

Chairman; Mr David Templeman; Dr Kim Hames; Dr Mike Nahan; Mrs Liza Harvey; Mr Andrew Waddell; Mr John Quigley; Mr Bill Johnston; Mr Ian Britza; Mr Vincent Catania; Mr Tom Stephens; Mr John McGrath

Division 15: Fisheries, \$34 395 000 —

Mr M.W. Sutherland, Chairman.

Dr K.D. Hames, Minister for Health representing the Minister for Fisheries.

Mr S.J. Smith, Chief Executive Officer.

Mr B. Mezzatesta, Director, Corporate Services.

Dr R. Fletcher, Director, Research.

Mr G. Paust, Director, Fisheries Management Services.

Ms P.R. Burrows, Acting Director, Regional Services Division.

The CHAIRMAN: This estimates committee will be reported by Hansard. The daily proof *Hansard* will be published by 9.00 am tomorrow.

The estimates committee's consideration of the estimates will be restricted to discussion of those items for which a vote of money is proposed in the consolidated account. This is the prime focus of the committee. Although there is scope for members to examine many matters, questions need to be clearly related to a page number, item, program, or amount within the volumes. For example, members are free to pursue performance indicators that are included in the budget statements while there remains a clear link between the questions and the estimates. It is the intention of the Chairman to ensure that as many questions as possible are asked and answered and that both questions and answers are short and to the point.

The minister may agree to provide supplementary information to the committee, rather than asking that the question be put on notice for the next sitting week. For the purpose of following up the provision of this information, I ask the minister to clearly indicate to the committee which supplementary information he agrees to provide and I will then allocate a reference number. If supplementary information is to be provided, I seek the minister's cooperation in ensuring that it is delivered to the Committee Clerk by Friday, 5 June 2009, so that members may read it before the report and third reading stages. If the supplementary information cannot be provided within that time, written advice is required of the day by which the information will be made available. Details in relation to supplementary information have been provided to both members and advisers and accordingly I ask the minister to cooperate with those requirements.

I caution members that if the minister asks that a matter be put on notice, it is up to the member to lodge the question on notice with the Clerk's office. Only supplementary information that the minister agrees to provide will be provided by Friday, 5 June 2009. It will also greatly assist Hansard if, when referring to the program statements volumes or the consolidated account estimates, members give the page number, item, program and amount in preface to their question.

I ask the minister to introduce his advisers.

[Witnesses introduced.]

The CHAIRMAN: The member for Mandurah.

Mr D.A. TEMPLEMAN: I refer to the item on page 227 under "Research and Monitoring". It states —

The research and monitoring service provides scientific knowledge for the sustainable management of the State's fisheries and aquatic resources and the associated environment.

My question relates to the Peel crab stock study that is currently underway. I would like to know the time line and total cost of that study, and when we can expect the outcomes of that study to be published.

Dr K.D. HAMES: At the start, I want to reiterate something I said during the last division. As I am not the minister responsible for this division, I will need to direct most questions to advisers. I will do that with most questions. This was an excellent question about a very important study. I am sure the member is aware that I attended one of the public meetings held on it. I hand over to Mr Smith to respond.

Mr S.J. Smith: I am actually going to refer that to Dr Fletcher. He is the head of the research division that is responsible for the study. I expect he will be able to answer most of those details.

Dr R. Fletcher: The first stage of the Mandurah crab study has been completed. The recreational survey was run last year and the results will be out shortly. In fact within the next week or so we expect an announcement to be made about releasing the initial outcomes of the crab survey. In terms of the total amount, it is difficult to know exactly how much that is because there are two separate elements—there is a CF component and a DBIF component of that project, which is the development —

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Dr K.D. HAMES: What is that acronym?

Dr R. Fletcher: It is the development and better interest fund. Funds were granted by the previous minister to undertake that three-year study. I do not know the total amount, but off the top of my head it is in the order of a few hundred thousand dollars. The first phase of that study will be out very shortly.

Mr D.A. TEMPLEMAN: How many current professional crab licences are held for the Peel-Harvey estuarine system and how many of those licences are active?

Dr R. Fletcher: I can look up last year's "State of the Fisheries Report" and give the numbers that were operating last year, if that is appropriate.

Dr K.D. HAMES: Both the member and I are keen on getting the answer as supplementary information.

Mr D.A. TEMPLEMAN: I am happy to receive that by supplementary.

The CHAIRMAN: Can the member clarify exactly what is required?

Mr D.A. TEMPLEMAN: I require the number of current professional crab licences assigned to the Peel-Harvey estuarine system and the number of those that are active licences.

[*Supplementary Information No A7.*]

Mr D.A. TEMPLEMAN: Again, I am happy to receive this as supplementary information: how many infringements were issued in 2007-08 to the current year related to the illegal taking of crabs, including undersized crabs, in the Peel-Harvey system?

Mr S.J. Smith: I think we have the details of the actual number of prosecutions —

Dr K.D. HAMES: I would like to have that answer too.

[*Supplementary Information No A8.*]

Dr M.D. NAHAN: I refer to page 224 of the *Budget Statements*, volume 1, and to the second bullet point under "Significant Issues Impacting the Agency". It has a reference to the impact fishers have on some fish species and the need for better management intervention. The valuable rock lobster industry has received much attention in recent months. Could the minister provide the committee with an update on the activity being undertaken to address the issues in this fishery?

[Mr P.B. Watson took the chair.]

[4.00 pm]

Mr S.J. Smith: At the moment the rock lobster fishery is not travelling too well in terms of projections for three to four years' time. We are particularly concerned about the collection levels for puerulus, or baby rock lobsters, which predict the catch in three to four years' time. For the season just gone, the puerulus settlement is close to zero, suggesting a particularly poor catch coming up. What we have done as an agency this year, or the minister has done, is implement some measures to try to protect the breeding stock for future years, and also to push some of the catch from this year into future years to try to smooth out the trough that we are expecting in three to four years.

Those measures have involved some restrictions on the number of pots that are used and also the number of days on which fishing can take place. There was a reduction down to four days. That has been returned up to five days a week that the fishers are allowed to go out and catch crayfish. There were also some changes to the gauge sizes to protect the breeding stock, and the introduction of a total allowable catch for each of the three zones of the fishery. Those measures were intended to bring the catch down to under 7 800 tonnes. There were two rounds of measures. The first round was at the start of the season when the minister announced that the target catch for the season was going to be 7 800 tonnes. The monitoring of the catch suggested that we were on track midseason for a catch in the order of 9 200 tonnes, so the measures were tightened midseason to try to restore the projected catch to 7 800 tonnes. We believe that that target will be achieved in reducing the catch down to that level or below, which should have the benefit of pushing some of that catch into future years and protecting the breeding stock to make sure that we have a viable and sustainable industry.

[Mr P.B. Watson took the chair.]

Dr M.D. NAHAN: Given the sharp drop in the samples, is the department confident that its sampling technique is adequate for that?

Mr S.J. Smith: We are very confident in the model that we have. The model has been in place for nearly 40 years now, and it has proved to be accurate in predicting the catch for three to four years out to within 90 to 95 per cent accuracy. With that extended time series, I think people can be confident that the model is a very

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effective one. I have to say that with the collection this year being so low, we are really testing the limits of the model, but the model has proved to be very robust in past years, and there is no reason to believe that it will not continue to be robust this year. We have had some questions about whether we have varied anything; for instance, have the collectors been placed in different locations or have we changed the material that they are produced from and so on? We have not yet come across any question to which there has not been a reasonable explanation for those who make us think that there is any problem with the model. Therefore, we are very confident that the model is proving to be effective, so the measures that we have put in place are necessary to protect the industry.

Dr K.D. HAMES: I will just make some further comments on that. Obviously, this has caused extreme disruption and hardship within the crayfish industry, none more so than in my own electorate. Lots of issues were raised with me about the sampling process. Some people were saying that a new rope was used, and they felt that that was stopping the landing of the puerulus on that rope. However, we arranged to talk to the person who was actually putting out the traps. As it turned out, he was using some of the new ones and some of the old ones, and he was not catching them on either. There are two options here. One is that something has happened; that there are still heaps of puerulus out there, but for some unknown reason, despite 40 years of experience, suddenly this year they are not landing. Alternatively, there is going to be a significant reduction in the catch. Obviously, we have to assume the latter. If it turns out to be the former, in the next few years there will be some very happy crayfishermen out there because there will be a lot more crayfish. However, the reality is that the chances are very strong, based on the history, that in four years there will be a significant reduction. Therefore, the minister was really left with no choice but to follow the line that he did. Despite the strong dissatisfaction of some sections of the industry, I think that was the only sensible action that could be taken.

Dr M.D. NAHAN: Why was the catch rate above expectations in the first part of the season? The department forecast about 9 000 tonnes. Is that because more effort was put in?

Mr S.J. Smith: It is possible that some more effort was put in. Certainly, the return per pot was up, as one would expect, with the reduction in pot numbers. However, in actual fact, the environmental conditions were particularly good for an early catch. The season effectively has two parts: the whites and the reds. The whites are the first part when the crays are moving; they are migrating. The environmental conditions were particularly good for the migration of the whites. The more movement there is, the more often they come across pots and climb in. Therefore, the ability to catch the crayfish was particularly high in the first half of the season. The fact that it was high is a reflection of good environmental conditions for the migration.

Dr K.D. HAMES: Further to that, the crayfish industry is becoming more and more efficient in the way it operates. Of course, that has meant that, despite steadily reducing numbers of pots every year, the catch has increased over the years.

Mr S.J. Smith: Yes.

Dr K.D. HAMES: With the increased hardship that was forced upon the crayfishermen, they operated extremely efficiently in making sure that they maximised the catch during the period.

Mrs L.M. HARVEY: Have any inroads been made into the cause of the low numbers of puerulus this year?

Mr S.J. Smith: A lot of our research effort is going into the explanation for it, and not just in Western Australia. Others have had input as well. At this stage we do not know definitely what the reason is. The past couple of seasons have been down on the average. The collection levels were not a surprise, because we had relatively poor Leeuwin currents, which traditionally indicates relatively poor settlements. This season the Leeuwin current has been strong, and a good current, so we were expecting a much higher collection level. The most plausible explanation at the moment—I say “at the moment”—is that there were two events. One is an Indian Ocean dipole event, and the other is a La Niña event. I do not know the details behind them. Dr Fletcher can probably elaborate on them if necessary. These two events coinciding in one season is most unusual, in that it tends to occur once every decade or few decades, if I am correct. Dr Fletcher will correct me if I am wrong. However, it is a rare occurrence when those two events coincide. When they do, we typically get very strong easterly winds and storm events, as we did during the past season, at the same time as the puerulus are at the top of the water column. So, instead of going some hundreds of kilometres offshore, they probably went thousands of kilometres offshore—too far to return back to settle in inshore areas. As I said, that is the theory at the moment. It is consistent with past low collection levels in Western Australia and with events in other states around Australia also where those sorts of conditions occur. As I said, it appears to be the most plausible explanation. We will have a good idea by the end of this year, we expect, for next season. It is certainly more plausible than some of the other theories that have been put forward.

Dr K.D. HAMES: Does Dr Fletcher want to add to or subtract from any of those comments?

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Dr R. Fletcher: For clarification, it is the first time in the 30 years that we have been monitoring both those events that they have occurred at the same time. I suppose that is the major reason why that is one of the most plausible events. With La Niña, El Niño, Indian dipole and non-Indian dipole—the various matrixes—there is only one measurement in that matrix. That is one of the areas where we are looking to see whether that is consistent in the future. We also have a new research project to look at the other things that settle on the puerulus collectors to see whether those same environmental effects are affecting other animals that settle back onto those collectors. The anecdotal information from our people who collected it suggested that there were not many things at all on the collectors this year, not just that there were not many rock lobster puerulus. It could be that all or a number of species were similarly affected.

[4.10 pm]

Dr K.D. HAMES: I have to say that that is the first sensible possible explanation that I have heard.

The CHAIRMAN: Does anyone else have a question? We must have had a multitude of questions on this topic; we could write a book on it!

Mr A.J. WADDELL: I refer to the corporate support line item under the “3% Efficiency Dividend” subheading on page 223. Can the minister please detail exactly what that reduction entails?

Mr S.J. Smith: I can give the member a very brief explanation, but if he wants more details, I will refer the question to Mr Mezzatesta. In brief, the savings in this area result from savings in corporate support activities that are expected to flow from the transition of payroll service delivery to the shared services arrangements and other efficiencies expected to result from increased functionality being available in the shared services financial module. Mr Mezzatesta might be able to elaborate, if the member requires it.

Dr K.D. HAMES: I understood only half of that, so I call on Mr Mezzatesta.

Mr B. Mezzatesta: Okay, I will elaborate. Members would be aware that government is moving to a model of corporate services delivery, whereby the bulk of the transactional activities will occur in Cannington and that, consequently, the number of staff within the department in those transactional corporate services will be reduced. In 2006 the Department of Fisheries transitioned its finance functions into the shared services model, but it is fair to say that we have not delivered the efficiencies that were expected initially. In 2009-10 we will transition our payroll transactional functions into that model of service delivery and some residual components of the finance activity. What that means is that we have had a transitional arrangement in which two people are involved in the delivery of corporate services; next year we will have reduced our staffing levels to reflect the government’s originally desired model for corporate services.

Dr K.D. HAMES: Therefore, it will be the efficiency dividend of members opposite rather than ours!

Mr A.J. WADDELL: Yes, I told the minister it would work! Mr Mezzatesta said that the department had not achieved the efficiencies on the finance side that it had hoped for originally. Do the \$255 000 and later \$375 000 figures reflect those things that the department did not get in 2006 now coming on board or are they purely from the new parts that the department is bringing on board now?

Mr B. Mezzatesta: There are two components: the new bits that we are adding—that is, the payroll functionality—and the tidying up of the finance components that we have already been operating.

Dr K.D. HAMES: A mixture of both.

Mr J.R. QUIGLEY: I refer to the “Other Efficiency Measures” line item under the “3% Efficiency Dividend” subheading on page 223. Can the minister please outline how the agency intends to save the stated \$3.376 million over the next four years?

Mr B. Mezzatesta: That \$888 000 is an aggregate number that has been produced in the budget papers so that we do not end up with a huge list within the document. Where we are looking at saving those amounts over the period of the forward estimates —

Mr J.R. QUIGLEY: That is the \$3.376 million?

Dr K.D. HAMES: Yes, but that is over four years.

Mr B. Mezzatesta: That is \$888 000 over four years.

Mr J.R. QUIGLEY: Over four years. That is right; just under \$1 million a year.

Mr B. Mezzatesta: Therefore, I will go through some items that add up to about \$888 000 because it is the same savings —

Mr J.R. QUIGLEY: For each repeat.

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Dr K.D. HAMES: Each year.

Mr B. Mezzatesta: — projected forward; that is right. Therefore, there is nothing new. The first thing is that we are looking at our patrol vessel fleet, and we will reduce the level of activity that our large patrol vessels do by the equivalent of one patrol vessel. The exact mechanism for that has not been determined yet, but we will probably increase the activity on two of our boats so that we can offset the activity that is done by the third patrol vessel.

Mr J.R. QUIGLEY: Will that see a lay-up of the third patrol vessel?

Mr B. Mezzatesta: That may be one of the options. We are also looking at reducing the level of aquaculture research that we undertake within the organisation. We will reduce the volume of resources that we have within our licensing services group; we think there is some capacity to reduce the number of people we have in that group. We will also reduce the amount of money that the department allocates to its consultation functions in the recreational fishing sector.

Mr J.R. QUIGLEY: Does that mean that with the reduction in services of the large patrol vessels and the reduction in the licensing resources, there will be less vigilance on fishermen and inspection of their licences?

Mr S.J. Smith: We do not believe there will be any reduction—in fact, the reverse. We have identified some areas that we think can make some savings for the three per cent efficiency dividend, and at the same time we have also been shifting resources around within the department so that additional resources are going into our regional services division, which includes our communications and education area, our licensing area and our fisheries and marine officers, who are the people that the public face. For instance, we have set ourselves the target of increasing the proportion of our internal budget that is allocated to that division by at least five per cent and we are well on the way to doing that. We expect to be able to increase the number of fisheries and marine officers who are appointed by the department. We expect that we will have additional staff in the licensing area. The reduction in the number of patrol vessels does not necessarily mean a reduction in the number of hours conducted on patrol. For instance, one possibility is that we look at having the three crews rotate between the two vessels and so on. Therefore, we actually expect that we will be able to increase the level of vigilance and compliance activity that the department will conduct over the next 12 months.

Mr W.J. JOHNSTON: I have a follow-on question.

The CHAIRMAN: Follow-on question, member for Canning—member for Cannington, sorry.

Mr W.J. JOHNSTON: It is all right. I am not familiar with —

Dr K.D. HAMES: He knows the member is from somewhere!

Mr W.J. JOHNSTON: It had to be from somewhere—that is right; however, Canning is the federal seat. Are the three patrol vessels all located in the metropolitan area? Where are they located?

Mr S.J. Smith: I will ask others to elaborate on this question, but they are not typically berthed in the metropolitan area for extended periods; they operate up and down the coast. Some vessels are more suited to some parts of the state than others, depending on the nature of the work. For instance, a certain type of vessel is needed to operate the pearling leases and conduct that sort of activity, which is different from the type of vessel needed for research and so on. I will ask the head of our research division, Dr Fletcher, to comment initially, and then maybe Ms Burrows will also comment on the compliance area.

Dr K.D. HAMES: Dr Fletcher.

Dr R. Fletcher: We do not use the patrol vessels very much; we have our own research vessel, so it will not affect the research vessel, *RV Naturaliste*—it is not touched.

Dr K.D. HAMES: Ms Burrows.

Ms P.R. Burrows: As has been stated, we have three ocean-going patrol vessels. The *Walcott* is purpose-built for the northern waters for pearling leases and so forth. The *McLaughlan*, which is due for replacement next year, was primarily designed for rock lobster compliance around the mid-west, Abrolhos Islands and so forth. The *Hamelin*, which we lease, is sort of an all-purpose vessel; it is not really purpose-built at all and the lease on it runs out in 2012. As Stuart rightly pointed out, one of our options is to have the three crews available for two vessels, so we would withdraw one of the vessels from the fleet because the *McLaughlan* is actually being sold, probably next year when the replacement is provided. There is an option for us to sell the *McLaughlan* now; then we would have only two vessels that we would operate with three crews. Therefore, instead of the 170 days each that the patrol vessels do, they could then do about 220 days each, so they would be used more efficiently. Is there anything else I can offer?

Dr K.D. HAMES: I think that is a good term that Ms Burrows should end on—“more efficiently”.

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[4.20 pm]

Mr W.J. JOHNSTON: Are these vessels used for search and rescue operations or anything else that might happen on different occasions, and will this reduction in total effort from three times 170 to two times 220 have any impact on the state's capacity for search and rescue?

Ms P.R. Burrows: Search and rescue will always be our priority. It does not matter whether or not the vessels are in close proximity; they will attend. By having two vessels rather than three, I guess the number of times that we are in close proximity may decrease. That is a risk, and we will have to discuss as an agency and also as a government whether we are prepared to do that. The other risk, I suppose, is that fewer large patrol vessels will be available. Some of the work that they were previously doing in the north was on illegal foreign fishing. That is another risk that we will need to assess. Hopefully, we would leave the *Walcott* working in the northern waters, where the greatest risk is anyway, so that will mitigate that risk to a large degree.

Mr W.J. JOHNSTON: So that is about a 70-day reduction in the number of vessels at sea. I am just doing the maths in my head here.

Dr K.D. HAMES: I was trying to do the same, but I have forgotten the figures.

Mr W.J. JOHNSTON: Three times 170 is 510, so that is about 70 days less effort on the water. Is that expected to lead to a proportionate decrease in enforcement activity? What is the expectation?

Dr K.D. HAMES: I will ask Mr Smith to answer that.

Mr S.J. Smith: One important thing to mention is that a significant proportion of the work that the vessels do is cost-recovered from the industry. The two biggest fisheries are the rock lobster industry and the pearling industry. The global economic crisis means that the pearling industry is not doing as well in terms of sales, because people do not tend to buy pearls during a financial downturn, so that industry has had to reduce its activity very substantially. Therefore, for instance, although the environmental conditions are particularly good for seeding, the industry is not actually doing much seeding at all this year. That means that the need for compliance activity in terms of patrols and so on for the pearling industry is greatly reduced. Part of the reduction in vessel hours is a reflection of the reduced need for compliance in that particular fishery. So in that fishery, yes, there has been a reduction in compliance activity, which people would expect and I think is appropriate. I do not think that is placing the state or the industry at any greater risk; in fact, people have been calling for it.

Mrs L.M. HARVEY: I refer to the heading "Asset Investment Program" on page 228. There has been an increase in the budget for the asset investment program from \$4.8 million to \$13.7 million. It appears as though that has been reflected under the subheading "New Works" and the line item for buildings—Denham government office accommodation. Can the minister provide further details about this work?

Mr S.J. Smith: The money relates to funding for new government office accommodation in the order of \$8.5 million. That will allow us to replace our existing facility in Denham, which I believe is substandard, and I think everyone would agree with that. The new building will house both our staff and staff from the Department of Environment and Conservation. To give the member an example, our existing facility in Denham comprises three demountables. Those demountables have been there for some years now. I think those conditions are completely unacceptable. We do not expect our staff to operate from demountables in the short term, let alone in the long term. The number of years those demountables have been there suggests that this is an urgent matter. Those demountables happen to be virtually next door to a magnificent building that was put in some years ago now for the Discovery Centre, and being adjacent to that building probably heightens the inadequacy of the state's facilities for the Department of Fisheries in Denham. That money will be used to house the Department of Fisheries in a new building that will be built over the next two years to house our staff, and also, as I have said, the staff of the Department of Environment and Conservation, so that we will be able to deliver a far better service. We are looking at in the order of 38 staff. Several of those staff will be fisheries staff, but most of them will be from the Department of Environment and Conservation. That department needs a substantial presence in Denham because of the marine park and the nature reserves in that area. That new building will house a substantial number of staff, and it will add substantially to the town of Denham and also to the broader community in providing enhanced services.

Mrs L.M. HARVEY: What will be the split between the number of full-time equivalent employees from the Department of Fisheries and the Department of Environment and Conservation, and what will this increase in capacity enable the staff levels to be increased to?

Mr S.J. Smith: I will need some assistance from Mr Mezzatesta on this, but I understand that at the moment the staffing levels are in the order of three or four staff for the Department of Fisheries, and 35 staff for the

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Department of Environment and Conservation. We are not necessarily looking to expand staffing substantially with the new building, but it will give us the capacity to do so. We do wish to increase our staffing of fisheries and marine officers up and down the coast as funds become available, so we are making sure we will have the capacity to do that. Mr Mezzatesta may be able to give more specific numbers.

Mr B. Mezzatesta: The only correction I would make is there will be four fisheries officers, and the balance will be from the Department of Environment and Conservation; otherwise, the issue has been covered.

Mr A.J. WADDELL: I refer to page 223. One of the subheadings under “3% Efficiency Dividend” is management of marine park compensation. How will this three per cent cut be achieved?

Mr S.J. Smith: Resources have never been provided for management of the compensation process or the compensation payable. The department will not have the capacity to deal with any significant compensation processes if any processes are required for marine parks in Jurien, Rowley Shoals or the Montebello Islands, which is what this issue relates to. Mr Mezzatesta may wish to elaborate on this.

Mr B. Mezzatesta: I can provide a bit of background. When a marine park is gazetted, a piece of legislation is introduced that provides for compensation to any individual who has been affected by the creation of that marine park. What the department needs to do is put in place the processes that will allow for those affected people to be identified and to make a claim for compensation. We are just coming off the back of a process for the Ningaloo Marine Park. That will be finished, I imagine, by 30 June this year. What the agency is saying there is that in the event that any future marine parks are created, the department’s requirement to administer the compensation process will then need to be the subject of a further funding allocation.

Mr A.J. WADDELL: I refer to page 224, the subheading “Service Summary”, and the line item research and monitoring. How much money is allocated to research on demersal finfish, particularly in the west coast zone?

[4.30 pm]

Dr K.D. HAMES: Excellent question!

Mr S.J. Smith: I call upon Dr Fletcher to answer that question, being a research matter.

Dr R. Fletcher: For the west coast demersal fishery, I can give the member an answer with respect to the number of staff, and we can make a bit of an adjustment to that. At the moment we have 2.5 FTE research scientists who are allocated to that particular fishery and 3.5 FTE support staff, plus their operating funds, so it would be in the order of \$500 000 directly associated with the biological side of the west coast demersal fishery. However, we also need to add another \$500 000 or more for the creel survey activity that is underway. If those figures are added together, well over \$1 million is being expended on the West Coast demersal fishery at the current levels—probably \$1.2 million.

Dr K.D. HAMES: If I can offer a view to the Minister for Fisheries, that is not enough! The reality is that we have nowhere near enough information on the demersal fish catch. I am a pretty keen fisherman, and I think there is no question—it is the general view—that the numbers of some of those species, particularly dhufish, snapper and, to a lesser extent, the blue bone are decreasing. Without question, more needs to be done.

Mr A.J. WADDELL: Following on from that, what are the targeted outcomes and the purposes of the research?

Dr K.D. HAMES: Dr Fletcher will answer that question.

Dr R. Fletcher: The biological studies are designed around examining the age structure of the major stocks. The way we manage these fisheries is to identify the most vulnerable species of the suite. As the fishery takes about 100 or more species, we obviously cannot research each of those in detail, so we pick the most vulnerable and also the most popular species. Luckily, to some extent, dhufish, snapper and baldchin fit within that category. We get samples of the catch from both commercial and recreational fishers and examine their ear bones. We section those and look for the rings to ascertain the age structure, and then we compare the age structure of the current stock with what we think the stock would be if there had been no fishing. From that, we ascertain what level of fishing pressure there has been on the stocks over the past number of years. Currently, we estimate that the fishing exploitation rate is substantially greater than the natural mortality rate. If the rate of fishing mortality is greater than natural mortality, it is internationally recognised as being too strong. That is what we have found over the past few years. With snapper in particular, the rate of fishing is twice, or thereabouts, the rate of natural mortality. That is why we have concerns about the stocks of those fish.

The CHAIRMAN: I have a further question: how is the mortality rate of the fish measured?

Dr R. Fletcher: We estimate natural mortality —

Dr K.D. HAMES: Shall I ask Dr Fletcher to answer?

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The CHAIRMAN: Just because Collingwood beat the Eagles, there is no need to spit the dummy! The minister has the call.

Dr K.D. HAMES: Dr Fletcher will answer the question.

Dr R. Fletcher: Natural mortality is estimated because we understand what the oldest fish in the stock are and the growth rate, and we use a variety of statistical techniques to estimate what the natural mortality rate would be in the absence of fishing. We also have the advantage that a lot of these stocks, particularly snapper, are caught not only in Western Australia, but all around the rest of the country—from here all the way up to Queensland, and also in New Zealand—so there are a number of estimates of natural mortality from other stocks that we use just to ensure that the estimates we are using are appropriate. We use, I guess, a conservative estimate just to ensure that we are operating sustainably.

The CHAIRMAN: I am doing my bit by feeding them! The member for Forrestfield has the call.

Mr A.J. WADDELL: My final question is: when is this research expected to be completed?

Dr K.D. HAMES: Dr Fletcher will answer that question.

Dr R. Fletcher: To some extent it will never be completed. It is one of those elements that we really have to have monitored on an ongoing basis, because if pressure is taken off the stock, then we want to ensure that the stock is actually rebounding at the rate that we would expect it to rebound. We also need to ensure that the recruitment—the small ones coming through—are coming through at a reasonable rate. One of the problems of demersal fish stocks is that recruitment is not continuous and constant. A lot of these species have spikes in recruitment, so we might get a good patch of recruits for a couple of years, or one year, and then we might get almost none for a few years. It is not one of those things that will go up like that; it might go up very rapidly or it might not actually increase as dramatically as we expect. The impacts of management on the current adults that are there and also the number of juveniles that are actually coming through need to be monitored to ensure that the recruitment levels are approximately on average.

Mrs L.M. HARVEY: On page 234, under the heading of “Fisheries Adjustment Schemes Special Purpose Account”, there is a payment for 2008-09 of \$1 million, and then for 2009-10 it is \$2.1 million. Does that figure include the compensation paid to the holders of commercial fishing licences on the Swan River that were removed?

Dr K.D. HAMES: Mr Smith will answer that question.

Mr S.J. Smith: I will refer this question to Mr Mezzatesta, who will be able to say whether it includes that compensation.

Dr K.D. HAMES: Mr Mezzatesta.

Mr B. Mezzatesta: I will give a bit of background again. The Department of Fisheries can reduce effort in fisheries through a number of mechanisms, one of which is that it can buy licences back under the Fish Resources Management Act 1994. Those payments come out of a fund known as the fisheries research and development account. The payments the member has identified are payments made under the fisheries adjustment schemes. The government went through a process of establishing a scheme to reduce effort in a fishery. The Swan-Canning Rivers have a lot of history of commercial fishing; there have been voluntary schemes, and we have had some licences surrendered. There is one licensee left, and I think we are now at the point that the government has moved to a compulsory fisheries adjustment scheme, and we will seek to take that commercial operator under that scheme. Yes, the settlement of that arrangement will be effected out of that \$2.1 million.

Mr J.R. QUIGLEY: I refer to page 228, under the subheading of “Works in Progress”, and the line item “Buildings — Mandurah Marine Operations Centre”. When will the complex become operational, and what will happen to the old Mandurah fisheries property when the new centre becomes operational?

Dr K.D. HAMES: Mr Smith will answer that question. I am very interested in that answer, too!

Mr S.J. Smith: We expect the facility will become operational in August this year. It is progressing very well and we expect it to be opened then. I should add that the building will be the operational centre for our department, along with the Departments of Water, Planning and Infrastructure, as well as the water police. Was there another part to the member’s question?

Mr J.R. QUIGLEY: What will happen to the old premises?

Mr S.J. Smith: I will ask Mr Mezzatesta to elaborate on that.

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Mr B. Mezzatesta: When that building is no longer needed for fisheries purposes, it will be identified as a surplus asset of the department and will form part of our asset investment program in the out years. I imagine it will probably be sold and applied to other purposes.

Dr K.D. HAMES: There will be an appropriate redevelopment of that property. It is a very old building on a corner lot, ideally suited for redevelopment. In fact, when we were in opposition, I lobbied to get the government to hurry up and build that centre and sell the old one off to get the money to do it.

Mr J.R. QUIGLEY: That was to pay for some more inspectors!

Dr K.D. HAMES: The Department of Water has a large patch of land outside its premises that it can sell to generate the funds.

Mr I.M. BRITZA: On page 234, under the heading of “Fisheries Adjustment Schemes Special Purpose Account”, under “Receipts” and “Other”, the table includes receipts for \$1.6 million. Will the minister supply the details of this amount?

Dr K.D. HAMES: No, I cannot, but I am sure Mr Mezzatesta would like to answer that one.

Mr B. Mezzatesta: Yes, Mr Mezzatesta would like to answer that one. I explained earlier how the fisheries adjustment scheme operates. Another thing possible under that legislation is that the industry can choose to fund its own fisheries adjustments. The government facilitates it, but the long-term funding of it occurs through industry contributions. During the year the Abrolhos Island trawl fishery—mainly targeting scallops—has come to the agency and said it is looking for a mechanism to reduce the number of licences operating within its fishery. The Minister for Fisheries has agreed to that reduction, and he received the Treasurer’s endorsement to borrow \$1.6 million for the purposes of that scheme. That is what the \$1.6 million is a description of—the borrowings that are the proceeds of that scheme. The licence will be taken off the fishery. The interest in principal associated with that loan that the Treasurer has approved will be repaid over 10 years by the remaining participants within the fishery.

[4.40 pm]

Mrs L.M. HARVEY: Going back to the reduction in estimated income referred to on page 225 —

The CHAIRMAN: Is this part of the same question?

Mrs L.M. HARVEY: It is part of the same question. The gross value of state fisheries production for 2009-10 is \$450 million. Would part of that reduction be achieved through the reduction in the scallop fishery?

Mr S.J. Smith: That would be partly it, but the reduction is a pretty significant one from \$570 million to \$450 million. The key drivers for that reduction are the two biggest fisheries in the state, which are the rock lobster and pearling fisheries. For reasons that I have already mentioned, the rock lobster fishery has some issues with the predicted catch in several years, so we have been looking to reduce effort this season to push some of the catch into future years. Pearling has been impacted by the global economic crisis, so the value of that particular fishery is down. Those two fisheries combine to constitute the bulk of it rather than the smaller fisheries. While I am on that point I should add that out of the, I think, 38 managed fisheries, several are facing some difficulties. Rock lobster and pearling are two of them, and there are one or two others. The vast majority of fisheries in this state are in extremely good health. It is just unfortunate that the two biggest ones are the ones facing difficulties due to factors beyond the control of the government.

Mr A.J. WADDELL: Going back to the question of research on page 224 and the line item on research and monitoring, I have a couple of questions. How much money is being allocated to the research of aquaculture? How much money is allocated to the research of the rock lobster fishery, particularly in recruitment and settlement matters? What other research programs are currently being undertaken and what are their desired outcomes?

Dr R. Fletcher: We have split aquaculture into two. We have a major level of research in aquaculture associated with animal health. Those staff are located at the agricultural building in South Perth. There are three research scientists and a supervisor there who predominantly deal with aquaculture issues, particularly pearling issues. We also have an aquaculture scientist at the Hillarys Waterman laboratories who deals with larval fish feeding, artemia and larval production. I can give the member the figures for the numbers of staff associated with rock lobster aquaculture. We have three and a half research scientists who work on rock lobster, plus a total of eight support staff. The other element, as I think Mr Smith has mentioned, is that all the rock lobster staff are cost-recovered staff, so the industry funds those staff totally. With respect to the recruitment elements, since the rock lobster puerulus settlement issue, I think we have a total of five new research projects either directly or indirectly being funded by the Fisheries Research and Development Corporation to try to assist us to determine the various causes of the puerulus settlement. In addition to looking at oceanographic impacts, going back and looking at all

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of the old historical data on environmental correlates, we have also looked at stock assessment. We also want to make sure there is no problem with the stock. That was part of the package the minister introduced with respect to a closure north of the Abrolhos region of somewhere called Big Bank. We are also examining whether or not our measurements of stock in localised areas and the stock overall could have been part of the problem associated with recruitment for that particular year.

Mr A.J. WADDELL: Is there a time frame for any of those projects?

Dr R. Fletcher: Each of them has its own separate time frame. The other element probably to bring in is that we had a risk assessment process undertaken about two months ago when we had four independent experts from around the country and overseas who went through each of the potential elements that could have been the cause. We had that group and 35 participants, including the industry, go through each of the elements to make sure that we had not forgotten something or missed something ourselves. We wanted to make sure it was open and transparent. That report will be coming out within the next month or so. They supported what had been done already and came up with a number of other elements. They are now the subject of a number of other FRDC applications.

Mr A.J. WADDELL: The final part of my question was: what other research programs are currently being undertaken and what are their expected outcomes?

Dr R. Fletcher: We have a number of staff. I can refer to a document that we publish on the web, which has every one of our research projects. It goes through each of the fisheries explaining not only what we are doing, but also what has already been done, because we want to make sure that we do not have projects put up by other groups to reinvent the wheel. Each individual fishery has what we are doing currently, what we propose to do and what the current research focus is, including those where we almost do nothing as well.

Dr K.D. HAMES: Just for the record, could Mr Fletcher give details of that website?

Dr R. Fletcher: It is the Department of Fisheries website and “Fisheries Occasional Publication No. 58, 2009”, which was published about two months ago.

Dr M.D. NAHAN: The first dot point on page 225 under “Significant Issues Impacting the Agency” states that aquaculture industries have the potential to significantly increase production. What programs does the department have to promote either research or development of aquaculture? I think I heard that for future efficiencies the department might cut back some assistance to aquaculture? Can the minister confirm that?

Mr S.J. Smith: We think that aquaculture is an area of potentially substantial growth in the state. Aquaculture production globally is on a par with production from wild catch. It is growing almost exponentially, whereas wild catch is plateauing or falling. We compare that with Western Australia, where production from aquaculture is probably closer to under one per cent of the state’s total production, so we think the potential for growth in that area is substantial. Similar figures are recorded around the country, with some variations, such as South Australia and Tasmania doing better in aquaculture than other jurisdictions. Within Western Australia there are a number of reasons that aquaculture has not done as well. Despite having a large coastline, Western Australia is not necessarily particularly amenable to the sort of technologies currently used for most aquaculture. It does not tend to have many protected bays, for instance. The nutrient flows down the coast are not particularly good, and nor does it have extensive river systems that transport nutrient out into inshore areas. The technologies that are used are often labour intensive, so we do not find ourselves particularly competitive with South East Asia, which is a major producer of aquaculture product. However, some new technologies are coming onto the global scene, which might have application in Western Australia. These relate to open ocean aquaculture in deep-sea cages, for instance, which can hold substantial volumes of fish at substantial depths. Having them further offshore means a greater flow of water around, so issues such as the waste from sea cages are not the same issues that they are for inshore environments. Western Australia has particularly good environmental management, so it is important to the state that any aquaculture that is undertaken is done in a responsible manner. We think that these sorts of technologies hold great potential for Western Australia. We have been looking at implementing some amendments to the existing legislation to give greater certainty to investors in these sorts of technologies and also to address some of the issues around the approvals processes and certainty in licensing.

[4.50 pm]

One of the challenges that we face is that open-ocean aquaculture technologies are designed for deep water. The state waters extend three nautical miles from the shore and, typically, the most suitable areas for aquaculture lie in commonwealth waters. In our discussions, the commonwealth has said that it is sympathetic to aquaculture production and to the issues that we raise, but that it does not actually have any powers to license aquaculture projects. Consequently, we have been in discussion with the commonwealth about it putting in place a system to allow licensing and approval of aquaculture projects so that they can proceed so that aquaculture in Western

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Australia can take off. Although the commonwealth is not in a position to license such projects, we are hoping it will be able to do more. We are also in discussions with the commonwealth about the possible options that will allow those sorts of projects to proceed, despite the limitations of its legislative regime. Aside from that, the state has had some aquaculture success. Projects such as the development of the octopus market in Western Australia have been very successful. We have some good mussel-farm operators in Cockburn Sound. The Cone Bay project in the Kimberley, which is currently going through some environmental approval processes, looks very promising. Other projects, including another fin-fish project in the mid-west, have great potential, albeit unrealised at the moment. We need to not only sort out the regulatory arrangements—we are doing that, hopefully with the support of the commonwealth—but also do more research. Some of the department's artemia research has stimulated investment in the state and has led to very successful ventures in the mid-west; for instance, one such project has generated a company that now turns over millions of dollars.

Dr K.D. HAMES: What are they producing?

Mr S.J. Smith: Artemia and beta-carotene. It is early days, but we think such projects have great potential.

Dr M.D. NAHAN: Is there any overlap or duplication between the various arms of government departments, including the Departments of Agriculture and Food, Fisheries, and Planning and Infrastructure, in terms of planning and facilitating aquaculture?

Dr K.D. HAMES: I refer the question to Mr Smith.

Mr S.J. Smith: At the moment I would not say there is overlap. At the moment the regulatory environment can be challenging for people, not because of overlap, but because of its complexity. For instance, for an aquaculture project to proceed, approvals from multiple agencies are needed. Accordingly, we are looking to put in place a regulatory regime that will allow project proponents who come to the Department of Fisheries seeking project approvals to visit what is essentially a one-stop shop. For instance, we are looking at entering into a memorandum of understanding for environmental approvals with the Department of Environment and Conservation thereby integrating its departmental processes with our processes so that a project proponent can come to only one agency for project approval and be handed the approval to proceed at the end of a process that has been coordinated across government, rather than having to go to multiple agencies as proponents currently have to do.

Dr K.D. HAMES: Can I say that it is essential to develop such a process because the development of aquaculture in this state has been restrained for a long, long time as a result of both former Labor and Liberal government processes. I remember proposals to develop red claw freshwater crayfish and prawn projects in the Ord region—projects that never got off the ground because of the complexity of the DEC approvals process. I know of development proposals coming out of Wyndham at present. We need to change the system or we will never get those projects off the ground.

Mr V.A. CATANIA: I refer to page 230 and specifically to part (c) and full-time equivalents. I notice a decrease over the forward estimates in the number of FTEs employed and ask: where will that FTE decrease occur and how will it affect the Gascoyne region?

Dr K.D. HAMES: I refer the question to Mr Smith.

Mr S.J. Smith: I do not have the historical breakdown of numbers, but in terms of the question I can assure the member that the department has been reallocating resources specifically into our regional services division. We think the balance has not —

Mr V.A. CATANIA: Where is that located?

Mr S.J. Smith: The regional services division covers the whole of the state and includes our licensing area, our communications and education area, and the area that I suspect is of particular interest—namely, that of our fisheries and marine officers who interact with the public to check compliance with legislation and who also have an education role. They are the officers who are primarily located in regional offices up and down the coast, including the mid-west. We have set ourselves the target of increasing the proportion of the department's budget allocated to that division, and we are already achieving that aim. We hope to do even better than the target we set, which was to increase the proportion in that division by at least five per cent over its previous share of the department's budget. In fact, we think that we will be able to achieve a total increase in numbers and not just an increase in the share. I think we are looking at increasing the numbers in the mid-west, but Mr Mezzatesta will be able to provide more detail.

Mr V.A. CATANIA: Referring to the Gascoyne, I note that 389 FTEs were budgeted for in 2007-08, 412 in 2008-09 and that 398 have been budgeted for 2009-10. I can see the decrease in numbers. In the Gascoyne

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specifically, will there be any decrease in the number of FTEs in Denham, Carnarvon or Exmouth who provide Department of Fisheries' frontline services?

Mr S.J. Smith: I am not expecting a reduction in the total numbers in any of those offices. If anything, we are hopeful that we will increase the resources in those areas. As I have said, that is a priority for the department, but Mr Mezzatesta or Ms Burrows might be able to provide more details about the actual numbers.

Dr K.D. HAMES: I refer the question to Mr Mezzatesta.

Mr B. Mezzatesta: The only comment that I will make is that the reduction of FTEs from 412 to 398 is predominantly made up of the reduction in our corporate services structure as a consequence of our move away from delivering corporate services in-house to delivering them from the Office of Shared Services located in Cannington. The reduction in FTEs does not relate to frontline service delivery, but is about progressing government reform and —

Mr V.A. CATANIA: Can the minister say that there will be no reduction in the number of Department of Fisheries' FTE staff who provide frontline services in the Gascoyne region?

Mr B. Mezzatesta: Yes; I can say that.

Dr K.D. HAMES: Both Mr Mezzatesta and I can say that.

Mr V.A. CATANIA: Cannington has a wonderful beach front! I refer the minister to page 228 and the heading "New Works", which covers new offices and equipment research. Are there any plans under the "New Works" line item to build or upgrade Department of Fisheries' facilities in Exmouth?

Dr K.D. HAMES: Initially, I will refer the question to Mr Smith.

Mr S.J. Smith: At the moment, and in terms of the offices mentioned by the member, we are expanding our facilities at Denham. That expansion will include \$8.5 million and a new building that will house our department and the Department of Environment and Conservation. We are also putting together a proposal to consider upgrading the Carnarvon office for multiple officers. We think Exmouth will probably be next on our list. It is probably the office that is next most in need of upgrading. At the moment we do not have a proposal to upgrade it and we are not expecting a new building to be put in. However, we are aware that it needs upgrading and it is in our sights.

[5.00 pm]

Mr V.A. CATANIA: You mentioned Denham; the member for Scarborough also asked a question about Denham. Will the offices of the Department of Fisheries and the Department of Environment and Conservation be moved to a new site?

Mr S.J. Smith: The site is on Knight Street, if the member knows Denham. At the moment we are still in discussions with the council about the actual site, but we expect it to be on Knight Street, and the council has indicated that it would be an appropriate site. The two departments are not currently co-located in one building, so it will mean a move for at least one department. It is not difficult for us to get rid of our existing facility, given that the buildings are demountable.

Mr V.A. CATANIA: Has \$8.5 million been allocated for the new buildings for the Department of Fisheries and the Department of Environment and Conservation?

Mr S.J. Smith: In Denham, yes.

Mr V.A. CATANIA: Is that all new money?

Mr S.J. Smith: Yes, that is my understanding.

Mr A.J. WADDELL: I refer to a line item under "New Works" on page 228, "Information Systems Development 2009-10 Program", which is allocated \$1 219 000. Can the minister outline to me whether this software is being developed in-house, whether it is being outsourced or whether it is being done by contractors in-house?

Dr K.D. HAMES: Mr Mezzatesta has that answer for us.

Mr B. Mezzatesta: I would suggest that it is a combination of all three; some small developments will be done in-house, and for larger developments we would ordinarily get people with expertise in the relevant area to develop them. Some very minor systems will be developed by Department of Fisheries staff.

Mr A.J. WADDELL: Do you have a reasonable number of contractors working within the department?

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Mr B. Mezzatesta: What is the definition of “a reasonable number”? For the information technology function, we would not have more than five staff at a peak, so the number of contractors would ordinarily be between zero and five.

Mr A.J. WADDELL: How does the cost of having contractors compare with having equivalent staff do the same work?

Mr B. Mezzatesta: It is a frequent discussion that we have within the agency. On the basis of a purely hourly rate, one would suggest that having an employee on the payroll would be a cheaper way of achieving an outcome. However, our view is that for specialist areas, there are people out there with specialist skills, and although they are charging a greater hourly rate, they are more likely to deliver the product that suits the department’s needs in a timely fashion. An assessment needs to be made as to what the task is, and if the task is a specialist task, it is normally best done by people with skills in that area.

Mr W.J. JOHNSTON: Are the consultants contracted to deal with those IT projects included in the government’s global reduction in consultants?

Mr B. Mezzatesta: I can deal with this question, but I do not know whether it will be an absolute answer. At the moment, the department has not yet been provided with details of the FTE cap, if that is what we are referring to. We do not know whether that is included, but they are certainly not included in the FTE count reported in the budget papers.

Mr W.J. JOHNSTON: I understand that for a number of agencies, there is a line-item saving for a reduction in consultants, and I am wondering whether these consultants are counted towards the government’s calculation of the number of consultants engaged, and therefore towards the savings that the government seeks to make from the consultancy category of employment across government.

Dr K.D. HAMES: I do not know the exact answer, but I suspect not, because that is not the case in the health budget. We certainly have IT funding and a fairly fixed program for the further development of IT, and that does not relate to a reduction in consultants. There seem to be outside consultants for health-related issues rather than IT-related issues. It could be that if a department is receiving consulting IT advice in particular areas, rather than ongoing programs, it is possible that it could be there.

Dr M.D. NAHAN: I refer to page 224, and the heading “Significant Issues Impacting the Agency”. I would like to go back to the issue of the decline in recruitment to the rock lobster fishery and to examine whether the risks are borne through over time, and how they are impacted. If the industry has zero recruitment, in three to four years’ time there will be zero catch rates, or something approaching that. What will we do? It is often the case in other fisheries that if there is zero recruitment in one year, it has significant impacts on subsequent years; I am not sure whether that is the case with the rock lobster fishery. This is potentially a very big risk to a very major industry. How do we deal with this, and what are the minister’s considerations?

Mr S.J. Smith: I will start, and then I might ask Dr Fletcher to continue. We see it as a major risk. The fact that the puerulus are not there this year except in very low numbers is a major risk for the catch in three to four years. I think that one of the great strengths of this sector is that we are talking about an issue that might arise in three to four years, rather than this season. The equivalent in agriculture, for instance, would be for us to be able to say that in three to four years the wheat harvest will be whatever we choose, and if it happens to be particularly low in that year, we can actually put measures in place to cope. That is what we have done this year. We know that we will have a problem in three to four years and that the catch is going to be well down on the average. The measures that we have put in place are substantial, reflecting the level of collection of puerulus this year, and they are the sorts of things that I have already mentioned. There has been a very substantial reduction in pot numbers, and there was a reduction in the number of days on which people were allowed to go out and catch crays, changes to gauge sizes to protect the breeding stock, and a reduction in total allowable catches to make sure that too many crays were not caught this year and that some of the catch was pushed into future years to try to smooth the average catch over a series of years, so that in three to four years we do not experience a sudden enormous drop in the catch, which would cause a substantial dislocation in the industry and might well force some fishers out of the industry who ordinarily would not be forced out. We would lose capacity, which cannot just be built up over a short space of time. The issue we are dealing with is that we have had a particularly poor catch over one season. We have managed the fishery this season on that basis, but we do not yet know whether the settlement figures we have had this year will be replicated next season. If they are, the problem will become even more serious, and we will probably have to look at further management measures. We are hopeful that the explanations for why the puerulus catch has been so low this year relate to the sorts of issues I have already mentioned—the combination of an Indian Ocean dipole and a La Niña event. If that is the explanation, it is effectively a one-off event every few decades; we would not expect that to be replicated, which would mean that the poor catch would be a temporary thing for one season. If, however, the real explanation turns out to be a

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permanent change in the nature of the fishery, we would have a very different scenario and our management of the fishery next season would reflect that. At this stage, it appears that the most plausible explanation is that the catch is particularly low for one season, so the measures reflect that.

Dr R. Fletcher: We have a very sophisticated model now that looks at the fishery overall and breaks it down into various zones and various depth categories so that we can actually model very sophisticated management changes. That affects not only the overall catch, but also the size and location of breeding stock. It has given us much more certainty about what management strategies will achieve in the future. We are also looking to model what will happen for a low, average or major recruitment year; each has different implications for sensible management in the future. We are already doing that, because we can throw different levels into the model to gain some understanding of the types of actions that will be required, depending on what the recruitment scenario will be over the coming years.

[5.10 pm]

Dr K.D. HAMES: At this stage I ask the opposition what it would like to do. We have got 50 minutes left—does it want to continue with this or does it want to deal with the final division in this triad?

Mr A.J. WADDELL: We have a number of questions. We have given notice of these questions. We would be quite happy to take the answers as supplementaries given that we have already provided —

Dr K.D. HAMES: We have discussed that before. That is not how supplementary questions work.

Mr T.G. STEPHENS: Some ministers are doing it in the other committee hearings.

Dr K.D. HAMES: They are doing it incorrectly. A supplementary is when a question is asked and the full answer cannot be given. The correct process is questions on notice.

Mr A.J. WADDELL: We would like to move to the Electoral Commission division within the next 10 minutes. We can read out the remaining questions if the minister likes.

Dr K.D. HAMES: Chances are that I will tell the member to put them on notice.

The CHAIRMAN: There are a few members who would like to ask more questions on this. Are members happy to continue for another 10 minutes?

Mr T.G. STEPHENS: The minister has all the answers there.

Dr K.D. HAMES: You have been here long enough to know that that is not how it works.

The CHAIRMAN: We are running out of time. I call the member for Mandurah.

Mr D.A. TEMPLEMAN: There has been a question asked about the marine operations centre in Mandurah. The minister has confirmed that the Fisheries property in Leslie Street will be sold. Does that include the removal of the Fisheries structure on the foreshore of Soldiers Cove? Does that also include the removal of the jetty that is associated with that structure?

Dr K.D. HAMES: My understanding of the answer given was not that it would be sold but that it was expected it would be sold. In my view that is the best option for it. I do not know the answer to the rest of the question.

Mr S.J. Smith: We do not have a definitive answer to that yet because a decision has not been taken on the future of those facilities in much the same way as we expect the building assets to be divested. Certainly, when they are no longer required, they will be, but I do not think a formal decision has been taken yet.

Dr K.D. HAMES: I think that it would be in the interests of the community for those structures certainly to remain. I do not know how we would sell a jetty, but I am sure that the local community would be very interested in that jetty remaining.

Mr D.A. TEMPLEMAN: One of the key concerns is the shed, which basically is the holding area for the boat. There is a shed there, as the minister is well aware, and then there is a jetty structure. The building that would be put up for sale is further up the street in Leslie Street. I know the local community, through the Waterside Residents Association, has previously written to me as its local member about the long-term future of the jetty structures and the shed. Perhaps, by way of supplementary information, the minister might like to come back to us on that.

Dr K.D. HAMES: I would be happy to provide that as supplementary information. Again, I would like a copy of it. The supplementary question is: what are the plans for the sale of the original Fisheries building, but, more particularly, the jetty structure and the associated shed?

[*Supplementary Information No A9.*]

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Mr D.A. TEMPLEMAN: How many full-time equivalent Fisheries officers are expected when the marine operations centre commences operation?

Mr S.J. Smith: The answer is eight FTEs.

Mr D.A. TEMPLEMAN: My final question relates to service 2 on page 226 of the *Budget Statements*, “Compliance and Education”. I had hoped the budget papers would show the allocation of funding to the Volunteer Fisheries Liaison Officers’ program. How many volunteers are currently involved in that program?

Mr S.J. Smith: We do not have the details to hand.

Mr D.A. TEMPLEMAN: I am happy to receive that as supplementary information.

Dr K.D. HAMES: I am happy to provide that as supplementary information.

The CHAIRMAN: Could the member clarify the question?

Mr D.A. TEMPLEMAN: What funds are allocated in the budget to the Volunteer Fisheries Liaison Officers’ program? How many volunteers are currently members involved in this program statewide?

[*Supplementary Information No A10.*]

Mr A.J. WADDELL: I refer to page 230 of the *Budget Statements*, regulatory fees and fines for 2009-10, and the budget estimate of \$23.847 million. My question has several parts. Can the minister give an explanation of what makes up that income? What is the percentage of each component that makes up that income? As nearly all WA’s major fisheries are under stress, why are there increases shown for two successive years out? Has the three per cent efficiency policy been applied to the development and better interest fund component of the budget? If so, how can that DBIF component be justified given it wholly comprises the industry contribution? Is the Cole/House agreement still being reviewed? If so, when will that review be completed? These questions are all under the same line item. Does the government believe the industry should be given some relief from licence access fees given the number of fishery businesses that have closed in the last season? What plans does the government have to support the pearl industry after the collapse of the hatchery over the past two years? I would be happy to take the answers as supplementary information.

Dr K.D. HAMES: I am sure we can deal with those.

Mr S.J. Smith: Yes; the regulatory fees and financial arrangements are the subject of reform and review at the moment, in consultation with the industry. The current arrangements were put in place with the support of the industry. The reform process is proceeding with industry support as well, including the various issues that have been raised.

Mr J.E. McGRATH: My question relates to page 224 of the *Budget Statements* under the heading “Significant Issues Impacting the Agency”. The first dot point states —

The number and type of stakeholders impacting on the State’s fish resources continues to increase.

That leads me to a question that is relevant to my electorate of South Perth. Although my electorate does not have a fishery as such, it has the Swan and Canning Rivers bordering it. I refer to the decision earlier this year—I think it was made by the minister—to buy out the remaining professional fishing licences. That raised some concern from people who like to purchase the Swan River crab, which, from my experience, is a far superior crab to the Mandurah crab.

The CHAIRMAN: Members, that is not true—it is actually Shark Bay but anyway!

Mr J.E. McGRATH: When I went to a fish retailer at Easter, I noticed it was selling Swan River crabs. A question occurred to me: is this the end of people who do not own a boat or do not go crabbing being able to avail themselves of the Swan River crab? Could there be a time when stocks of the Swan River crab return to such an extent that we might allow some sort of professional fishing so that the general, run-of-the-mill public and restaurants and caterers can have access to what is, I think, a unique and much-sought-after crab?

Dr K.D. HAMES: I will concede it is a very large crab but it is nowhere near as tasty as crabs from some other parts of the state!

Mr S.J. Smith: I will refer this question to Mr Paust in a moment to give more details. My understanding, if it is correct, is that the species in the Swan River is actually the same one as in the Mandurah region.

Mr J.E. McGRATH: They are obviously better fed!

Mr S.J. Smith: Despite some parochial comments, I think they are the same species. I have heard the suggestion that the ones in the Swan River are larger than those in the —

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[5.20 pm]

Dr K.D. HAMES: Ours are sweeter.

Mr S.J. Smith: I will not enter into that discussion, but I will call upon Mr Paust to elaborate on the commercial fishing of crabs in the Swan River.

Mr G. Paust: The decision to phase out commercial fishing in the Swan and Canning Rivers was a decision that had bipartisan support. It was essentially promulgated by the Liberal Party and supported by the Labor Party in times past. This year the minister made the decision to implement the final stages of that. We have had voluntary fisheries adjustment schemes operating since 2005 to reduce the size of the fishery. In April 2008, the remaining two licensees were advised that a further voluntary scheme was to be established; and, if not successful, a compulsory scheme would be established. Only one licence was subsequently surrendered to the voluntary scheme in August 2008 for approximately \$340 000. The remaining licensee made an unrealistic offer to surrender the licence, which was not accepted by the government. The minister has now established a compulsory scheme, and a public notice was published on 29 April this year, which is now open for public comment from interested persons for 60 days.

I will move on to the question: is it likely that it will be reopened to commercial fishing in the future? I think that is most unlikely. The government has made a decision that, given the amount of recreational interest in the Swan and Canning Rivers, the resource should be allocated to the recreational sector.

Mr J.E. McGRATH: I have one further question. Can the department tell me—Mr Paust said it was a bipartisan decision—what sort of research that was based on? Was it based on similar research to that which we heard about before with the rock lobster industry? If so, by how much have the stocks in the Swan River diminished over the years?

Mr G. Paust: The decision essentially was a resource allocation decision. The decision did not take into account the fact that the stocks were under a particular stress. There was conflict between the recreational and commercial sectors, and there was growth in recreational fishing. It was an opportunity for people living around the river in the broader metropolitan area to fish for the fish resource. Essentially, it was allocating more of the share of the fish resource to the recreational sector. It was not an issue about sustainability as such. Now that the fishery has been allocated to the recreational sector as a whole, if we become concerned about the status of the stock, we will then have to reduce the amount of recreational fishing in the river. Unless my colleague corrects me, my understanding is that we are satisfied about the sustainability of the stock at present.

Dr K.D. HAMES: I see that the member for Mandurah is waving his hand. There are only 35 minutes left for our last division.

Mr J.E. McGRATH: I have one final question. Could that mean that one day there could be no professional crab fishing in the Mandurah Estuary?

Dr K.D. HAMES: I do not think that is something that any of our departmental staff would be able to answer, because the decision that was made to take professional fishermen out of the Swan River was not one that was made by departmental staff; it was made by the politicians of the day—initially the Liberal Party and then supported by Labor and now again the Liberal Party. I guess the time will come when, as governments, we will question whether that Peel resource should be totally dedicated to the public to use or whether there should be some professional access to that stock. My view is that, despite the strong and great use that recreational fishers get out of that catch, the point that the member made is a good one. Lots of people in Mandurah, particularly the elderly, cannot access those crab stocks. Therefore, in my view, there needs to be some degree of professional catch. I would be interested to know whether the member for Mandurah shares that view. It is always a severe conflict, and it is difficult to resolve. The most important issue is the sustainability of the catch and to make sure that no-one is catching more than the sustainable yield.

Mr A.J. WADDELL: I refer to page —

Dr M.D. NAHAN: I thought that we agreed to move on in 10 minutes.

Dr K.D. HAMES: We had agreed to move on in 10 minutes. There are some questions on the final division from our side, and normally relatively equal times are allocated. Equal time would be an hour and 20 minutes.

The CHAIRMAN: We will make this the final question on this division.

Mr A.J. WADDELL: Can I submit my remaining questions as questions on notice?

Dr K.D. HAMES: We are more than happy for the member to do that.

Extract from *Hansard*

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The CHAIRMAN: Those questions that the member for Forrestfield would like to put on notice have to go through the normal process for putting questions on notice.

Dr K.D. HAMES: If the member places them on notice, he has to go through that normal process. However, we will ensure that the member gets rapid answers to all those questions.

The appropriation was recommended.