



Australian Government

Australian Fisheries Management Authority



**Bass Strait Central Zone  
Scallop Fishery  
Management Advisory Committee  
(ScallopMAC)**

**MINUTES  
SCALLOPMAC TELECONFERENCE  
24 JULY 2014**

## ScallopMAC Teleconference

**Chair** Mr John Pollock  
**Date** 24 July 2014  
**Location** Teleconference

### Attendance

#### Members

John Pollock Chair  
Bill Talbot Scientific Member  
Stuart Richey Industry Member (Tasmania)  
John Hammond Industry Member (Tasmania)  
Steve Mantzaris Industry Member (Victoria)  
Steve Shanks AFMA Member  
Kylie Tonon A/g Executive Officer

#### Observers

Andy Watts Industry  
John Cull Industry  
Bob Lister Industry

#### Apologies

David Jarvis Tasmanian Government invited participant  
Allan Barnett Industry Member (Tasmania)  
Mellissa Schubert Victorian Government invited participant  
Jon Bryan (Environmental Member) – note Mr Bryan has not lodged an apology, but simply not attended.

## 1) Introduction and apologies

The Chair opened the meeting at 4:05pm and noted that there were apologies from Allan Barnett, Melissa Schubert and Dave Jarvis. Noting Dave Jarvis and Melissa Schubert are invited participants not members of ScallopMAC.

## 2) Declaration of interest

ScallopRAG noted the conflicts of interests declared by Members as shown in **Attachment 2**. The members with declared conflicts of interest left the teleconference individually while the remaining MAC members considered their conflicts in relation to the agenda items. The MAC agreed that each member with a declared conflict of interest fully participate in each agenda item.

## 3) Adoption of agenda

The RAG adopted the agenda at **Attachment 1** noting that marketing and price information would be provided by industry under agenda item 6.

## 4 & 5) Presentation of Survey Report from IMAS and advice from ScallopRAG

The Scientific Member and ScallopRAG Chair provided an overview of the IMAS survey results. He advised the following.

- The survey results identified a single scallop bed containing over 1500 tonnes of scallops under a 20% discard rate that met the requirements under Tier 1 of the Harvest Strategy.
- The ScallopRAG scientific members raised concerns about the ability of this bed to meet the intent of the harvest strategy, the intent being to close a scallop bed that is going to provide ongoing recruitment to the fishery.
- That due to poor condition the scallops from the survey were not retained.
- That ScallopRAG had requested industry provide as much information as possible throughout the season to assist the RAG in make better informed recommendations for next season.
- That the Harvest Strategy would be reviewed at the end of the season.

A copy of the ScallopRAG advice to ScallopMAC can be found at **Attachment 3**. An industry member commented that the RAG advice brought a whole new concept to the Harvest Strategy as scallop condition has never been an issue in determining a closed area for ongoing recruitment. Another member explained that the denser a bed is, the less likely they would be of good quality because of the competition for food in the centre of the bed. An observer explained that the scallops from the survey were not retained because there is limited processing capacity in the markets and there was only half a bin of scallops in good condition caught during the survey. It was also noted that

the scallops from Flinders Island were not as good as those from King Island that had already fetched a good price.

In relation to the request for industry to provide the RAG with information about the condition and quality of fish caught, one industry member explained that they were against conducting any further research on the fishery besides an independent economic analysis to assess the economic impact over the past 6 years of the failed harvest strategy on the catching, processing and marketing sectors of the fishery. Another industry member also highlighted that industry are hesitant to provide AFMA and ScallopRAG with information as they considered this information would lead to the closure of healthy beds and leave unhealthy beds open to fishing which is uneconomical.

The industry members noted the advice that Harvest Strategy would be reviewed at the end of season and pointed out that the same promise had been made every year since 2008.

## **6) Advice regarding processing capacity and economics**

The Chair asked the industry members how an increase in the TAC to 1000 tonnes, if it were to be adopted, would affect processing capacity, markets and economic returns.

Industry members replied that there were no adverse effects but suggested that due to the ineffective management of the fishery that has prohibited the establishment of effective domestic markets, the domestic markets are now flooded with exported scallops. Industry suggested that the quota needs to be increased before they can develop a domestic market. Industry commented that they cannot develop an export market due to the uncertainty surrounding the fishery under the current harvest strategy. They need certainty that they will be able to consistently fulfil the needs of the export market and meet container-load demands. The point was made that this fishery is limited by the processing capacity so management should not need to close areas of the fishery as the lack of demand would prevent fishing taking place.

One industry member raised concerns that the scallop quality changes weekly and is very unpredictable so even though the surveyed bed may be of poor quality when it was surveyed, this may change the following week and a good bed of scallops is closed.

One industry member summarised the economics of the fishery in the following points:

- There is currently a limited domestic market for scallops and beach prices have dropped from ~\$18 per kg to ~\$12-14 per kg. Consumers are still paying ~\$ 40 per kg.

- There is currently no market for BSCZ scallop licences and no licences have been traded that he is aware of, but if they have been traded, they are worth \$0.
- Fuel costs are rising but other costs are about the same.
- The Australian market is flooded with imported product.
- Industry cannot seriously pursue the export market until there is certainty that there will be a fishery, because Australia is currently an inconsistent supplier because of the restrictions applied under the Harvest Strategy.
- They are fishing for less than the beach price received in 1986, which means that the fishing operations have become very efficient to meet the low prices they are getting for scallops, however there is no room left for the belt to tighten.
- A significant proportion of scallops are wasted, dying in the ocean as they cannot be fished under the current harvest strategy.

Another industry member reported that the scallop quality is relatively good this year so they will try to get an export market started if the TAC is increased.

Another industry member explained that scallops in better condition are found on the outside of a bed where it is less dense and the scallops have less competition for food. Therefore closing a high density bed for recruitment is illogical because the scallops are likely to have less food, lower quality and less likely to be effective for recruitment.

## **7) Advice to AFMA Commission on 2014 TAC**

The Chair requested the MAC form advice to the Commission about whether or not they recommend that the AFMA Commission increase the TAC to 1000 tonnes under Tier 1 of the Harvest Strategy.

An industry member questioned the costs associated with this. The AFMA member responded that under the current low 150t TAC, the industry are only paying for AFMA management costs of approximately \$80,000. He explained that the funding for the IMAS survey to identify the 1500 tonne dense bed has been borne by underspends from the previous financial year (2013/14). The only additional management costs will be management services, which include coordinating surveys, issuing scientific permits, preparing papers for the Commission and setting the TAC. AFMA will aim to keep this cost to a minimum but expect that it would not exceed \$60,000, in addition to the \$80,000 already levied under the default fishery arrangements.

An industry member highlighted that he had not received a response from a letter he wrote to AFMA in April about the BSCZSF budgets. The AFMA member responded that AFMA has written back, but will check on this and if a response has not been provided he will ensure it is.

In relation to concerns about the costs for research and delays in the survey, the AFMA member explained that, in response to written correspondence from industry that stated they had found a potential 1500 tonnes bed and would like to undertake a transect survey to move to either Tier 1 or Tier 2 under the Harvest Strategy, AFMA issued a research permit to Allan Barnett, who subsequently decided he could not do the survey. As a result AFMA issued a subsequent scientific permit to John Cull to conduct the survey. It was also noted that there was a delay because the scientific observer had become sick, which had caused a delay in making it to the vessel to undertake surveying.

Industry asked if the total combined biomass estimate of Area 1 and 2 was over 3000 tonnes, whether the MAC should be considering moving to Tier 2 under the Harvest Strategy. AFMA responded by advising that the discard rate for Area 2 did not meet the discard rate requirement under the Harvest Strategy of less than 20 per cent of scallops being under 85mm in size.

An industry member highlighted that the scallops grow approximately 1.5mm per month and in four months' time the scallops in Area 2 will all be above the 85mm discard rate. He was concerned that the science on closed areas did not account for scallop growth. Further the point was raised that if there are good quality scallops this season, they are concerned that in three months' time industry and AFMA will need to approach the Commission again to increase the TAC to a Tier 2 level, further increasing the management costs.

One industry member was also of the understanding that AFMA's CEO had the authority to sign off on TAC decisions but the AFMA member explained that this decision still lies with the AFMA Commission, of which the AFMA CEO is a member. He further explained that the Commission will be asked to agree to automatic TAC increases to 1,500 tonnes after 800 tonnes of a 1000 tonne TAC is caught and to 2,000 tonnes after 1,300 tonnes of a 1,500 tonne TAC is caught, consistent with the Tier 1 requirements under the Harvest Strategy.

ScallopMAC recommended that, as long as Industry's concerns on the limitations of the current harvest strategy are raised with the Commission, an increase in the TAC to 1000 tonnes under the Tier of the Harvest Strategy should take place as soon as possible. The AFMA member explained that this would mean that Area 1 would be closed while the rest of Bass Strait would be open for fishing. All ScallopMAC members agreed with this position.

## **8) Procedures for managing PST in 2014**

The AFMA member explained that he included this paper for information only so that the MAC were aware of the testing protocols for Paralytic Shellfish Toxin (PST) for

2014. The AFMA member explained that if the fishery moved to a Tier 1 TAC level, AFMA will sample initial landings of scallops in Victoria, noting that the Tasmanian Scallop Fisherman's Association currently have PST sampling protocols in place for scallops landed in Tasmania. AFMA will alert operators when PST levels are between 0.4-0.8mg/kg and close an area of the fishery if PST exceeds 0.8mg/kg. A full version of the protocols can be found at Attachment 4.

An industry member explained that recently, in Oyster Bay there were two oyster farms that were closed due to PST for one week but now PST levels are less than 0.8mg/kg.

Industry members questioned the need for AFMA to test for PST as this is usually the responsibility of food safety authorities in Tasmania and Victoria and they did not want to pay AFMA to duplicate the work.

An industry member explained that the Tasmanian Scallop Fisherman's Association already have protocols in place to test for PST for samples landed in Tasmania, including those caught in Commonwealth waters. He explained that it costs about \$600 per test and there are also costs involved in sampling and transmitting results to the Health Department. In addition the Association provide the Tasmanian Health Department with a food safety plan at the beginning of the season in Tasmania. He suggested that this prevents knee-jerk reactions by Government departments, such as the Tasmanian Government-issuing a global warning about PST levels in Maria Island Rock Lobster which turned out to not be an issue. This harmed the scallop industry as scallops were mentioned in the warning.

The Victorian industry member stated that AQIS used to have responsibility to test PST levels in Commonwealth caught scallops to clear the scallops for export.

ScallopMAC recommended that that AFMA write to Foodsafe Victoria and Tasmania to clarify who has responsibility for PST testing scallops that are caught in Bass Strait and landed in Victoria.

## **9) Other Business**

One industry member expressed concerns on the time delays taken to increase the TAC. Noting the season opened on 9 June 2014 under a 150 tonne TAC and industry immediately found a bed of scallops that could potentially meet the Tier 1 Harvest Strategy requirements of an 1000 ton TAC. However, upon receiving the scientific permit, he intended to head out from Flinders Island on Sunday 6 July, but understood that the IMAS observer was very sick and he could not go. He mentioned that there was another scientist that used to work for IMAS who could have completed the survey, but IMAS rejected this suggestion and made the boat wait until Friday 11 July

to conduct the survey. He expressed his frustrations at the service provided by IMAS in that he missed an opportunity of five days fishing which cost the whole industry money by not replacing the observer.

The ScallopMAC industry members also expressed concerns about the lack of industry representation on ScallopRAG as Mr Fearnley was the only representative at the earlier teleconference and he had not fished recently so was not across the recent issues. The Chair explained that the meeting was called at short notice because of the urgency of setting the TAC quickly and recognized the time was not good for everybody. He also highlighted that the ScallopMAC consider the ScallopRAG advice and provide their own recommendations to the Commission. It is not ScallopRAG advising the Commission in isolation.

## **10) Meeting Closure**

The Chair thanked ScallopMAC members for their input and closed the meeting at 5:45pm.

**ATTACHMENT 1**

**Draft ScallopMAC Teleconference Agenda**

**24 July 2014 at 4:00pm**

1. Apologies
2. Conflict of interest declarations
3. Adoption of agenda
4. Presentation of survey report by IMAS
5. Advice from ScallopRAG
6. Advice from Industry regarding processing capacity and economic influences
7. Advice to AFMA Commission re increasing TAC for the 2014 season
8. Procedures for managing Paralytic Shellfish Toxin issues for 2014

**ATTACHMENT 2****Conflict of Interest Declarations for 24 July ScallopMAC Teleconference**

<b>Member</b>	<b>Position</b>	<b>Declaration of interest</b>
Mr John Pollock	Chair	No pecuniary interest in the fishery.
Mr Bill Talbot	Research Member	ScallopRAG Chair. No pecuniary interest in the fishery.
Mr Steve Mantzaris	Industry Member (Victoria)	Operates a scallop processing plant.
Mr Allan Barnett	Industry Member (Tasmania)	Holds Commonwealth and State concessions, a Commonwealth fish receiver permit and operates a scallop processing plant.
Mr Stuart Richey	Industry Member (Tasmania)	Holds Commonwealth and State concessions.
Mr John Hammond	Industry Member (Tasmania)	Holds Commonwealth and State concessions.
Mr Steve Shanks	AFMA Member	AFMA Manager for the BSCZSF. No pecuniary interest in the fishery.
Ms Kylie Tonon	A/g Executive Officer	Management officer. No pecuniary interest in the fishery.

### ATTACHMENT 3

#### ScallopRAG Advice

1. ScallopRAG considered that the survey results provided by IMAS met the requirements of locating a scallop bed with a 1500 tonne biomass estimate, which under the Harvest Strategy provides the capacity to increase the TAC to 1000 tonnes.
2. ScallopRAG were concerned that the scallop bed identified as holding a biomass estimate of 1500 tonnes did not meet the intent of the Harvest Strategy to close a scallop bed for the purpose of providing ongoing recruitment to the fishery.
  - These concerns were based on the fact that scallops from the bed harvested during the survey were not landed due to poor condition and that when this same bed was fished last year scallops were not considered to be in a marketable condition.
3. ScallopRAG considered the fact that commercially viable scallops have been located over a broader area than scallop beds recently fished to be a positive outcome.
4. ScallopRAG noted and wished to make ScallopMAC aware that at the end of the season a review of the new Harvest Strategy will be undertaken.
  - As part of this review scientists will be looking to ensure the intent of closing areas to provide ongoing recruitment in the fishery is captured.
5. To inform both the review of the new Harvest Strategy and provide ongoing information to assist with the management of the fishery AFMA Management will provide both ScallopRAG and ScallopMAC with information on catch rates, areas fished or voluntarily closed to fishing, and the condition of scallops in the fishery as this information becomes available during the 2014 season.

## ATTACHMENT 4

### **Paralytic Shellfish Toxin testing protocols for the 2014 season**

#### **Background**

Following the closure of an area of the Bass Strait Central Zone Scallop Fishery (BSCZSF) in 2013 as a result of samples from the area exceeding the safe limit for human consumption of 0.8 mg/kg procedures for managing PST were developed by AFMA. These procedures are outlined in the notices to Concession Holders of 5 and 9 September 2013 (Attachments 1 and 2).

Also given the Tasmanian Commercial and Recreational Rock Lobster Fisheries around Maria Island have recently been shut to enable lobsters to be tested for PST in recent weeks due to elevated levels of PST being recorded in the north of Great Oyster Bay there is a need to ensure all parties understand the PST procedures for 2014.

#### **2014 Protocols**

1. If the TAC is increased from 150 tonnes under the harvest strategy then PST sampling of the initial landings of scallops in Victoria from open beds will be undertaken. Testing of scallops landed in Victoria will be undertaken in preference to scallops landed in Tasmania as the Tasmanian Scallop Fishermen's Association currently have a sampling program in place for Association members in Tasmania.
2. Samples for testing will be collected by AFMA from vessels when they are landed in Victorian ports or by AFMA onboard observers.
3. If PST results show levels between 0.4 and 0.8 mg/kg AFMA will alert BSCZSF Concession Holders and processors warning high levels of PST have been recorded. Sampling will continue and, if any results exceed 0.8 mg/kg, that area of the fishery will be closed and not reopened until two sample results from the same area with PST levels below 0.8 mg/kg have been recorded.