930</u>
<b>Total</b>	<u><b>984,028</b></u>	<u><b>1,222,385</b></u>

*Notes:*

- Note 12A was prepared on an accrual basis (so the performance bonus expenses disclosed above differ from the cash 'Bonus paid' in Note 12B).
- Note 12A excludes acting arrangements and part-year service where remuneration expensed was less than \$150,000.

**AUSTRALIAN FISHERIES MANAGEMENT AUTHORITY**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
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**Note 12: Senior Executive Remuneration (Continued)**

Note 12B: Average Annual Remuneration Packages and Bonus Paid for Substantive Senior Executives as at the end of the Reporting Period

Fixed Elements and Bonus Paid <sup>1</sup>	as at 30 June 2011				as at 30 June 2010			
	Senior Executives No.	Fixed elements			Senior Executives No.	Fixed elements		
		Salary \$	Allowances \$	Total Bonus paid <sup>2</sup> \$		Salary \$	Allowances \$	Total Bonus paid <sup>2</sup> \$
Total fixed remuneration (including part-time arrangements):								
\$150,000 to \$179,999	1	155,064	18,105	173,169	1	148,000	23,000	171,000
\$180,000 to \$209,999	1	160,624	22,214	182,838	2	178,854	20,548	199,402
\$210,000 to \$239,999	1	201,810	19,286	221,096	-	-	-	-
\$240,000 to \$269,999	1	267,890	-	267,890	-	-	-	-
\$270,000 to \$299,999	-	-	-	-	1	257,451	21,180	278,631
<b>Total</b>	<b>4</b>				<b>4</b>			

<sup>1</sup> This table reports on substantive senior executives who are employed by the entity as at the end of the reporting period. Fixed elements are based on the employment agreement of each individual - each row represents an average annualised figure (based on headcount) for the individuals in that remuneration package band (i.e. the 'Total' column).

<sup>2</sup> Represents average actual bonuses paid during the reporting period. The 'Bonus paid' is excluded from the 'Total' calculation, (for the purpose of determining remuneration package bands). The 'Bonus paid' within a particular band may vary between financial years due to factors such as individuals commencing with or leaving the entity during the financial year.

**Variable Elements:**

With the exception of performance bonuses, variable elements are not included in the 'Fixed Elements and Bonus Paid' table above. The following variable elements are available as part of senior executives' remuneration package:

- (a) On average senior executives are entitled to the following leave entitlements:
  - Annual Leave (AL): entitled to 20 days (2010: 20 days) each full year worked plus an additional 5 days (2010: 5 days) for remote locations;
  - Personal Leave (PL): entitled to 15 days (2010: 15 days) or part-time equivalent;
  - Long Service Leave (LSL): in accordance with Long Service Leave (Commonwealth Employees) Act 1976.
- (b) Senior executives are members of one of the following superannuation funds:
  - Commonwealth Superannuation Scheme (CSS): this scheme is closed to new members, and employer contributions currently average 23.3 per cent (2010: 24.0 per cent) (including productivity component). More information on CSS can be found at <http://www.css.gov.au>;
  - Public Sector Superannuation Scheme (PSS): this scheme is closed to new members, with current employer contributions set at 16.9 per cent (2010: 16.2 per cent) (including productivity component). More information on PSS can be found at <http://www.pss.gov.au>; and
  - Other: this is usually for senior executives who have made their own superannuation arrangements (employer contribution are set at 15.4 per cent (2010: 15.4 per cent)) these groups include employees who self manage their superannuation.

**AUSTRALIAN FISHERIES MANAGEMENT AUTHORITY**  
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**Note 12: Senior Executive Remuneration (Continued)**

**Note 12C: Other Highly Paid Staff**

During the reporting period, there was 1 employee whose salary plus performance bonus were \$150,000 or more. This employee did not have a role as a senior executive and is therefore not included as a senior executive in Note 12A and Note 12B.

**Note 13: Remuneration of Auditors**

	2011	2010
	\$'000	\$'000
Financial statement audit services were provided free of charge to the entity.		
The fair value of the services provided was:		
ANAO	33	32
	<u>33</u>	<u>32</u>

No other services were provided by the auditors of the financial statements.

**Note 14: Financial Instruments**

	2011	2010
	\$'000	\$'000
<b>Note 14A: Categories of Financial Instruments</b>		
<b>Financial Assets</b>		
Loans and receivables:		
Cash and Cash Equivalents	608	415
Receivables for goods and services	325	227
<b>Carrying amount of financial assets</b>	<u>933</u>	<u>642</u>
<b>Financial Liabilities</b>		
Trade creditors	362	107
<b>Carrying amount of financial liabilities</b>	<u>362</u>	<u>107</u>

**Note 14B: Fair Value of Financial Instruments**

The fair value of financial instruments are the same as their carrying amounts.

**AUSTRALIAN FISHERIES MANAGEMENT AUTHORITY**  
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**Note 14: Financial Instruments (Continued)**

**Note 14C: Credit Risk**

AFMA is exposed to minimal credit risk as the majority of financial assets are cash and appropriations made under law (which guarantees fixed amounts of funding that AFMA can drawdown 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 (2011: \$325,000 and 2010: \$227,000). AFMA has assessed the risk of default and has allocated \$0 in 2011 (2010: \$1,000) to an 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.

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

	Not past due nor impaired	Not past due nor impaired	Past due or impaired	Past due or impaired
	2011	2010	2011	2010
	\$'000	\$'000	\$'000	\$'000
Cash and cash equivalents	608	415	-	-
Receivables for goods and services	295	179	30	48
<b>Total</b>	<b>903</b>	<b>594</b>	<b>30</b>	<b>48</b>

**Ageing of financial assets that were past due but not impaired for 2011**

	0 to 30	31 to 60	61 to 90	90+	Total
	days	days	days	days	
	\$'000	\$'000	\$'000	\$'000	\$'000
Receivables for goods and services	-	29	-	1	30
<b>Total</b>	<b>-</b>	<b>29</b>	<b>-</b>	<b>1</b>	<b>30</b>

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

	0 to 30	31 to 60	61 to 90	90+	Total
	days	days	days	days	
	\$'000	\$'000	\$'000	\$'000	\$'000
Receivables for goods and services	9	-	-	38	47
<b>Total</b>	<b>9</b>	<b>-</b>	<b>-</b>	<b>38</b>	<b>47</b>

The debts considered to be impaired consist of fee for service invoices for observer coverage.

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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
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**Note 14: Financial Instruments (Continued)**

**Note 14D: Liquidity Risk**

AFMA's financial liabilities are trade creditors. 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 funding and mechanisms available to AFMA (eg Advance to the Finance Minister) and internal policies and procedures put in place to ensure there are appropriate resources to meet its financial obligations. AFMA's trade creditors for 2011 were \$362,000 (2010: \$107,000) and were all payable within one year (2010: one year).

AFMA is appropriated funding from the Australian Government. AFMA manages its budgeted funds through the AFMA Special Account to ensure 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 2011**

	On demand \$'000	within 1 year \$'000	1 to 2 years \$'000	2 to 5 years \$'000	Total years \$'000
Trade creditors and accruals	-	362	-	-	362
<b>Total</b>	-	<b>362</b>	-	-	<b>362</b>

**Maturities for non-derivative financial liabilities 2010**

	On demand \$'000	within 1 year \$'000	1 to 2 years \$'000	2 to 5 years \$'000	Total years \$'000
Trade creditors and accruals	-	107	-	-	107
<b>Total</b>	-	<b>107</b>	-	-	<b>107</b>

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

**Note 14E: Market Risk**

AFMA does not have the authority to invest surplus funds or hold financial instruments that expose it to market risk. AFMA is not exposed to 'currency risk', 'interest rate risk' or 'other price risk'.

**AUSTRALIAN FISHERIES MANAGEMENT AUTHORITY**  
**NOTES TO THE SCHEDULE OF ADMINISTERED ITEMS**  
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**Note 15: Income Administered on Behalf of Government**

AFMA collects levies and other fees from the fishing industry on behalf of the Commonwealth. From 1 July 2008, 94C of the *Fisheries Management Act 1991* allowed the non-deductible component of levies collected under the following Acts to be credited to the AFMA Special Account for the purposes of cost recovery:

*Fisheries Levy Act 1984*

*Fishing Levy Act 1991*

*Foreign Fishing Licenses Levy Act 1991*

*Statutory Fishing Rights Charge Act 1991*

*Fisheries Agreements (Payments) Act 1991*

	2011	2010
	\$'000	\$'000
<b>REVENUE</b>		
<b>Taxation Revenue</b>		
<b><u>Note 15A: Other Taxes</u></b>		
Levies and charges	13,136	12,337
<b>Total other taxes</b>	<u>13,136</u>	<u>12,337</u>
<b>Non-Taxation Revenue</b>		
<b><u>Note 15B: Sale of Goods and Rendering of Services</u></b>		
Provision of goods – external parties	6	13
<b>Total sale of goods and rendering services</b>	<u>6</u>	<u>13</u>
<b><u>Note 15C: Fees and Fines</u></b>		
Other fees from regulatory services	86	99
Fines	42	13
<b>Total fees and fines</b>	<u>128</u>	<u>112</u>
<b><u>Note 15D: Interest</u></b>		
Interest on overdue levies	39	-
<b>Total interest</b>	<u>39</u>	<u>-</u>
<b><u>Note 15E: Other Revenue</u></b>		
Other	4	1
<b>Total other revenue</b>	<u>4</u>	<u>1</u>
<b><u>Note 15F: Reversal of Previous Asset Write-Downs and Impairments</u></b>		
Reversal of impairment losses	9	-
<b>Total reversals of previous asset write-downs and impairments</b>	<u>9</u>	<u>-</u>

**AUSTRALIAN FISHERIES MANAGEMENT AUTHORITY**  
**NOTES TO THE SCHEDULE OF ADMINISTERED ITEMS**  
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**Note 16: Expenses Administered on Behalf of Government**

	2011	2010
	\$'000	\$'000
<b>EXPENSES</b>		
<b><u>Note 16A: Suppliers</u></b>		
<b>Goods and services</b>		
Surveillance and compliance	3,829	3,797
Consultants and contractors	16	-
Travel and meetings	-	1
General administrative	-	2
<b>Total goods and services</b>	<b>3,845</b>	<b>3,800</b>
Goods and services are made up of:		
Rendering of services – related entities	38	2
Rendering of services – external parties	3,807	3,798
<b>Total goods and services</b>	<b>3,845</b>	<b>3,800</b>
<b>Other supplier expenses</b>		
Operating lease rentals - external parties:		
Minimum lease payments	106	150
<b>Total other supplier expenses</b>	<b>106</b>	<b>150</b>
<b>Total suppliers expenses</b>	<b>3,951</b>	<b>3,950</b>
<b><u>Note 16B: Depreciation</u></b>		
Leasehold improvements	35	63
<b>Total depreciation</b>	<b>35</b>	<b>63</b>
<b><u>Note 16C: Write-Down and Impairment of Assets</u></b>		
Asset write-downs and impairments from:		
Impairment on levies and charges receivable	-	108
<b>Total write-down and impairment of assets</b>	<b>-</b>	<b>108</b>

**AUSTRALIAN FISHERIES MANAGEMENT AUTHORITY**  
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**Note 17: Assets Administered on Behalf of Government**

	2011	2010
	\$'000	\$'000
<b>FINANCIAL ASSETS</b>		
<b><u>Note 17A: Cash and Cash Equivalents</u></b>		
Cash on hand or on deposit	7	1
<b>Total cash and cash equivalents</b>	<b>7</b>	<b>1</b>
<b><u>Note 17B: Trade and other receivables</u></b>		
<b>Levies and charges:</b>		
Levies and charges receivable - external parties	509	776
<b>Total receivables levies and charges</b>	<b>509</b>	<b>776</b>
<b>Other receivables:</b>		
GST receivable from Australian Taxation Office	215	45
<b>Total other receivables</b>	<b>215</b>	<b>45</b>
<b>Total receivables (gross)</b>	<b>724</b>	<b>821</b>
Less: impairment allowance account:		
Levies and charges	(140)	(149)
<b>Total impairment allowance account</b>	<b>(140)</b>	<b>(149)</b>
<b>Total trade and other receivables (net)</b>	<b>584</b>	<b>672</b>
Receivables are expected to be recovered within 12 months.		
Receivables were aged as follows:		
Not overdue	223	88
Overdue by:		
0 to 30 days	5	-
31 to 60 days	1	612
61 to 90 days	243	-
More than 90 days	252	121
<b>Total receivables (gross)</b>	<b>724</b>	<b>821</b>
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	(140)	(121)
<b>Total impairment allowance account</b>	<b>(140)</b>	<b>(149)</b>
Goods and services receivables are with entities external to the Australian Government. Credit terms were within 30 days (2010: 30 days).		

**AUSTRALIAN FISHERIES MANAGEMENT AUTHORITY**  
**NOTES TO THE SCHEDULE OF ADMINISTERED ITEMS**  
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**Note 17: Assets Administered on Behalf of Government (Continued)**

**Reconciliation of the Impairment Allowance Account:**

**Movements in relation to 2011**

	Levies and charges \$'000	Total \$'000
<b>Opening balance</b>	(149)	(149)
Movement recognised in net deficit	9	9
<b>Closing balance</b>	<b>(140)</b>	<b>(140)</b>

**Movements in relation to 2010**

	Levies and charges \$'000	Total \$'000
<b>Opening balance</b>	(71)	(71)
Amounts written off	30	30
Movement recognised in net deficit	(108)	(108)
<b>Closing balance</b>	<b>(149)</b>	<b>(149)</b>

**2011**      2010  
**\$'000**      \$'000

**NON-FINANCIAL ASSETS**

**Note 17C: Land and Buildings**

Leasehold improvements:

Fair value	699	699
Accumulated depreciation	(138)	(103)
<b>Total leasehold improvements</b>	<b>561</b>	<b>596</b>
<b>Total land and buildings</b>	<b>561</b>	<b>596</b>

Land and 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.

No land or buildings are expected to be sold or disposed of within the next 12 months.

**AUSTRALIAN FISHERIES MANAGEMENT AUTHORITY**  
**NOTES TO THE SCHEDULE OF ADMINISTERED ITEMS**  
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**Note 17: Assets Administered on Behalf of Government (Continued)**

<b>TABLE A – Reconciliation of the Opening and Closing Balances of Property, Plant and Equipment (2010-11)</b>		
	Leasehold improvements	Total
	\$'000	\$'000
<b>As at 1 July 2010</b>		
Gross book value	699	699
Accumulated depreciation and impairment	(103)	(103)
<b>Net book value 1 July 2010</b>	<b>596</b>	<b>596</b>
Depreciation expense	(35)	(35)
<b>Net book value 30 June 2011</b>	<b>561</b>	<b>561</b>
<b>Net book value as of 30 June 2011 represented by:</b>		
Gross book value	699	699
Accumulated depreciation and impairment	(138)	(138)
	<u>561</u>	<u>561</u>
<b>Reconciliation of the Opening and Closing Balances of Property, Plant and Equipment (2009-10)</b>		
	Leasehold improvements	Total
	\$'000	\$'000
<b>As at 1 July 2009</b>		
Gross book value	427	427
Accumulated depreciation and impairment	(40)	(40)
<b>Net Book Value 1 July 2009</b>	<b>387</b>	<b>387</b>
Additions*	272	272
Depreciation expense	(63)	(63)
<b>Net book value 30 June 2010</b>	<b>596</b>	<b>596</b>
<b>Net book value as of 30 June 2010 represented by:</b>		
Gross book value	699	699
Accumulated depreciation and impairment	(103)	(103)
	<u>596</u>	<u>596</u>
* Disaggregated additions information are disclosed in the Schedule of Administered Asset Additions.		
<b>Note 17D: Other Non-Financial Assets</b>		
Accrued Revenue	<b>38</b>	-
<b>Total other non-financial assets</b>	<b>38</b>	-
No indicators of impairment were found for other non-financial assets.		
All other non-financial assets are expected to be recovered within the next 12 months.		

**AUSTRALIAN FISHERIES MANAGEMENT AUTHORITY**  
**NOTES TO THE SCHEDULE OF ADMINISTERED ITEMS**  
*for the year ended 30 June 2011*

**Note 18: Liabilities Administered on Behalf of Government**

	2011 \$'000	2010 \$'000
<b>PAYABLES</b>		
<b>Note 18A: Suppliers</b>		
Trade creditors and accruals	310	-
<b>Total supplier payables</b>	<b>310</b>	<b>-</b>
Supplier payables expected to be settled within 12 months:		
Related entities	310	-
External parties	-	-
<b>Total</b>	<b>310</b>	<b>-</b>
Settlement is usually made within 30 days.		
<b>Note 18B: Other Payables</b>		
Accrued expenses	330	342
GST payable	160	16
<b>Total other payables</b>	<b>490</b>	<b>358</b>
Total other payables are expected to be settled in:		
No more than 12 months	490	358
More than 12 months	-	-
<b>Total other payables</b>	<b>490</b>	<b>358</b>

**Note 19: Administered Reconciliation Table**

	2011 \$'000	2010 \$'000
<b>Opening administered assets less administered liabilities as at 1 July</b>	<b>911</b>	<b>2,633</b>
Plus: Administered income	13,322	12,463
Less: Administered expenses	(3,986)	(4,121)
Administered transfers to/from Australian Government:		
Appropriation transfers from OPA:		
Annual appropriations for administered expenses	3,680	1,783
Transfers to OPA	(13,537)	(11,847)
<b>Closing administered assets less administered liabilities as at 30 June</b>	<b>390</b>	<b>911</b>

**Note 20: Administered Contingent Assets and Liabilities**

AFMA has no quantifiable administered contingent liabilities and assets.

**Unquantifiable Administered 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 Administered Contingencies**

There were no significant remote contingencies as at 30 June 2011.

**AUSTRALIAN FISHERIES MANAGEMENT AUTHORITY**  
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**Note 21: Administered Financial Instruments**

	2011	2010
	\$'000	\$'000
<b>Note 21A: Categories of Financial Instruments</b>		
<b>Financial Assets</b>		
Loans and receivables:		
Cash and cash equivalents	7	1
<b>Carrying amount of financial assets</b>	<b>7</b>	<b>1</b>
<b>Financial Liabilities</b>		
Trade creditors	310	-
<b>Carrying amount of financial liabilities</b>	<b>310</b>	<b>-</b>

The fair value of financial instruments are the same as their carrying amounts.

**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 statutory receivables. AFMA manages its credit risk through its power to suspend fishing concessions under s38(1) of the *Fisheries Management Act 1991* if any fee, levy, charge or other money relating to the concession is not paid as it becomes due. In addition, AFMA has policies and procedures that guide employees on debt recovery techniques that are to be applied.

AFMA did not hold any non-statutory receivables at 30 June 2011.

**Note 21C: Liquidity Risk**

AFMA's financial liabilities are limited to the value of accounts 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 highly unlikely due to appropriation funding and mechanisms available to AFMA (eg Advance to the Finance Minister (AFM)) and internal policies and procedures put in place to ensure there are appropriate resources to meet its financial obligations.

Maturity of non-derivative financial liabilities for 2011 are all within one year.

**Note 21D: Market Risk**

AFMA does not have the authority to invest surplus funds or hold financial instruments that expose it to market risk. AFMA is not exposed to 'currency risk', 'interest rate risk' or 'other price risk'.

**AUSTRALIAN FISHERIES MANAGEMENT AUTHORITY  
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**Note 22: Appropriations**

AFMA has recently become aware that there is a risk of non-compliance with Section 83 of the Constitution where payments are made from special appropriations and special accounts in circumstances where the payments do not accord with conditions included in the relevant legislation.

AFMA will investigate these circumstances and any impact on its special appropriations shown below, seeking legal advice as appropriate.

**Table A: Annual Appropriations ('Recoverable GST exclusive')**

	2011 Appropriations					Total appropriation \$'000	Appropriation applied in 2011 (current and prior years) \$'000	Variance \$'000
	FMA Act				Section 32 \$'000			
	Appropriation Act Annual Appropriation \$'000	Appropriations reduced <sup>(a)</sup> \$'000	Section 30 \$'000	Section 31 \$'000				
<b>DEPARTMENTAL</b>								
Ordinary annual services	22,974	(16)	-	-	270	23,228	23,028	200
<b>Total departmental</b>	<b>22,974</b>	<b>(16)</b>	<b>-</b>	<b>-</b>	<b>270</b>	<b>23,228</b>	<b>23,028</b>	<b>200</b>
<b>ADMINISTERED</b>								
Ordinary annual services Administered items	6,900	(2,949)	-	-	-	3,951	3,678	273
<b>Total administered</b>	<b>6,900</b>	<b>(2,949)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,951</b>	<b>3,678</b>	<b>273</b>

**Notes:**

(a) Appropriations reduced under Appropriation Acts (No. 1,3,5) 2010-11: sections 10, 11, 12 and 15 and under Appropriation Acts (No. 2,4,6) 2010-11: sections 12,13, 14 and 17. Departmental appropriations do not lapse at financial year-end. However, the responsible Minister may decide that part or all of a departmental appropriation is not required and request the Finance Minister to reduce that appropriation. The reduction in the appropriation is effected by the Finance Minister's determination and is disallowable by Parliament.

On 30 June 2011, the Finance Minister determined a reduction in departmental appropriations following a request by the Minister for Agriculture, Fisheries and Forestry. The amount of the reduction determined under Appropriation Act (No. 1) 2010-11 was: \$15,890.

Administered items for 2010-11 were reduced by: \$1,800,000 for the movement of funds for illegal foreign fishing vessel caretaking and disposal; \$1,000,000 for reduced costs in responding to illegal foreign fishing in northern waters; and \$149,182 for appropriations not required in 2010-11.

**AUSTRALIAN FISHERIES MANAGEMENT AUTHORITY  
NOTES TO THE SCHEDULE OF ADMINISTERED ITEMS  
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**Note 22: Appropriations (Continued)**

Table A (Cont'd): Annual Appropriations ('Recoverable GST exclusive')

	2010 Appropriations				Appropriation applied in 2010 (current and prior years) \$'000	Variance \$'000
	Appropriation Act		FMA Act			
	Annual Appropriation \$'000	Appropriations reduced <sup>(a)</sup> \$'000	Section 30 \$'000	Section 31 \$'000		
<b>DEPARTMENTAL</b>						
Ordinary annual services	23,718	(700)	-	-	23,018	-
<b>Total departmental</b>	23,718	(700)	-	-	23,018	-
<b>ADMINISTERED</b>						
Ordinary annual services Administered items	6,927	(4,834)	-	-	2,093	310
<b>Total administered</b>	6,927	(4,834)	-	-	2,093	310

**Notes:**

(a) Appropriations reduced under Appropriation Acts (No. 1,3) 2009-10; sections 10, 11 and 12 and under Appropriation Acts (No. 2,4) 2009-10; sections 13 and 14. Departmental appropriations do not lapse at financial year-end. However, the responsible Minister may decide that part or all of a departmental appropriation is not required and request the Finance Minister to reduce that appropriation. The reduction in the appropriation is effected by the Finance Minister's determination and is disallowable by Parliament.

Administered items for 2009-10 were reduced by: \$2,135,000 for the movement of funds for illegal foreign fishing vessel caretaking and disposal; \$1,366,000 for funds not required in responding to illegal foreign fishing in northern waters (provided during transition to an FMA agency); and \$1,332,903,998 for appropriations not required in 2009-10.

**AUSTRALIAN FISHERIES MANAGEMENT AUTHORITY**  
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**Note 22: Appropriations (Continued)**

**Table B: Unspent Departmental Annual Appropriations ('Recoverable GST exclusive')**

Authority	2011 \$'000	2010 \$'000
Appropriation Act (No. 1) 2010-11	200	-
<b>Total</b>	<b>200</b>	<b>-</b>

**Table C: Special Appropriations ('Recoverable GST exclusive')**

Authority	Type	Purpose	2011 \$'000	2010 \$'000
Fisheries Administration Act 1991; Section 94C, Departmental	Unlimited Amount	To provide an appropriation for adjusted levy amounts and other receipts specified by s94C of the Fisheries Administration Act 1991	12,961	11,288
Financial Management and Accountability Act 1997 s28(2), Administered	Refund	To provide an appropriation where an Act or other law requires or permits the repayment of an amount received by the Commonwealth and apart from this section there is no specific appropriation for the repayment	99	44
<b>Total</b>			<b>13,060</b>	<b>11,332</b>

**AUSTRALIAN FISHERIES MANAGEMENT AUTHORITY  
NOTES TO THE SCHEDULE OF ADMINISTERED ITEMS  
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**Note 22: Appropriations (Continued)**

Table D: Reduction in Administered Items ('Recoverable GST exclusive')

2011	Amount required <sup>1</sup> - by		Amount required <sup>1</sup> - as represented		Total amount required <sup>1</sup>	Total amount appropriated <sup>2</sup>	Total reduction <sup>3</sup>
	Act (No.1)	Act (No.3)	Spent	Retention			
Ordinary Annual Services	\$3,950,817.74	-	\$3,677,844.68	\$272,973.06	\$3,950,817.74	\$6,900,000.00	\$2,949,182.26
Outcome 1							

Administered items for 2010-11 were reduced to these amounts when these financial statements were tabled in Parliament as part of the agency's 2010-11 annual report. This reduction is effective in 2011-12, but the amounts are reflected in Table A in the 2010-11 financial statements in the column 'Appropriations reduced' as they are adjustments to 2010-11 appropriations.

<sup>1</sup> Amount required as per Appropriation Act (Act 1 s. 11; Act 2 s. 12)

<sup>2</sup> Total amount appropriated in 2010-11

<sup>3</sup> Total reduction effective in 2011-12

2010	Amount required <sup>1</sup> - by		Amount required <sup>1</sup> - as represented		Total amount required <sup>1</sup>	Total amount appropriated <sup>2</sup>	Total reduction <sup>3</sup>
	Act (No.1)	Act (No.3)	Spent	Retention			
Ordinary Annual Services	\$2,093,096.02	-	\$1,782,656.62	\$310,439.40	\$2,093,096.02	\$3,426,000.00	\$1,332,903.98
Outcome 1							

Administered items for 2009-10 were reduced to these amounts when these financial statements were tabled in Parliament as part of the agency's 2009-10 annual report. This reduction is effective in 2010-11, but the amounts are reflected in Table A in the 2009-10 financial statements in the column 'Appropriations reduced' as they are adjustments to 2009-10 appropriations.

<sup>1</sup> Amount required as per Appropriation Act (Act 1 s. 11; Act 2 s. 12)

<sup>2</sup> Total amount appropriated in 2009-10

<sup>3</sup> Total reduction effective in 2010-11

**AUSTRALIAN FISHERIES MANAGEMENT AUTHORITY**  
**NOTES TO THE SCHEDULE OF ADMINISTERED ITEMS**  
*for the year ended 30 June 2011*

**Note 23: Special Accounts**

AFMA has recently become aware that there is a risk of non-compliance with Section 83 of the Constitution where payments are made from special appropriations and special accounts in circumstances where the payments do not accord with conditions included in the relevant legislation.

AFMA will investigate these circumstances and any impact on its special accounts shown below, seeking legal advice as appropriate.

<b>AFMA Special Account (Administered)</b>	<b>2011 \$'000</b>	<b>2010 \$'000</b>
Appropriation: <i>Financial Management and Accountability Act 1997</i> ; section 21		
Establishing Instrument: <i>Fisheries Administration Act 1991</i> ; section 94B		
Purpose: Payment or discharge of the costs, expenses or other obligations incurred in the performance or exercise of the functions and powers of the Authority.		
Balance brought forward from previous period	-	2,610
Appropriation for reporting period	-	-
<b>Total increase</b>	-	2,610
<b>Available for payments</b>	-	-
Payments made - suppliers	-	(2,610)
<b>Total decrease</b>	-	(2,610)
<b>Total balance carried to the next period</b>	-	-

<b>AFMA Special Account (Departmental)</b>	<b>2011 \$'000</b>	<b>2010 \$'000</b>
Appropriation: <i>Financial Management and Accountability Act 1997</i> ; section 21		
Establishing Instrument: <i>Fisheries Administration Act 1991</i> ; section 94B		
Purpose: Payment or discharge of the costs, expenses or other obligations incurred in the performance or exercise of the functions and powers of the Authority.		
Balance brought forward from previous period	15,755	20,057
Appropriation for reporting period	23,028	23,018
Special appropriation ( <i>Fisheries Administration Act 1991</i> - Section 94C)	12,961	11,288
Other receipts	2,149	2,795
<b>Total increase</b>	53,893	57,158
<b>Available for payments</b>		
Employee payments	(20,748)	(21,224)
Supplier payments	(21,307)	(18,609)
Purchase of property, plant and equipment	(1,083)	(1,570)
<b>Total decrease</b>	(43,138)	(41,403)
<b>Balance carried to next period and represented by:</b>	<b>10,755</b>	<b>15,755</b>
Cash - held in the Official Public Account	10,147	15,340
Cash - held by the agency	608	415
<b>Total balance carried to the next period</b>	<b>10,755</b>	<b>15,755</b>

**AUSTRALIAN FISHERIES MANAGEMENT AUTHORITY**  
**NOTES TO THE SCHEDULE OF ADMINISTERED ITEMS**  
*for the year ended 30 June 2011*

**Note 23: Special Accounts (Continued)**

AFMA Services for Other Entities and Trust Monies Special Account (Special Public Money)	2011 \$'000	2010 \$'000
Appropriation: <i>AFMA Services for Other Entities and Trust Monies Special Account (Special Public Money)</i>		
Establishing Instrument: <i>Financial Management and Accountability Act 1997; section 20</i>		
Purpose: For amounts that are held on trust or otherwise for the benefit of a person other than the Commonwealth.		
Balance carried from previous period	119	213
Appropriation for reporting period	-	-
Costs recovered	-	-
Realised investments	-	-
Other receipts	88	69
<b>Total increase</b>	<b>207</b>	<b>282</b>
<b>Available for payments</b>		
Payments made - suppliers	(86)	(156)
Repayments debited from the special account	(7)	(7)
<b>Total decrease</b>	<b>(93)</b>	<b>(163)</b>
<b>Total balance carried to the next period</b>	<b>114</b>	<b>119</b>

**Note 24: Compensation and Debt Relief**

**Departmental**

No 'Act of Grace' expenses were made during the reporting period (2010: No payments made).

No waivers of amounts owing to the Australian Government were made pursuant to subsection 34(1) of the *Financial Management and Accountability Act 1997* (2010: No waiver made).

No payments were provided under the Compensation for Detriment caused by Defective Administration (CDDA) Scheme during the reporting period (2010: No payments made).

No ex-gratia payments were provided for during the reporting period (2010: No payments made).

No payments were provided in special circumstances relating to APS employment pursuant to section 73 of the *Public Service Act 1999* during the reporting period (2010: No payments made).

**Administered**

No 'Act of Grace' expenses were made during the reporting period (2010: No payments made).

No waivers of amounts owing to the Australian Government were made pursuant to subsection 34(1) of the *Financial Management and Accountability Act 1997* (2010: No waiver made).

No payments were provided under the Compensation for Detriment caused by Defective Administration (CDDA) Scheme during the reporting period (2010: No payments made).

No ex-gratia payments were provided for during the reporting period (2010: No payments made).

**AUSTRALIAN FISHERIES MANAGEMENT AUTHORITY**  
**NOTES TO THE SCHEDULE OF ADMINISTERED ITEMS**  
*for the year ended 30 June 2011*

**Note 25: Assets Held in Trust**

**Monetary assets**

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

	<b>2011</b>	2010
	<b>\$'000</b>	\$'000
<b>Cash at bank - monetary asset</b>		
Total amount held at the beginning of the reporting period	<b>119</b>	213
Receipts	<b>88</b>	69
Payments	<b>(93)</b>	(163)
<b>Total amount held at the end of the reporting period</b>	<b>114</b>	119

The values above were estimated fair values at the time when acquired.

**Note 26: Reporting of Outcomes**

AFMA has a single outcome for the financial year: *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.*

**Note 26A: Net Cost of Outcome Delivery**

	Outcome 1		Total	
	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000
<b>Expenses</b>				
Administered	<b>3,986</b>	4,121	<b>3,986</b>	4,121
Departmental	<b>41,441</b>	40,613	<b>41,441</b>	40,613
<b>Total</b>	<b>45,427</b>	44,734	<b>45,427</b>	44,734
<b>Income from non-government sector</b>				
Administered				
Activities subject to cost recovery	<b>13,136</b>	12,337	<b>13,136</b>	12,337
less amounts credited to Special Account	<b>(12,961)</b>	(11,288)	<b>(12,961)</b>	(11,288)
Other	<b>177</b>	126	<b>177</b>	126
<b>Total administered</b>	<b>352</b>	1,175	<b>352</b>	1,175
Departmental				
Activities subject to cost recovery	<b>14,114</b>	11,956	<b>14,114</b>	11,956
Other	<b>541</b>	2,441	<b>541</b>	2,441
<b>Total departmental</b>	<b>14,655</b>	14,397	<b>14,655</b>	14,397
<b>Total</b>	<b>15,007</b>	15,572	<b>15,007</b>	15,572
<b>Net cost/(contribution) of outcome delivery</b>	<b>30,420</b>	29,162	<b>30,420</b>	29,162

**Note 26B & 26C: Major Classes of Expense, Income, Assets and Liabilities by Outcome**

AFMA has a single outcome and as such the Statement of Comprehensive Income, Balance Sheet and the Schedule of Administered Items is representative of that outcome.

**AUSTRALIAN FISHERIES MANAGEMENT AUTHORITY**  
**NOTES TO THE SCHEDULE OF ADMINISTERED ITEMS**  
*for the year ended 30 June 2011*

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**Note 27: Comprehensive Income (Loss) Attributable to AFMA**

	2011	2010
	\$'000	\$'000
<b>Total Comprehensive Income (loss) Attributable to the entity</b>		
Total comprehensive income (loss) attributable to the Australian Government <sup>1</sup>	(3,758)	(2,229)
Plus: non-appropriated expenses		
Depreciation and amortisation expenses	1,220	-
<b>Total comprehensive income (loss) attributable to the entity</b>	<u>(2,538)</u>	<u>(2,229)</u>

<sup>1</sup> As per the Statement of Comprehensive Income.





# APPENDICES

# 6

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# APPENDIX 1: CIVIL LITIGATION OUTCOMES

Matter	Fishery	Outcome/Status
FEDERAL COURT		
<i>Sahring &amp; Ors v Commonwealth of Australia &amp; Australian Fisheries Management Authority</i> NTD9/2011	N/A	Proceedings have commenced
STATUTORY FISHING RIGHTS ALLOCATION REVIEW PANEL		
<i>YGO Eden Pty Ltd v Australian Fisheries Management Authority</i> SPF2010/01-01	Small Pelagic Fishery	Hearing on 10 June 2011
<i>Denis Brown v Australian Fisheries Management Authority</i> SPF2010/02-01	Small Pelagic Fishery	Hearing on 10 June 2011
<i>Harry Mitchelson v Australian Fisheries Management Authority</i> SPF2010/03-01	Small Pelagic Fishery	Hearing on 10 June 2011

## Significant matters

### 1. Sahring & Ors v Commonwealth of Australia & AFMA

On 19 April 2011, six Indonesian citizens commenced proceedings in the Federal Court of Australia in Darwin claiming compensation for trespass, conversion and false imprisonment for alleged wrongful seizure and destruction of eight fishing vessels in 2008 by Navy fisheries officers. The claim arises from the dismissal of criminal charges against a fisherman charged under section 101 for being equipped for fishing in a joint Indonesian/Australia jurisdiction area.

One defendant's claim is being run as a test case.

### 2. Ygo Eden Pty Ltd, D Brown & H Mitchelson v Australian Fisheries Management Authority

Three applications were made to the Statutory Fishing Rights Allocation Review Panel for a review of a decision by AFMA granting, on a provisional basis, statutory fishing rights in the Small Pelagic Fishery. The hearing of the applications was held on 10 June 2011. The Panel handed down its decision on 4 July 2011, endorsing AFMA's calculations of the rights available to be granted to eligible persons under the *Small Pelagic Fishery Management Plan 2009*. The finalisation of the proceedings enables AFMA to proceed to make the final grant.

# APPENDIX 2: MINISTERIAL DIRECTION IMPLEMENTATION

## Progress against actions required by the Ministerial Direction as at June 30 2011

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 <i>Commonwealth Harvest Strategy Policy</i>	1 January 2008	Thirteen harvest strategies covering eleven fisheries have been developed and implemented under the <i>Harvest Strategy Policy</i>
2. The total allowable catch for the Bass Strait Central Zone Scallop Fishery be set at zero for 2006–08	Effectively 1 May 2006	The total allowable catch was set at zero for 2006–08. A significant stock rebuild occurred under the zero catch limit and a new harvest strategy for the fishery was implemented in 2009  Based on the application of the new harvest strategy the total allowable catch was set to 3000 tonnes and 2000 tonnes for the 2010 and 2011 fishing seasons respectively

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 quota</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 quota 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 quota</p> <p>Currently the Southern and Eastern Scalefish and Shark, Bass Strait Central Zone Scallop, Heard Island and McDonald Island, Macquarie Island, Southern Bluefin Tuna, Eastern Tuna and Billfish and Western Tuna and Billfish fisheries have individual transferable quota implemented</p> <p>AFMA is currently moving two fisheries, the Small Pelagic and Northern Prawn fisheries to individual transferable quota</p> <p>Individual transferable quota is expected to be implemented in the Northern Prawn Fishery in mid 2012 once management plan amendments have taken place</p> <p>Once this is achieved, all major Commonwealth fisheries will be managed using individual transferable quota</p> <p>In June 2008, the then AFMA Board approved recommendations set out in an independent report that boat statutory fishing rights and permits 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 2011–12</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. Fishery-specific bycatch and discard workplans have been implemented in the Eastern and Western Tuna and Billfish, Great Australian Bight, Western Deepwater and North West Slope Trawl, Northern Prawn, Gillnet Hook and Trap, South East Trawl, Bass Strait Central Zone Scallop, Small Pelagic and Coral Sea fisheries</p> <p>During 2010–11, AFMA has introduced specific management arrangements to minimise interactions with threatened endangered and protected species and some dogfish species in the Southern and Eastern Scalefish and Shark Fishery. Also, in the Macquarie Island Toothfish Fishery a range of mitigation measures and limits were implemented to minimise the impact on seabirds in association with the introduction of longlining in the fishery</p>

Component of the Direction	Specified Timeframe	Progress/Proposed Action
5. Enhance monitoring of fishing activity, for example through increased use of vessel monitoring systems with daily reporting, and onboard cameras	Not specified	<p>Vessel monitoring systems are compulsory in all Commonwealth fisheries and monitoring programs are in place to ensure compliance with these requirements</p> <p>Onboard cameras have been trialled as part of the e-monitoring trials in the Eastern Tuna and Billfish, Northern Prawn and Gillnet Hook and Trap fisheries</p> <p>Cameras are currently being fitted to 12 boats in the Gillnet Hook and Trap Fishery</p> <p>Specific observer programs are operating in 12 fisheries</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, Bass Strait Central Zone Scallop, Heard and McDonald Islands Macquarie Island Toothfish, and Southern Bluefin Tuna fisheries</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</p> <p>The <i>Fisheries Management Amendment Regulation 2010 No. 1</i> was introduced on 12 February 2010, which further enhances AFMA's ability to monitor and enforce closures</p> <p>AFMA has an engagement strategy for its involvement with the marine bioregional planning process being carried out by the Australian Government Department of Sustainability, Environment, Water, Population and Communities. 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 Sustainability Environment, Water, Population and Communities staff for particular issues</p> <p>During 2010 -11, additional spatial closures have been implemented in the Southern and Eastern Scalefish and Shark Fishery to afford greater protection to Australian Sea Lions and some dogfish species</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. Scientific advice on key issues for AFMA can also be sought from CSIRO under a memorandum of understanding</p> <p>AFMA has a memorandum of understanding with the Australian Bureau of Agricultural and Resource Economics and Sciences. Under this memorandum the bureau will provide expert scientific and economic advice and mapping services to AFMA on request</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</p> <p>The requirements of the Ministerial Direction have been incorporated into the key strategies to be pursued by AFMA</p> <p>These are outlined in AFMA's corporate planning and accountability documents such as the <i>Corporate Plan 2009-14</i> and the <i>Annual Operational Plan 2010-11</i>. 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



Michael is a company director, Chancellor of Macquarie University, 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.

Dr James Findlay –  
Chief Executive Officer (from  
27 September 2010)



James has a PhD in fisheries biology and has held senior government roles across fisheries science, policy and management. He has also held senior government roles in other natural resource management areas including climate change and sustainable water use. He was a research consultant in aquatic animal health for the aquaculture industry and was a senior lecturer in genetics at the University of Tasmania. Prior to joining the public service he also worked in the commercial and recreational/charter fishing industries in Queensland.

Prof Glenn Hurry –  
Chief Executive Officer  
(until 24 September 2010)



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 commissions. Glenn is known internationally for his pursuit of responsible fisheries management and Australia's interests in international fisheries management organisations. Glenn resigned from his position of AFMA Chief Executive Officer in September 2010 to take up a position with Western Central Pacific Fisheries Commission.

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



John is currently Deputy Director General in the Health Planning and Infrastructure Division of Queensland Health, delivering \$2 billion in infrastructure annually, and previously Chief Scientist, Laing O'Rourke an international construction company; 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



Jenny is an economist and previously Deputy Secretary at the Department of the Prime Minister and Cabinet. Jenny held a number of senior roles within the Department of the Prime Minister and Cabinet 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 a member of the institute's Audit Committee, Chair of the audit committee of the Department of Sustainability, Environment, Water, Population and Communities, a Member of the Audit Committees of the Department of Veterans Affairs and 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 FAICD



Denise has a BEc and MBA and is a Fellow of the AICD and the AIM. She is Chairman of Streetwize 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), 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.

## Mr Richard Stevens, OAM



Richard has a BEcon, is a Director of the Fisheries Research and Development Corporation, Deputy Presiding Member of the Fisheries Council of South Australia and chair/member of a number of state and territory fisheries committees. Richard's expertise covers natural resource management, fishing industry operations and economics.

## AFMA COMMISSIONERS – ATTENDANCE AT COMMISSION MEETINGS

Commissioner	Commission	Research Committee	Environment Committee	Audit and Risk Committee
The Hon Michael Egan FAICD (Chairman)	<b>8 (9)</b>			
Dr James Findlay (CEO)	<b>6 (8)</b>		0 (1)	
Prof Glenn Hurry (CEO)	<b>1 (1)</b>		0 (1)	
Mr Ian Cartwright	<b>9 (9)</b>	2 (2)	2 (2)	
Dr John Glaister	<b>9 (9)</b>	0 (2)		
Ms Jenny Goddard	<b>9 (9)</b>		0 (2)	
Ms Elizabeth Montano	<b>9 (9)</b>			6 (6)
Ms Denise North	<b>7 (9)</b>			6 (6)
Prof Keith Sainsbury	<b>8 (9)</b>	2 (2)	2 (2)	
Mr Richard Stevens, OAM (Deputy Chair)	<b>8 (9)</b>			

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

## EXECUTIVE

### Role and function

The Executive is AFMA's senior management team responsible to the Chief Executive Officer for the effective operation and performance of the agency.

### Membership

Dr James Findlay, Chief Executive Officer

Dr Sally Troy, Acting Executive Manager, Fisheries Management Branch

Mr Peter Venslovas, General Manager, Operations

Mr Mark Farrell, Chief Information Officer

Mr John Bridge, General Manager, Corporate Governance Branch

Mr Ryan Murphy, Executive Secretary

Ms Tanya Howitt, Chief Finance Officer

## 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 six 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 2009–10 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 governance arrangements
- 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 and Commissioner
- Ms Elizabeth Montano, Commissioner
- 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.

AFMA's Executive Secretariat section provides secretariat support for the Audit and Risk Committee.

## RESEARCH COMMITTEE

### Role and function

The role of the AFMA Research Committee is to advise the AFMA Commission on the strategic directions, priorities and funding for monitoring and research relevant to meeting AFMA's information needs and objectives. In doing so the primary functions of the committee are to:

- Review and advise on research, monitoring and assessment priorities for Commonwealth fisheries;
- Review AFMA's five year research plans for fisheries managed by AFMA;
- Provide advice to the AFMA Commission on allocation of AFMA research funds; and
- Assess research, monitoring and assessment investments for the Commonwealth fisheries for consistency with management needs.

The Committee held two meetings in 2010–11 in Canberra.

### Membership

- Mr Ian Cartwright, Chair and Commissioner
- Prof Keith Sainsbury, Commissioner
- Dr John Glaister, Commissioner
- Dr James Findlay, Chief Executive Officer
- Dr Sally Troy, A/g General Manager, Fisheries Management Branch

- Ms Katie Scutt, Secretary to the committee

The Committee also comprised the following AFMA advisors:

- Mr David Galeano, Senior Manager, Policy, Environment, Research and Economics, AFMA.
- Ms Mandy Goodspeed, Manager, Policy, Environment, Research and Economics, AFMA.

The Committee also invites regular observers to attend to provide expert advice:

- Mr Crispian Ashby, Programs Manager, Fisheries Research and Development Corporation
- Dr David Smith, Theme Leader, Sustainable Australian Fisheries and Ecosystems, CSIRO Marine and Atmospheric Research
- Ms Trixi Madon, Chief Executive Officer, Commonwealth Fisheries Association
- Mr Gordon Neil, General Manager, Fisheries Branch, Australian Government Department of Agriculture Fisheries and Forestry

## 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 2010–11 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
  - Ecological risk assessments and ecological risk management
  - Bycatch and discard workplans
  - Marine bioregional planning, and
  - Wildlife interactions.

The AFMA Environment Committee met twice during 2010–11. Meetings 32 and 33 of the committee were held on 21 September 2010 and 29 March 2011, respectively.

### Membership

In 2010–11, the Committee comprised the following members:

- Prof Keith Sainsbury, Chair and Commissioner
- Mr Ian Cartwright, Commissioner
- Ms Jenny Goddard, Commissioner
- Prof Glenn Hurry/Dr James Findlay, AFMA Chief Executive Officer
- Mr Glenn Sant, TRAFFIC International
- Ms Trixi Madon, Chief Executive officer of Commonwealth Fisheries Association
- Mr Nigel Routh, Department of Sustainability, Environment, Water, Population and Communities
- Mr Gordon Neil, Department of Agriculture, Fisheries and Forestry
- Dr James Findlay/Dr Sally Troy, Executive Manager, Fisheries Management Branch, AFMA

The Committee also comprised the following AFMA advisors:

- AFMA Senior Manager, Policy, Environment and Research
- 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

### Role and function

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 information technology 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 assets through disaster recovery plans and business continuity plans
- Resource management – optimising information and communications technology infrastructure
- Performance management – tracking delivery and monitoring information technology services.

The committee's role is to advise on the strategic direction for the future of information and communications technology governance within AFMA. The combined business knowledge and strategic sense of the members of the committee will contribute to an 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 also 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.

# APPENDIX 4: MANAGEMENT ADVISORY COMMITTEE MEMBERSHIPS AND MEETINGS

## 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 Peter Trott – Environment/ Conservation Member
- Mr Bill Edwards – Recreational/ Charter Fishing Member
- Mr Cathal Farrell – Industry Invited Participant
- Ms Erica Starling – Industry Invited Participant
- Mr Brian Jeffriess – Industry Invited Participant
- Mr Len Olyott – Recreational/Charter Invited Participant
- Dr Brigid Kerrigan – State Government Invited Participant

### Meetings

TTMAC provides management advice on the Eastern Tuna and Billfish, Western Tuna and Billfish and Skipjack Tuna fisheries. TTMAC met twice during 2010–11.

During 2010–11, TTMAC provided advice on the development of the new *Eastern Tuna and Billfish Fishery Management Plan 2010*. Under this plan the fishery is managed through an individually transferable quota system.

TTMAC considered the new management plan prior to release for public consultation on 18 October 2010. All public comments were subsequently considered by TTMAC and incorporated, where applicable, before the plan was recommended to be determined by the AFMA Commission.

During this time, TTMAC considered the Tropical Tuna Resource Assessment Group's advice on recommended biological commercial catches for the Eastern Tuna and Billfish Fishery and recommended total allowable commercial catch for quota species. All catch recommendations, with the exception of Bigeye Tuna, were made unanimously at TTMAC meetings on the 4th and 18th of January 2011.

## GREAT AUSTRALIAN BIGHT TRAWL MANAGEMENT ADVISORY COMMITTEE – GABMAC

### Membership

- Mr Barry Windle – Chair
- Mr Steve Auld/Mr Brad Milic – AFMA Member
- Dr Ian Knuckey – Research Member
- Mr Patrick O’Callaghan – Environment/Conservation Member
- Mr Jim Raptis – Industry Member
- Mr Jeff Moore – Industry Member
- Mr Semi Skoljarev – Industry Member
- Ms Marcia Valente – Industry Member
- Ms Alice Fistr – State Government Member

### Meetings

GABMAC held one meeting during 2010–11.

The committee was updated on recent outcomes from the trial of co-management with the Great Australian Bight Industry Association and the fishery independent survey recently completed in the Great Australian Bight Trawl Sector.

GABMAC also discussed the data and decision rules for the Great Australian Bight Trawl Fishery Harvest Strategy and made recommendations on the data to be used when applying these decision rules to the total allowable catch setting process for Deepwater Flathead and Bight Redfish. The committee also provided advice on the development of the strategic research plan and priorities for the fishery.

## 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 three times during 2010–11. The first meeting was in Brisbane on 14 July 2010 to consider the draft Northern Prawn Fishery management plan under Individual transferable quota management. While some industry members clearly stated their disagreement with the decision to implement output controls in the fishery, all members participated in the development of the operational details of the proposed quota system.

NORMAC met again in Brisbane on 3 March 2011 to consider the management of Banana Prawns (one of the three target species to be managed under catch limits) under output controls, and to discuss the market testing of the fishery’s integrated monitoring project. NORMAC also

noted the progress on changes to the management plan for the fishery under output controls.

NORMAC also met on 29-30 June 2011 to consider changes to effort levels for the 2011 Tiger Prawn season, management of Banana Prawns under output controls, and the harvest strategy and management strategy evaluation for the fishery under output controls. NORMAC recommended a small increase in effort for the 2011 Tiger Prawn season given the favourable output from the bio-economic model for the Tiger Prawn fishery and noted the progress in moving the fishery towards output-based management.

## SOUTHERN BLUEFIN TUNA MANAGEMENT ADVISORY COMMITTEE – SBTMAC

### Membership

- Mr Peter Neville – Chair
- Ms Trysh Stone/Mr Trent Timmiss – 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

### Meetings

SBTMAC met once during 2010–11. Key domestic management outcomes of the meeting included:

- endorsing a proposal from industry to change the date of the Australian quota year to earlier in the calendar year to maximize the value of the fishery. SBTMAC saw no reason to oppose such a change and agreed that the Australian Southern Bluefin Tuna Industry Association and AFMA should investigate options;
- noting the achievement of observer targets in 2010 reported by the Observer Working Group and facilitating agreement with industry to further improve the program in 2011 by providing the names of catch boats to cover and working closely with AFMA.

## BASS STRAIT CENTRAL ZONE SCALLOP FISHERY MANAGEMENT ADVISORY COMMITTEE – SCALLOPMAC

### Membership

- Mr John Pollock – Chair
- Mr Shane Gaddes/Mr Steve Shanks – 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 four meetings during 2010–11; three meetings by teleconference and one face-to-face.

The key issues considered were the review of the area open to fishing for the 2010 season, the review of the rotational boundaries open to fishing during the 2010 season, the assessment of ScallopRAG advice concerning the setting of total allowable catches and the area of the fishery to be opened for the 2011 season and start of a review of the harvest strategy.

## SOUTH EAST MANAGEMENT ADVISORY COMMITTEE – SEMAC

### Membership

- Mr Steve McCormack – Chair
- Ms Beth Gibson – AFMA Member
- Dr Sandy Morison – Research Member
- Mr Simon Boag – Industry Member
- Mr Will Mure/Mr Les Scott – Industry Member
- Mr Theophilos Toumazos – Industry Member

- Mr Lisle Elleway – Industry Member
- Mr Gerry Geen – Industry Member
- Ms Anissa Lawrence – Environment/Conservation Member
- Mr Anthony Ciconte – Industry Invited Participant
- Dr Ian Knuckey – Research Invited Participant
- Mr Malcolm Poole – Recreational/Charter Invited Participant
- Mr Andrew Sullivan – State Government Invited Participant
- Mr Jeff Moore – GAB Industry Invited Participant

## Meetings

SEMAC met three times and also held two teleconferences during 2010–11. Matters considered by SEMAC include: managing the impact of gillnet fishing on Australian sea lions, proposals to lift current restrictions on gillnet length in the Gillnet Hook and Trap Fishery, AFMA's Upper-Slope Dogfish Management Strategy and closures under that strategy; directions to limit snapper catches off Victoria and to trial various fishery management measures and total allowable catches or other catch limits in various fisheries.

## 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 Member
- Mr Martin Exel – Industry Member
- Mr Les Scott – Industry Member
- Prof Malcolm Haddon – Research Member

### Meetings

SouthMAC met once in 2010–11. The committee discussed the outcomes from the twenty-ninth meeting of the Commission for the Conservation of Antarctic Marine Living Resources, including recommendations on the total allowable catches for Patagonian Toothfish and Mackerel Icefish in the Heard Island and McDonald Islands Fishery.

SouthMAC also discussed developments in relation to the trial of demersal longline fishing in the Macquarie Island Toothfish Fishery, and endorsed a report which recommended that longlining become an approved fishing method, subject to a range of best practice mitigation strategies to avoid potential interactions with seabirds and limits on seabird species. The committee also discussed the development of an integrated assessment model for the Macquarie Island Toothfish Fishery,

noting that the model integrates the emerging spatial and temporal changes that are occurring in the fishery. Other issues discussed included the 2010–11 budgets for Antarctic fisheries and reporting on performance against the measures outlined in the *Heard Island and McDonald Islands Fishery Management Plan 2002* and the *Macquarie Island Toothfish Fishery Management Plan 2006*.

# APPENDIX 5: FREEDOM OF INFORMATION ACT 1982 STATEMENT

From 1 May 2011 agencies subject to the *Freedom of Information Act 1982* are required to publish information to the public as part of the Information Publication Scheme. This requirement is in Part II of the Act and has replaced the former requirement to publish a section 8 statement in an annual report. An agency plan showing what information is published in accordance with the Information Publication Scheme is accessible from agency websites.

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

For the 2010–11 financial year AFMA received five requests for information.

## STRUCTURE, FUNCTIONS AND DECISION MAKING POWERS OF AFMA

The structure and functions of AFMA can be found on pages 45–47.

AFMA decisions are made under the *Fisheries Management Act 1991*, *Fisheries Administration Act 1991*, and plans of management for 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;
- 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/territory government agencies responsible for fisheries management
- environmental organisations

- recreational fishing interests
- Aboriginal peoples and Torres Strait Islanders
- 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:** AFMA keeps register 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 & 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 extracts from 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, AFMA 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  
PO Box 7051  
Canberra Business Centre  
CANBERRA ACT 2610

Ph: 1300 723 621 or (02) 6225 5555

Fax: (02) 6225 5500

Further information can be found on AFMA's website, including in the plan published by AFMA under s8(1) of the *Freedom of Information Act 1982*.

# APPENDIX 6: DISABILITY REPORTING

## CHANGES TO DISABILITY REPORTING IN ANNUAL REPORTS

Since 1994, Commonwealth departments and agencies have reported on their performance as policy adviser, purchaser, employer, regulator and provider under the Commonwealth Disability Strategy. In 2007-08, reporting on the employer role was transferred to the Australian Public Service Commission's State of the Service Report and the APS Statistical Bulletin. These reports are available at [www.apsc.gov.au](http://www.apsc.gov.au). From 2010-11, departments and agencies are no longer required to report on these functions.

The Commonwealth Disability Strategy has been overtaken by a new National Disability Strategy which sets out a ten-year national policy framework for improving life for Australians with disability, and that of their families and carers. A high level report to track progress for people with disability at a national level will be produced by the Standing Council on Community, Housing and Disability Services to the Council of Australian Governments and will be available at [www.fahcsia.gov.au](http://www.fahcsia.gov.au).

The Social Inclusion Measurement and Reporting Strategy agreed by the government in December 2009 will also include some reporting on disability matters in its regular How Australia is Faring report and, if appropriate, in strategic change indicators in agency annual reports.

More detail on social inclusion matters can be found at [www.socialinclusion.gov.au](http://www.socialinclusion.gov.au).

# 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 and protected species; and community and habitat interactions.

To support and implement an ecologically sustainable development approach in its fisheries, AFMA draws upon ecological risk assessments for each Commonwealth fishery. Ecological risk assessments involve a number of methods, including comprehensive qualitative and quantitative analyses. This approach screens out low risk activities focusing on higher potential risks within Commonwealth fisheries.

The results of these risk assessments for each fishery are consolidated into a priority list upon which an ecological risk management strategy is focused. A detailed ecological risk management strategy for each AFMA-managed fishery has been prepared, clearly identifying how each species or group of species will be managed.

Key management policy initiatives include:

- The *Commonwealth Fisheries Harvest Strategy Policy and Guidelines*;
- The Australian Sea Lion Management Strategy;
- The Upper-Slope Dogfish Management Strategy;
- A bycatch and discard program; and
- The *Chondrichthyan Guide for Fisheries Managers*.

All Commonwealth fisheries have completed and published their ecological risk management reports. The number of species remaining at high potential risk across all Commonwealth fisheries is 73, 0.6 percent of all species assessed, and it is expected that this will reduce as the mitigation measures outlined in ecological risk management reports are implemented.

## OUTCOME CONTRIBUTING TO ECOLOGICALLY SUSTAINABLE DEVELOPMENT

AFMA's outcomes are directed at Commonwealth fisheries being 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.

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 25 percent) of green electricity as part of the Commonwealth energy contract and has seven vehicles which are part of the Greenfleet program.

AFMA has undertaken energy audits for the Canberra and Thursday Island offices. A staged implementation of

the recommendations is progressing throughout the 2011 year.

AFMA uses 90 percent 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. Additionally, intermittently used rooms and spaces are motion sensor activated.

During 2010–11 AFMA's environment committee, Greenfish, continued its work implementing small changes around the office that can have important impacts in reducing AFMA's environmental footprint.

Greenfish were instrumental in establishing a composting system for the Canberra office which is reducing general office waste.

## MECHANISMS FOR REVIEWING

A number of mechanisms 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 for each Commonwealth fishery 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.



AFMA continues to minimise the impact of fisheries on the environment.

# APPENDIX 8: CONSULTANCY SERVICES

## SELECTION AND ENGAGEMENT OF CONSULTANTS

The majority of the consultancy services engaged during 2010–11 were for fisheries research purposes. The selection and engagement of research consultants was primarily select tender process or direct sourcing. In direct source or select tender processes for

research services, AFMA selected service providers with specialist areas of expertise or prior experience.

During the year we entered into 28 consultancy contracts valued at \$3.3m million where specialised or professional skills were not available internally or where we identified a need for independent research or assessment.

## CONSULTANCY SERVICES LET DURING 2010–11 OF \$10,000 OR MORE

Consultant Name	Description	Contract Price (\$)	Selection Process (1)	Justification (2)
CSIRO Division of Fisheries	Research impacts on Gulper Sharks in fishery	121,880.00	Direct	A
Shellack Pty Ltd	Review and preparation of report on AFMA fisheries arrangements	14,300.00	Direct	A
Michael Henry Barrister	Provision of legal advice under <i>Fisheries Management Act 1991</i>	14,406.78	Direct	B
A J Dever Pty Ltd	Provision of legal advice regarding statutory fishing rights	11,389.83	Direct	B
Oakton Services Pty Ltd	Risk assessment and plan for email and blackberry systems	13,200.00	Direct	A
CSIRO Division of Fisheries	Fishery stock assessment and total allowable catch estimation	288,646.60	Direct	A

Consultant Name	Description	Contract Price (\$)	Selection Process (1)	Justification (2)
Sinclair Knight Merz	Spatial advice and services for Northern Prawn Fishery	48,400.00	Direct	A
Oakton Services Pty Ltd	Business analyst for review of field operations	64,350.00	Direct	A
iCognition Pty Ltd	Electronic document records management scoping study	51,188.23	Direct	A
CSIRO Division of Fisheries	Stock assessment for fishery	725,815.20	Direct	A
CSIRO Division of Fisheries	Northern Prawn Fishery monitoring program	204,273.30	Direct	A
Fishwell Consulting Pty Ltd	Review of fisheries harvest strategies	22,000.00	Direct	A
Centre For Public Management Pty Ltd	Manager feedback, analysis and report	40,567.00	Select	A
Oakton Services Pty Ltd	Undertake gap analysis of network	45,210.00	Direct	A
Dimension Data Australia Pty Ltd	Undertake network assessment	12,100.00	Direct	A
CSIRO Division of Fisheries	Assess stock recovery of Sandfish in Torres Strait	82,307.50	Direct	A
CSIRO Division of Fisheries	Assess benefits and protocol for Reef Gardens in Torres Strait	45,829.30	Direct	A
CSIRO Division of Fisheries	Integrated fishery monitoring program	292,466.90	Direct	A
Oakton Services Pty Ltd	Security assessment for software system	37,620.00	Direct	A
IPP Consulting Pty Ltd	Development of security plan	10,120.00	Direct	A
Department of Agriculture, Fisheries & Forestry	Aerial survey of the Great Australian Bight Fishery	299,810.50	Direct	A

Consultant Name	Description	Contract Price (\$)	Selection Process (1)	Justification (2)
CSIRO Division of Fisheries	resource assessment group fishery assessments	198,192.50	Direct	A
CSIRO Division of Fisheries	Stock assessment and management strategy for fishery	183,319.40	Direct	A
University of Western Australia	Trial of stereo video equipment for fishery	164,600.10	Open	A
CSIRO Division of Fisheries	Ecological risk assessment for fisheries	33,000.00	Direct	A
Paxus Australia Pty Ltd	Engagement of business analyst contractor	49,500.00	Direct	A
Commonwealth Fisheries Association	liaison assistance for fisheries industry body	33,000.00	Direct	B
CSIRO Division of Fisheries	Archiving of hardparts for age and length research in fishery	234,490.30	Direct	A
TOTAL		<b>\$3,341,983.44</b>		

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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