

Estimates – 11/10/10

Marine Parks

Mr PEDERICK: I refer to Budget Paper 6, page 137, operating expenses, savings initiatives in relation to marine parks. I quote operating costs to be cut by \$1.5 million in recurrent funding from 2012-13 (\$3 million over two years). The Strategic Plan 2010 progress report considers that target T3.4 Marine Biodiversity to create 19 marine parks aimed at maximising ecological outcomes has been achieved, even though management plans for the parks will continue to be developed for adoption by 2012-13.

The 2007 budget for marine parks was \$4.152 million over four years or approximately \$1 million per annum. There was no reference in the budget to the dollars required for displaced effort, which the fishing industry says is critical to determine prior to zoning and management plans. My initial question is: what is the total funding that has been allocated to the marine parks program?

The Hon. P. CAICA: The targeted support for the marine parks program over the two years 2012-14 is \$3 million. Savings, as you would have identified, are restricted to years three and four in the forward estimates, which coincide with the implementation phase of the marine parks. It is certainly expected by this time that management plans will be in place for the 19 marine parks established under the Marine Parks Act 2007. The budget savings, therefore, will occur in the implementation phase for marine parks.

The impact of the budget cuts will be minimised by retaining the essential work involved in the implementation phase while reducing or deleting discretionary elements such as grants and seed funding for supplementary research. There will also be some revenue raising from the sale of mapping and survey information. Importantly, marine parks will be delivered, as committed by this government, including a comprehensive community engagement program. As a government we will continue to work closely with local communities and stakeholders during the next phase of the marine parks program as we develop draft management plans, zoning and impact statements for each of the 19 marine parks.

Mr PEDERICK: In relation to monitoring marine parks, how many additional monitoring vessels will there be?

The Hon. P. CAICA: Quite simply, that has not yet been determined. We would be utilising our existing resources. It has not yet been determined what resources are required to make sure that we monitor not only what goes on in marine parks—whether that is outside what is ultimately determined as an activity that should or should not occur within those parks—but also it is critically important that we monitor that environment in such a way that we are able to measure the benefits or otherwise of the establishment of these marine parks.

I am told that, in other places around the world where marine parks have been established, over a period of time there is a spillover effect, if you like, from those fish and other creatures that inhabit that habitat, and that has been of benefit to all users who extract resources from the ocean. A prime example, as I understand it, is Cape Kennedy in America, where they had an exclusion zone in an area that historically was fished, but they wanted the fishermen and professional fishermen out of the region because they were firing rockets, and then the monitoring of that region

showed additional benefit to those fishers outside of the region as a result of the spill.

Not everyone agrees with that, and the member will know that it certainly is an emotional argument in relation to marine parks and it will continue to be emotional. The state government has a commitment to the establishment of a series of representative marine parks to preserve habitat that needs to be preserved to, in turn, enhance the ability of the state to have a healthy habitat that continues to benefit the environment and users of that environment. That also includes both recreational and commercial fishermen.

In regard to the monitoring, specifically, we will use all of the government resources, including the fisheries department, SARDI, DENR and DTEI, and users will also be provided with monitoring information. I think that is critically important, because we know we are going to have a few blues, and we have already had a few blues. I think that we probably have not been able to capture the hearts and minds of the commercial and recreational fishing sector to date, and I think I have made it clear to you that we have sucked back a little bit to undertake a process of comprehensive engagement, and we are working very closely with the local communities and the commercial fishing sector and, hopefully, we will be able to arrive at an appropriate landing spot.

Ultimately, it is a bit like the Murray-Darling Basin, about which I am sure we will get some questions. The same theory applies, that the users of that system will be beneficiaries of a system that is maintained at an appropriate level of health to allow future generations to extract from that resource in a sustainable way. The same theory, in my view, applies to marine parks.

However, it is also safe to say that it has not been without its difficulties, and we are working through those. The best way to do that is to work with the local communities, and that also includes commercial fishermen. It is also safe to say they are not at one, either, on this particular issue but, hopefully, through this process we will all get to that landing spot where we are at one in regard to the benefits that will arise and accrue through the implementation of a representative marine park system in South Australia.

Mr PEDERICK: Referring to the same budget line, will the government have enough **resources to police** the proposed vast area of marine parks, or will there be an element of self-policing required from the commercial and recreational sector?

The Hon. P. CAICA: I thank the honourable member for the question. I think it is a very good question. I mentioned earlier that we will be utilising the existing resources from a government perspective, but that will also include our ability to work with the communities. I think a very successful program that has been implemented in South Australia over an extended period of time is Fishwatch.

Of course, the member knows that the best compliance and regulation you can have is when, as a community and individuals, we undertake a process of self-compliance—a process of self-enforcement and regulation. So it will be getting that balance right between using, and I do not like the term, the 'big stick', but to make sure that through educative processes everyone understands their obligations in regard to the proper and appropriate activities that can be undertaken within marine parks.

So there would be that balance, if you like, between the resources that we have—being fisheries, DENR and DTEI, amongst others—and our engagement with the local communities and, indeed, users of the ocean to make sure that we get that balance right between that process and that self-imposed compliance with the adherence to those appropriate activities within the marine park system.

Mr PEDERICK: I have a further question re marine parks in the same budget line. The fishing industry, obviously, says it is critical to determine what is happening with **displaced effort and compensation** prior to zoning and management plans being introduced. How much money has been set aside in the budget and forward estimates for displaced effort?

The Hon. P. CAICA: The government recognises the importance of the seafood industry to South Australia's economy and regional areas and has given a commitment that its marine parks program will have less than a 5 per cent economic impact on the state's seafood industry. That is as per the methodology in the 2007 EconSearch report.

The commercial fishing industry is seeking greater certainty about displaced effort and compensation and has been advising government on a suitable displaced effort and compensation scheme. Details of the displaced effort and compensation scheme and any supporting regulations will be confirmed during 2010-11 before the draft management plans with the zoning are released for public comment. The government, of course, will aim to minimise any displacement of commercial fishing by buying out quota, endorsements and/or licences through a market-based process.

Now, I will make this point: the progression of this particular matter stalled, and I have mentioned that in parliament to a question that you asked. It has stalled because I asked the Displaced Effort Working Group to go away and, if you like, to have another look at what it is that they were proposing as being the formula for compensation and displaced effort. I quite simply think, and firmly believe, that the best approach is actually to buy out effort, and that is to buy licences, and that that is the most appropriate approach. I do not believe that compensation ought be paid for what is, if you like in the most simple terms, the requirement for people to go a little bit further than what they otherwise might have had to do.

We are not taking away their ability to fish. What we are saying is that, for a variety of reasons—not the least of which is the retention of that habitat—some activities might not be able to occur in these multi-use marine parks. Compensation needs to be about what impact that displaced effort has on the viability of their business and the best approach to minimise any displacement of commercial fishing is to buy out quota, endorsements and/or licences through the market-based process.

Having said that, we are continuing to work with the fishing groups in relation to this particular matter. I am very pleased and I welcome the input that they have had to date and I am certainly grateful for the ongoing input that they are going to have in this process. But it will still focus on the viability or otherwise with respect to compensation of their business as a whole.

We will work through that particular process. It is a bit like the horse and the cart—they are not as keen to work on the management plans until they have a firm understanding of what the compensation regime, if you like, will be and I understand that. That is why we delayed the meetings of the marine park local advisory groups,

until we had got to a more solid position, if you like, on the compensatory regime. That is still the position of the fishing industry.

I am also very pleased, too, that at least we have a consolidated group that purport to represent the industry as a whole, because as you know yourself, and certainly you do, Peter, that they are a diverse group and they do not always sing off the same tune sheet. I think it has been a very positive move towards a single, coherent group that is speaking on behalf of the seafood and fishing industries as a whole.

It also means that I do not have to have as many meetings as I used to have with all the individual, disparate groups that represent various areas of the seafood industry. Not that I mind meeting with them because I think they are very, very decent human beings, but it just needs to have a solid, single, coherent voice, and that is being done.

We will continue to progress this. There has been no money allocated at this point in time. I have certainly taken to cabinet indications based on what the quantum of the money that might be involved, but I am not going to, as you would expect, state what that figure is that I took to cabinet. We intend to continue to work with the seafood industry to avoid some of the circumstances that occurred interstate involving who actually is eligible for compensation. We say that it is those people involved with the direct extraction, those who are licence holders.

Again, I will just reinforce the point, that we will aim as a government to minimise any displacement of the commercial fishing effort by buying out quota, endorsements and licences through that market-based process. We understand its importance to the South Australian economy, the national economy and, indeed, the regional areas where you guys come from. We should not lose sight of the fact that the money generated from recreational fishing in this state is generated within regional economies. So, we want to minimise the impact but, at the same time, we want to make sure that we do have an appropriately representative marine park system that preserves habitat so that our great grandkids will still be able to go and catch a feed of fish and, indeed, so that our great grandkids, if they happen to be commercial fishers, will be able to extract a decent living out of that resource that we need to continue to protect.

Bear in mind, too, that I think the whole system got lost a bit, because this is not really about the way in which we manage our fisheries (that is done through the Fisheries Management Act), but it is a way by which we are able to protect the habitat in which species live, which in turn is going to benefit those people who extract commercially, as well as those people who undertake recreational fishing activities—it is just that I haven't had a chance to fish much lately!