

**Division 15: Primary Industries and Regional Development — Services 1 to 7, Fisheries, \$622 103 000 —**

Mr D.A.E. Scaife, Chair.

Mr D.T. Punch, Minister for Fisheries.

Mr T. Hill, Acting Director General.

Ms H. Brayford, Deputy Director General, Sustainability and Biosecurity.

Mr C. Binning, Acting Deputy Director General, Primary Industries Development.

Mr B. Mezzatesta, Executive Director, Operations and Compliance.

Dr R. Fletcher, Executive Director, Fisheries and Agriculture Resource Management.

Ms M. Taylor, Chief Finance Officer.

Mr T. Palmer, Chief of Staff, Minister for Fisheries.

Mr A. Skinner, Senior Policy Adviser.

[Witnesses introduced.]

**The CHAIR:** The estimates committees will be reported by Hansard. The daily proof *Hansard* will be available online as soon as possible within two business days. The chair will allow as many questions as possible. Questions and answers should be short and to the point. Consideration is restricted to items for which a vote of money is proposed in the consolidated account. Questions must relate to a page number, item or amount related to the current division, and members should preface their questions with these details. Some divisions are the responsibility of more than one minister. Ministers shall only be examined in relation to their portfolio responsibilities.

A minister may agree to provide supplementary information to the committee. I will ask the minister to clearly indicate what information they agree to provide and will then allocate a reference number. Supplementary information should be provided to the principal clerk by close of business Friday, 3 June 2022. If a minister suggests that a matter be put on notice, members should use the online questions on notice system.

Are there any questions? The member for Roe.

**Mr P.J. RUNDLE:** Thank you, chair. My first question is on the fisheries adjustment scheme special purpose account on page 239. I note the expenditure for the account in 2021–22 was \$5.308 million. Can the minister detail what these payments were related to?

**Mr D. PUNCH:** Yes. I will refer that to Ms Brayford, because she will have the detail of those appropriations.

**Ms H. Brayford:** Thank you very much. Those relate to what we call industry-funded fisheries adjustment schemes whereby industry funds the rationalisation of licences within the fleet. We have had three schemes running for a period of time: the Shark Bay prawn adjustment scheme, which has now concluded; the Shark Bay scallop adjustment scheme, which is due to conclude next year; and the Abrolhos Island scallop scheme, which has several years yet to run, mainly because the fishery has been closed for a number of years because of environmental factors. Those numbers will reflect the payments from industry and then out of the department to the Western Australian Treasury Corporation to fund those schemes.

**Mr P.J. RUNDLE:** I note that no funds are specified beyond 2022–23. Can the minister explain the funding mechanisms under the scheme through which our commercial fishers will be compensated beyond that time?

**Mr D. PUNCH:** I refer to Ms Brayford.

**Ms H. Brayford:** The member may be referring to compensation schemes for marine parks. Would that be correct?

**Mr P.J. RUNDLE:** Yes.

**Ms H. Brayford:** Compensation for marine parks is not done through the Fisheries Adjustment Schemes Act; it is done through what is called the Fishing and Related Industries Compensation (Marine Reserves) Act. I think I have got that right. It is a bit of a mouthful. Once the compensation is determined for the relevant marine park, a separate appropriation would be requested to fund compensation for those schemes.

**Mr P.J. RUNDLE:** Can the minister outline the current status of this process for compensating fishers impacted by the Ngari Capes Marine Park?

**Mr D. PUNCH:** Yes, there are some matters before the State Administrative Tribunal on that. Other matters have been settled. We have been committed to providing fair compensation for areas that are closed to commercial fishing. With respect to Ngari Capes, offers to eligible licence holders have been made. Some fishers have accepted offers of compensation and, as I said, there are a number before the State Administrative Tribunal. This is the process followed for all state marine parks. We go through that process and hopefully arrive at a settlement, but, if not, there are provisions that enable people to take the matter further.

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**Mr P.J. RUNDLE:** I refer to the work being undertaken to establish the south coast marine park, as the minister knows, in my electorate. Does the minister support the premise that the method by which fishers will be compensated, including determination of the market valuation on which any compensation is based, should be agreed between all parties prior to the establishment of the park?

**Mr D. PUNCH:** No. The principles have been well established through the act. The process is there, but it is impossible to determine what the compensation quantum will be until the plan for the parks is finalised. That is a process that stakeholders are currently going through in terms of planning for the south coast marine park, and it still has a long way to run. But the principles, in terms of the Fishing and Related Industries Compensation (Marine Reserves) Act, are well established. I do not know whether Ms Brayford would like to add anything to that.

**Ms H. Brayford:** I am right. That is fine, thank you.

**Mr P.J. RUNDLE:** Obviously, as the minister says, it is in the early stages. What preliminary work has been undertaken by the Department of Primary Industries and Regional Development to determine the value of the compensation? Does the department look at the past track record of the tonnage and so forth? How will that actually be decided upon?

**Mr D. PUNCH:** A number of variables go into establishing the quantum of compensation, but it is entirely dependent on the nature of the impact on the commercial fisher subsequent to the plan being established. I will ask Ms Brayford to give the member an overview of the common variables that are taken into account, and certainly catch history is one of them.

**Ms H. Brayford:** FRICMA operates on the basis of reduction in market value. Once it is determined that a fisher is eligible for compensation—that is, they have suffered loss through the marine park zoning scheme—there is then an assessment of the reduction in market value of that licence through the marine park planning process. I think it is fair to say that that has been fairly challenging over time, particularly if there is a passage of time between the initial planning process and the actual gazettal of a marine park. There can often be a passage of time so a bit of movement can be seen, but the main thing is reduction in market value. More generally, we are working closely with fishers in terms of getting an assessment of what the impacts will be. We also work with the Department of Biodiversity, Conservation and Attractions on providing catch information and information on management arrangements, which all go into the planning process to ensure that we get an appropriate balance between the values that we are looking to protect in the marine park and the activities of commercial and other fishers.

**Mr P.J. RUNDLE:** It is a difficult one to pinpoint. Is there any time frame, let us say, for the south coast marine park? Obviously, there are a lot of elements to be taken into account, as the minister has said. Would the minister have any thoughts about the time frame involved for this to come to fruition or for this compensation?

**Mr D. PUNCH:** The planning process for the south coast marine park is actually under the control of DBCA, so the member will need to refer that question on the length of time of the planning process. In terms of the analysis of what compensation is payable, there are two relevant events in that assessment, and I will ask Ms Brayford to give the member a description of those.

[1.10 pm]

**Ms H. Brayford:** FRICMA looks at two relevant events for when compensation can be triggered. I hope I have the sections of the act right, but one is when the declaration of the marine part is done under the CALM act. I will not give the section number, because I might be incorrect, but it is when they are declared under the CALM act. The second relevant event is when the fisheries orders are put in place to close areas to commercial fishing. They are the two relevant events that can trigger the compensation process, and they will be obviously post the planning process.

**Mr P.J. RUNDLE:** I guess we have seen a pattern develop over time whereby fishers have at times had their licences reduced and then the compensation package has been determined after that. That is my understanding for certain parts of the state, so it is a concern. I just wondered whether the minister had any comments on that. It makes it difficult for fishers to negotiate when their licence has already been reduced prior to that compensation package being decided upon.

**The CHAIR:** Can I just clarify, member for Roe? That sounded to me like a general policy question rather than one about a particular item. Is there a particular line item that you are referring to?

**Mr P.J. RUNDLE:** Yes. This is an extension to the whole fisheries adjustment scheme special purpose account, which covers —

**The CHAIR:** I will leave it to the minister as to whether he wants to respond.

**Mr D.T. PUNCH:** Sorry for the pause there, member. It was in the interest of giving the most accurate answer possible. In general terms, there is a 12-month grace period between closure and determination, so there is a period of time for negotiation of that before there is an impact. But we do want to check in relation to the Ngari Capes matter, so

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I am happy to take that as a supplementary question to give the member a better description of the policy framework that applies in those circumstances.

**Mr P.J. RUNDLE:** That would be appreciated. Thanks, minister.

**The CHAIR:** Can I just get clarity? Are you offering to provide that as supplementary information?

**Mr D.T. PUNCH:** Yes. We will provide supplementary information on the impact of the timing of fisheries closures on compensation.

**The CHAIR:** Is it for a particular area?

**Mr D.T. PUNCH:** For Ngari Capes.

[*Supplementary Information No B17.*]

**Mr V.A. CATANIA:** I refer to page 220. Paragraph 11 states —

Recreational fishing is a significant contributor to the State's economy and lifestyle, particularly in regional locations, with the Department supporting a range of initiatives.

**Mr D.T. PUNCH:** Sorry, I cannot quite hear the member. Could he just speak up a little?

**Mr V.A. CATANIA:** It is paragraph 11 about recreational fishing and the plan for three new artificial reefs. I want to ask the minister about the status of the Carnarvon artificial reef, which has 110 Apollo concrete structures, 297 type 4 bomboras, and 169 type 5 bomboras. An agreement was entered into between the department and the Carnarvon Chamber of Commerce and Industry in 2019, under which the government supplied \$300 000 or \$350 000. Can the minister provide the status of that project to the committee?

**Mr D.T. PUNCH:** Yes, I can. I think this is a question that the member raised with me in question time and referred to it as an election commitment, which of course it was not. It was a funding arrangement in 2019 and the McGowan government invested \$300 000 through the recreational fishing initiatives trust to build the artificial reef off Carnarvon. It is very much a case, as the member would know, of putting recreational fishing licence fees to work in a very practical way to support fishers. In good faith, the Carnarvon Chamber of Commerce and Industry and local volunteers prefabricated the 596 fibre-reinforced reef modules for the new reef. That was done in parallel to Recfishwest working through the approvals process with the commonwealth. As I think the member knows, the commonwealth Department of Agriculture, Water and the Environment administers the Environmental Protection (Sea Dumping) Act, and that provides the pathway for artificial reef permits. That department is reviewing its policy. Although artificial reefs have used those same materials in other locations, it was really unfortunate that there had not been better communication from that department to the chamber of commerce to provide early advice in anticipation that that policy change might result in a non-approval.

The department is continuing to work with the Carnarvon Chamber of Commerce and Industry and Recfishwest to find a pathway forward. There is an absolute commitment to seeing that reef constructed in Carnarvon, so we will be working very much with the department itself, but I will also raise the issue with the incoming federal Minister for the Environment and Water to see whether we can provide a pathway forward, given the precedents that have been established already in relation to those reefs. I was not contacted prior to the member raising the issue in question time by the Carnarvon Chamber of Commerce and Industry, Recfishwest or the local shire. It might have been useful to anticipate that there was an issue and let me know, because we will certainly work hard to find a solution to address that issue. In terms of raising that issue in question time, I think it reflected that there was not actually a genuine attempt to resolve that issue, because it was sitting there. The department had been working with the respective agencies, and we would have been more than happy to provide a comprehensive briefing or undertake any action that the member thinks might be appropriate or helpful in terms of working together. But to just drop a question that really did not have an accurate premise —

**Mr V.A. CATANIA:** I would have thought the minister would have been across his brief.

**Mr D.T. PUNCH:** No. This is a Recfishwest proposal. To drop that question in the way that the member did —

**Mr V.A. CATANIA:** Funded by the minister's department.

**Mr D.T. PUNCH:** — was not an appropriate way to represent his constituents in North West Central and get a result.

**Mr V.A. CATANIA:** Clearly, the minister was not across his brief, more importantly.

**Mr D.T. PUNCH:** As I have said, we will work through the issues and we will look for a solution. We are going to look at all options to complete that project for the local community, because it is in the local community's interest. Those reefs are an excellent contribution that Recfishwest is making. They are a great idea. I was involved with the initial location of the reef off Marmion and I think they have been very, very helpful in terms of supporting the recfish sector. We are committed to it, so in response to the member's question, yes, we will continue to work through those issues.

**Mr V.A. CATANIA:** I thank the minister for acknowledging that he is going to work through it to try to resolve the problem, but the immediate problem is that it is costing the chamber of commerce money every month to house these modules for the artificial reef. Will the minister assist in ensuring that this volunteer group is not left out of pocket while this issue is unresolved? Will the minister also come up with the necessary funds of \$1.6 million—the cost to actually rectify this situation in which the chamber of commerce is now left with a huge liability that sits in a yard in Carnarvon? Will he come up with the money that is needed to ensure that that artificial reef is constructed in the appropriate manner?

**The CHAIR:** Can I just clarify? We are on paragraph 11 of page 220. Is that right, member for North West Central?

**Mr V.A. CATANIA:** Yes.

**The CHAIR:** I let the first question go because the minister seemed willing to answer it, but unless this is one of the projects that is referred to in paragraph 11, I do not see the relevance to this appropriation.

**Mr V.A. CATANIA:** Artificial reefs are totally relevant to the Minister for Fisheries and there is a line item.

**The CHAIR:** That is one of the less convincing explanations of relevance we have had in estimates.

**Mr V.A. CATANIA:** I do not know how else I can describe it, chair.

**The CHAIR:** I am ruling the question out of order. I give the call to the member for Vasse.

**Mr V.A. CATANIA:** No, sorry. I have a point of order, chair. It is a question in relation to an artificial reef that the department has highlighted on page 220 at paragraph 11.

**The CHAIR:** Okay. That is not a point of order.

**Mr V.A. CATANIA:** The only thing —

**The CHAIR:** Sorry, member for North West Central. It is not a point of order and you do not use a point of order to argue with a ruling of the chair. I have ruled it out of order. That is the ruling. The member for Vasse has the call.

[1.20 pm]

**Ms L. METTAM:** Thank you, chair, and thank you, minister. I have a question relating to page 218. Under “Spending Changes”, I refer to the new initiatives and aquaculture projects. Can the minister please outline the projects that this budget allocation will fund, and how the projects align with the state’s aquaculture plan?

**Mr D.T. PUNCH:** This is for a number of projects as part of really giving an impetus to the aquaculture agenda in Western Australia. The funding went to support a number of aspects that will really strengthen how we respond to aquaculture, both from a planning and a policy point of view. Funding of \$800 000 went to the Aquaculture Council of Western Australia to support an independent chair and executive officer; \$200 000 was provided to support project funding of the Aquaculture Council of WA; \$150 000 is for a site selection process and publicly accessible GIS mapping of zones; \$100 000 went to support the Abrolhos Islands aquaculture development framework; \$900 000 is for two FTEs to support the aquaculture management directorate; and \$50 000 is for the , monitoring project of the Western Australia shellfish quality assurance program, or WASQAP, which essentially monitors water quality in aquaculture zones to ensure that we can fish sustainably.

**Ms L. METTAM:** Whereabouts? I appreciate the funding commitments, but what locations are these?

**Mr D.T. PUNCH:** Sorry, what?

**Ms L. METTAM:** What are the locations of the aquaculture projects?

**Mr D.T. PUNCH:** The Aquaculture Council is a Western Australia-wide body that essentially supports industry development across Western Australia. We have particular zones, as I identified, in the Abrolhos Islands. We are also supporting the development of the aquaculture zones in the Albany area. We have aquaculture zones around the Kimberley and in the Pilbara, so there are a number of areas. This funding will essentially be used to develop the architecture that will support aquaculture development across the state. We are in continuing conversations with proponents within the aquaculture sector to look at how we might further support industry development in this area.

**Ms L. METTAM:** Just in relation to the Albany site, is that the Harvest Road project?

**Mr D.T. PUNCH:** Harvest Road is one leaseholder in the Albany area, but there are a number of other proponents. As the member would be aware, we are finalising licences and leases in the Oyster Harbour area for stage 1 of the aquaculture zone. We recently advertised for expressions of interest in stage 2.

**Ms L. METTAM:** What has been the state government’s financial support for the Harvest Road project so far?

**Mr D.T. PUNCH:** In terms of direct financial support into Harvest Road, there has not been any, as far as I am aware. What we do provide, of course, is the nursery and hatchery, which is available to a number of proponents. They provide spat for the Harvest Road aquaculture development itself. That is part of what we find we need in

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aquaculture—to support both the grow out and incubation of spat, both from a biosecurity and a quality point of view. That supports a number of aquaculture operations, aside from Harvest Road.

**Ms L. METTAM:** What is the time frame for the projects in Albany—for Harvest Road and others? Is it already being delivered now? What is the status of that project?

**Mr D.T. PUNCH:** Yes, Harvest Road is operational. As I mentioned earlier, the finalisation of the remaining licences and leases for stage 1 is not far away. We are proceeding with the expressions of interest and assessment of expressions of interest for stage 2, but I might ask Ms Brayford whether there is any more detail that might assist the member.

**Ms H. Brayford:** No, I think the minister is pretty much spot on there. For stage 1, we have had a number of licence applications. There was a lot of interest in that site, so it was fairly oversubscribed. We have done a lot of work with the applicants to get the best outcome for that area. We have just completed what is known as an environmental management framework, and that enables us to proceed with writing statements of decisions for the actual licences. Once that is done, the minister will then consider leases to provide the tenure in the zone. That is all underway and quite close. Stage 2 will follow, as the minister said.

**Mr P.J. RUNDLE:** I refer to page 221. About halfway down the page in the table is the statement —

Regional Western Australia has the social amenity, through recreational fisheries, to grow and create jobs.

I asked the minister a question some time back in the Legislative Assembly about fisheries further north. Recreational fishers will pull up a fish and a shark will grab it halfway up. The minister said the department was doing some work on experimental ways of getting those sharks to back off. I was just wondering how that is progressing. Can the minister give us any details on that?

**Mr D.T. PUNCH:** I draw the member's attention to the *Fisheries science update—April 2022: Shark depredation*, which gives a summary of the outcomes of the research that the department undertook. It provided a range of deterrence options. The shark issue is a serious issue, but at the same time, sharks are an important part of the ecology of the marine environment. It is a really delicate balance of how we manage recreational fishing interests and the frustrations that recfishers have when sharks take a catch, and how we manage the actual sharks and the ecology of the areas themselves. In terms of deterrence, the research has found that the risk of shark depredation can be reduced by about 65 per cent. There is a range of options, including tools to actually repel sharks, as well as fishers moving around locations, because shark behaviour very quickly picks up on popular fishing spots. In a sense, being a bit tactical in terms of where people fish and how they might move around can assist in reducing shark depredation. It is a critical issue not only for recfishers, but also the charter boat sector. We are very mindful of the charter boat sector. The research was conducted at a range of areas, from the Montebello Islands up to Exmouth—right through that popular recreational fishing and charter fishing area. I recommend that the member have a good look at that, and I am happy to arrange a briefing on the outcome of that research if he would like it.

**Mr P.J. RUNDLE:** Thank you.

**Mr V.A. CATANIA:** I refer to page 220 and paragraph 11, which states in part —

Planning for three new artificial reefs is underway with deployment of a new reef in Albany, scheduled for late 2022 ...

Can the minister please outline the three artificial reefs? He outlined one, being Albany. What are the other two?

**Mr D.T. PUNCH:** The other two are Kalbarri and Broome.

**Mr V.A. CATANIA:** When will Kalbarri be rolled out?

**Mr D.T. PUNCH:** When will it be?

**Mr V.A. CATANIA:** Completed and in the water.

**Mr D.T. PUNCH:** Community consultation on site selection will take place in the second half of 2022. Then we will have procurement, with deployment occurring in 2023–24. Recfishwest will hopefully provide an early application to the commonwealth under the Environment Protection (Sea Dumping) Act 1981.

[1.30 pm]

**Mr V.A. CATANIA:** It also states here —

The Department is also working closely with Recfishwest on the development of a Western Australian Recreational Fishing Development Plan (the Plan). Responsible stewardship, innovation and maximising the social and economic benefits recreational fishing provides to the community ...

Does that plan cover artificial reefs?

**Mr D.T. PUNCH:** The plan is in draft form. We are checking to see whether it includes artificial reefs, but I suspect the member is like a shark circling back to Carnarvon.

**Mr V.A. CATANIA:** I see a whale floating on top of the surface and I am taking a bite!

**Mr D.T. PUNCH:** We might have to reel the member in on that one! Yes, it does include a reference to partnering applications, but it is in draft form and we will wait to see the final product from Recfishwest.

**Mr V.A. CATANIA:** It does include artificial reefs. I would like to ask a question about the Carnarvon artificial reef, which is part of this draft plan that the minister has mentioned that is outlined in the budget papers at paragraph 11. Will the minister commit to ensuring that the Carnarvon Chamber of Commerce and Industry, a volunteer group, is not out of pocket from having to look after the artificial reef that is currently in a yard in Carnarvon and is costing it money each week?

**The CHAIR:** My ruling on that question remains the same, member for North West Central, but the minister has indicated he is willing to indulge it, so I will allow it.

**Mr D.T. PUNCH:** In the interests of the member for North West Central's constituents, what I am going to commit to is that the department will continue to work with the chamber and Recfishwest to deliver a reef in the Carnarvon area. I have never heard the figure of \$1.6 million. I would be very interested to know whether the member made any representations to his predecessor at the federal level in relation to the sea dumping application, given that this issue has been caused by a policy decision by the federal department—not even a policy decision; a policy review. I would have thought that as a member who has the interests of his constituency at heart, he would have rung up his federal colleague and had a chat with him about the issue.

**Mr V.A. CATANIA:** Can I respond to that?

**The CHAIR:** The member for North West Central.

**Mr V.A. CATANIA:** Unfortunately, when we found out, it was during the caretaker period and we were not able to try to rectify the situation. What is concerning is that the minister responsible for the money given to the Carnarvon Chamber of Commerce and Industry to build this was not aware of this. As the minister said, he was not aware that this project is now costing the Carnarvon Chamber of Commerce and Industry money each week to house a product that is just sitting there. It is a \$300 000 waste of taxpayers' money and it will now cost \$1.6 million to fulfil the minister's commitment to build an artificial reef in Carnarvon. It is actually on him.

**The CHAIR:** There is no need for the minister to respond to that unless he would like to.

**Mr D.T. PUNCH:** No; I would like to. I would just like to make the comment that a very good local member would know what is happening in his electorate and do something about it and not just come into Parliament or claim —

**Mr V.A. CATANIA:** You are the minister. You should know. You are the one who gave the money. You gave the money.

**Mr D.T. PUNCH:** What I do know, member—it is my turn—is that I have never heard of the \$1.6 million except from him, with no data to back it up. I do know, member —

**Mr V.A. CATANIA:** Perhaps you should ask your advisers, then.

**Mr D.T. PUNCH:** Just be quiet.

**Mr V.A. CATANIA:** Do not tell me to be quiet!

**Mr D.T. PUNCH:** I know that my department has been working closely with Recfishwest and the chamber to find a solution.

**Mr V.A. CATANIA:** Ask them for a cost, then, because that is where it has come from.

**Mr D.T. PUNCH:** I do know that and that is the end of the matter.

**The CHAIR:** Members. All right. Do we have a new question? The member for Vasse.

**Ms L. METTAM:** I refer to the works in progress on page 229 and the Geraldton marine finfish nursery facility. I am just looking at the funding arrangements there. Can the minister confirm whether this project will be completed in line with the budget—so, in 2023–24?

**Mr D.T. PUNCH:** I thank the member for that very sensible and well-considered question. The current status of that project, as I have indicated in Parliament in the past, is that it is linked to the proposal by Huon to develop a kingfish aquaculture project in the Geraldton area. The framework was essentially that that facility would provide the grow out for the fish that would then be purchased by Huon, and then it would grow them out offshore. As the member may know, Huon has recently been the subject of an ownership change. I have met with Huon to discuss its plans. Although Huon is very interested in coming to Western Australia, it has not consolidated that into a definitive plan. Because we do not have a definitive business model from Huon and a commitment to proceed, it makes it very difficult to proceed with the finfish nurseery and potentially have it as a stranded asset.

We are still committed to the Geraldton finfish nursey. We are very committed to working with Huon. I have asked the department to continue to work closely with Huon to look at supporting it to develop its business proposal to establish an aquaculture zone in the Geraldton area, but we will not proceed with the Geraldton finfish nursery until we have certainty that there is an offtake agreement for the hatchlings.

**Ms L. METTAM:** Can the minister explain the reasoning around the selection of Huon for this project? I understand—correct me if I am wrong—that there was some concern in Geraldton that some of the local operators were not given the opportunity to contribute to this project.

**Mr D.T. PUNCH:** The project will not be a monopoly provider to one operator. If the project is constructed, it will be available to supply stock to anybody who wants to purchase it. At the moment, there is no demand. A local person has been investigating kingfish in that area. I understand he has withdrawn from that as an option. I also understand that there are some research issues to be resolved around parasites in kingfish in the Geraldton area, and that may well have led to that person’s decision not to proceed. We are very open to proceeding with that project, but we need to have certainty that there will be a proponent who will take the hatchlings.

**Ms L. METTAM:** Can the minister confirm that the facility will be constructed in Geraldton?

**Mr D.T. PUNCH:** That is our proposal. We have done all the research and planning based on a particular site. In the discussions that I have had with Huon as a potential proponent, it is still interested in that Geraldton area, so all the signals are that that is the area of choice for Huon. To the extent that I can give the member a commitment, that is the commitment. We are open to the construction of that facility in Geraldton. We need a proponent to take the offtake.

**Ms L. METTAM:** What arrangements are being proposed for the ongoing management of the facility? I know we are not there yet, but the department must have an idea of how it will run and how it will be staffed and funded going forward.

**Mr D.T. PUNCH:** The planning that has taken place to date has been based on an owner–operator sort of model, so essentially the state would operate it. By the same token, if a business proposition comes from a proponent that allows for leasing of the asset or a sharing of the asset in some way, or sharing of risk, then we would be certainly open to that. What I would not be open to is restricting the output of that facility to one proponent. If the state is investing in it, it is about the development of the aquaculture industry, and we will look at supporting any proponent who comes along with a finfish proposal for kingfish.

[1.40 pm]

**Ms L. METTAM:** When does the minister anticipate getting some certainty around the status of Huon and its role or future role in this project?

**Mr D.T. PUNCH:** I would like it to be sooner rather than later, but I am entirely dependent on Huon and its business planning. Of course, Huon is dependent on its new owners in terms of their business decisions. It has given me a commitment that it continues to be keenly interested. I understand that it is looking at land-based options for location in the Geraldton area, but it still has to actually commit. That is a decision for its board and I cannot influence that but I would certainly like it to be sooner than later because we have funding tied up with that facility.

**Ms L. METTAM:** Is a requirement attached to the funding that the facility be constructed in Geraldton? I know the minister assumed or hoped that it would be, but is that a requirement attached to the funding?

**Mr D.T. PUNCH:** No, there is no requirement attached to the funding. It is in the *Budget statements* that it is a Geraldton facility. If it says Geraldton, it says Geraldton, and I am not sure what else I can give the member. We have a big commitment to aquaculture development in the Geraldton–Abrolhos area. An awful lot of work has gone into looking at zones, and there has certainly been a lot of engagement with Huon, as with other proponents. Unfortunately, we do not have something that has firmed up into a clear business decision that says, yes, it is going to invest in that area, which would trigger our investment to provide that infrastructure. What I do not want to do is to build the infrastructure in the hope that Huon will come. As the member would know from my days in the South West Development Commission, we did that with the Busselton Margaret River Airport and it may be successful. We will see how that goes. But in relation to Geraldton, I think the risk is too big at this point, because we are reliant on the business decision-making of boards remote from the Geraldton area.

**Ms L. METTAM:** Okay. Thank you.

**Mr C.J. TALLENTIRE:** I would like to turn to page 233 of budget paper No 2, volume 1, and the line item “Recreational Fishing Initiatives (includes Fishability)”. There is \$2.1 million in the out years of the forward estimates. Can the minister confirm that that money will go to Recfishwest? What percentage of that will go to the fishability program?

**Mr D.T. PUNCH:** An amount of \$2 million will go to the recreational fishing industry fund, and \$100 000 will go to fishability.

**Mr C.J. TALLENTIRE:** Will the money actually go to Recfishwest?

**Mr D.T. PUNCH:** It will go into the fund itself, and the department will work with Recfishwest and make recommendations to me on the use of that fund.

**Mr C.J. TALLENTIRE:** To the extent that the minister has the ability to consult with recreational fishing in general, but specifically Recfishwest, does he have the opportunity to suggest programs that they might work on?

**Mr D.T. PUNCH:** Yes. I meet with Recfishwest on a regular basis, as I do with the Western Australian Fishing Industry Council and the Aquaculture Council of Western Australia, and we discuss a whole range of issues. Our recfishing agenda is going to be guided by the recfishing plan that Recfishwest is working on. As I have said, we have seen a preliminary draft of that. That will really guide the priorities for how we support recfishing into the future and how we guide the support of that from a sustainable point of view.

**Mr C.J. TALLENTIRE:** Is the minister able to advise Recfishwest on the need to train people in responsible fishing practices so that we do not have this dreadful, cruel practice of people catching beautiful seabirds like pelicans, cormorants, darters and herons when they cast off? These beautiful birds get caught on the hooks or they get caught as the person casts out and the hook gets in the mouth, in the beak, in the wings, all over the animal, leading to, inevitably, more often than not, very cruel deaths? Does the minister have the capacity to ask the recfish industry to educate recreational fishers around this problem?

**Mr D.T. PUNCH:** I have the capacity to raise any issue with Recfishwest. I understand that Recfishwest does have codes of practice, and I know that it is committed to looking at how to minimise the unintended consequences of recfishing, including impact on other species. I am happy to raise it again. It is very unfortunate that these circumstances occur. I am very confident that Recfishwest does its utmost to educate recreational fishers on options to try to avoid those sorts of impacts.

**Mr C.J. TALLENTIRE:** If we look at the Recfishwest website, there is nothing about this type of bird entanglement issue at all. Has the minister received advice about the level of knowledge of this within the recreational fishing community?

**Mr D.T. PUNCH:** No, I have not received any particular advice from Recfishwest but I do not attend the various forums that Recfishwest has with recreational fishers under the recreational fishing clubs. I am happy to raise the member's concern with Recfishwest, but I do not sit and scrutinise the actions of Recfishwest with recfishers in those areas. If the member thinks there might be a good opportunity to add some information to the website, I am happy to raise that with Recfishwest.

**Mr P.J. RUNDLE:** I refer to "Recreational fishing special purpose account" on page 240 of budget paper No 2, which states —

... the account is to hold funds, which may be applied by the Minister to any of the purposes prescribed by section 239 of the FRM Act.

Can the minister explain to me what those funds could potentially be put towards? What are some of those examples?

**Mr D.T. PUNCH:** One example is the buyback of licences for commercial fishers that are to be reduced or closed to reduce the pressure on fish stocks. As the member would be aware, the issue of sustainability is so critical in relation to how we manage the fishery and ensuring that we can continue with the total available catch to be confident that we are not overfishing. That sometimes requires adjustments. This fund can be used for the buyback of those licences as required.

**Mr P.J. RUNDLE:** Let us say a recreational fisher goes fishing on the weekend in the south coast marine park or the like and catches a few fish. If the south coast marine park potentially takes an area away from them, do they have any ability to apply for funds or is this fund wholly related to licences and the like?

**Mr D.T. PUNCH:** No statutory compensation is available to recreational fishers. I have every confidence that the marine planning process, which includes recreational fishing interests for the south coast, will provide sufficient areas to enjoy recreational fishing into the future. I understand how important it is to recreational fishers, to local communities and to the tackle industry itself. In that context, I am very confident in the planning process. I certainly hope that those recreational fishers who are part of the consultative process really contribute effectively to highlight the areas that are important from a recreational fishing perspective. There is no statutory compensation scheme for loss of recreational fishing area.

[1.50 pm]

Mr Peter Rundle; Mr Donald Punch; Mr Vincent Catania; Ms Libby Mettam; Mr Chris Tallentire; Mr D. Punch

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**Mr P.J. RUNDLE:** I certainly do not share the minister's confidence, after what I have seen with the consultation processes and the like for the south coast marine park. Quite a large number of constituents have come to my office expressing their concerns, so the minister can understand how my confidence levels are low. That is the point I wanted to get across.

**Mr D. PUNCH:** I am very confident with the process. As I said, it has been met by the Department of Biodiversity, Conservation and Attractions, but the department has had input into that process. I have been to Esperance with the previous Minister for Environment and met with the community, individual stakeholder groups and of course Recfishwest. I am very confident that the process needs to run its course and make a judgement at the end of that process if people feel aggrieved, and there will be a process for dealing with that.

**Mr V.A. CATANIA:** Licence fees collected from recreational fishers or boating licences or whatever go into this special purpose account. Does the department pay Recfishwest out of that special purpose account?

**Mr D. PUNCH:** Is the member referring to the recreational fishing fund?

**Mr V.A. CATANIA:** I am referring to the special purpose account under the Fish Resources Management Act. It is at the top of page 240, referred to by the member for Roe. It states —

Account Purpose: The Recreational Fishing Special Purpose Account was established under the FRM Act. The purpose of the account is to hold funds, which may be applied by the Minister to any of the purposes prescribed by section 239 of the FRM Act. The funds support activity relating to recreational fishing.

Is that where Recfishwest gets its funds from?

**Mr D. PUNCH:** I will refer to Ms Brayford.

**Ms H. Brayford:** Yes, the recreational fishing special purpose account is used to fund recreational fishing activities. It does include licence fees, which go into that account. Payments can be used for grants. For example, under the recreational fishing initiatives fund, payments are made to Recfishwest and also to fund our direct costs of fisheries compliance, fisheries management, and also research for recreational fishing. That is the account that we use to manage recreational fishing in the state.

**Mr V.A. CATANIA:** Does the minister sign off on these grants for which funds come out of the special purpose account, which he is in charge of?

**Mr D. PUNCH:** Yes, I do. There is no delegate. They are all recommended to me.

**Mr V.A. CATANIA:** So the minister has the final say?

**Mr D. PUNCH:** I look at the recommendations and I approve or do not approve them.

**Mr V.A. CATANIA:** The minister basically has the ability to hold funds if he wants to hold funds for Recfishwest or any other grant. Is that the case?

**Mr D. PUNCH:** Yes.

**Mr V.A. CATANIA:** That gives the minister some sort of power, if you like, over Recfishwest to say, "I would like to do X, Y or Z or you do not get your funding." Is that the case? It may not be the case with the minister, but he has the ability to do that.

**Mr D. PUNCH:** I have a funding agreement with Recfishwest. That agreement sets particular outcomes. Recfishwest's principal responsibility under that agreement is the engagement and consultation with recfishers, particularly in relation to policy issues that the government might be looking at. I do not direct Recfishwest on a day-to-day basis; it has funds from other areas, but its work in relation to government is governed by a funding agreement.

**Mr V.A. CATANIA:** I understand that but, ultimately, the minister holds the major purse strings for Recfishwest and therefore he has to agree to the agreement, I suppose, because he is the one who is providing the funds. He has a large say on how Recfishwest operates. Is that correct?

**Mr D. PUNCH:** No, it is incorrect. I have a say in relation to the funding agreement and the outcomes that are required. How Recfishwest operates its business is up to Recfishwest. I am not a shadow director.

**Mr V.A. CATANIA:** What is the current total in that special purpose account?

**Mr D. PUNCH:** As at this point in time?

**Mr V.A. CATANIA:** I would imagine the minister would know the amount as at the end of the financial year.

**Mr D. PUNCH:** I am advised that the closing balance is \$2 million as per the budget papers.

**Mr V.A. CATANIA:** If the minister wanted to allocate \$1.6 million to the artificial reef in Carnarvon, he could do it out of that account!

**Mr D. PUNCH:** I think the member is becoming a white pointer!

I have given the member a commitment that the department will continue to work with the Chamber of Commerce and Industry and Recfishwest to arrive at a solution for an artificial reef at Carnarvon.

**Ms L. METTAM:** My question relates to the question I asked earlier, but it is a different line item. I refer to “New Works” on page 229 of budget paper No 2. The funding for the COVID-19 response is \$857 000 for 2022–23. Is that a projected overspend on the project? What is that funding for? Why has it been allocated under the COVID response?

**Mr D. PUNCH:** I will refer that question to Mr Binning, who can provide the detail on that.

**Mr C. Binning:** At the time of the COVID response measures, an additional appropriation was made to cover additional anticipated costs with the construction of the facility. Detailed design has now been completed. As the minister says, we await the commitment from the proponents prior to proceeding.

**Ms L. METTAM:** Is this a blowout in the project’s costs due to an increase in construction costs or supply? I assume that this is the same project or is it different?

**Mr D. PUNCH:** Yes, it is. An initial allocation was made to this project and then a subsequent allocation in relation to the COVID response, and that was part of the stimulus package.

**Ms L. METTAM:** I guess the question is: has the scope changed?

**Mr D. PUNCH:** Yes, the planning has been completed at one level and discussions are now being held with Huon in terms of what its requirements might be, given its re-scoping of its business agenda and its new owners, as I indicated. It is very hard to put a figure on what the final cost might be until we have certainty about the level of production Huon might have and any other proponents in that area. We have a nominal account in the budget for the Geraldton finfish project. Once we know exactly what the state of play is in relation to finfish demand, we will be able to revisit that project and the costings and look at that in the context of that business model.

**Ms L. METTAM:** Can I confirm that this represents the fact that the overall cost to government for this project is over and above what was originally committed to?

**Mr D. PUNCH:** Given that construction costs have gone up everywhere, clearly it is very difficult to predict until a quantity estimate is done close to the time of construction based on what is to be constructed. We have not had certainty from proponents about the scale of what is required. We have done initial planning on a finfish production nursery, and we can scale that planning up or down depending on short, medium and long-term industry demand. I am indicating to the member that while we have nominal figures in the budget, it is fluid in the sense that we need that certainty from industry to be able to proceed and not have a stranded asset.

[2.00 pm]

**Ms L. METTAM:** I appreciate the explanation, given that we are seeing blowouts in costs and supplies. This is effectively representative of the blowout in costs from what was originally estimated. Is that fair to say? Is it planned that these funds will go to Huon for the construction of this project?

**Mr D.T. PUNCH:** Sorry, member, I was just listening to an explanation in one ear. Can you just repeat the essence of what you asked?

**Ms L. METTAM:** Does the \$857 000 represent what is effectively the cost blowout of this project—a blowout from what was originally estimated, understanding that there has been no change of scope but it is reflective of increased construction costs and the increased cost of supply?

**Mr D.T. PUNCH:** Yes, that figure essentially is a capital carryover cost. It is reflective of the fact that we have spent money on planning and engineering analysis, and resolving issues related to seawater intake. The project is effectively on hold now until we get to that point that I mentioned earlier with the proponent.

**Ms L. METTAM:** Are there any limits on DPIRD staff who had worked on the kingfish project being employed by Huon?

**Mr D.T. PUNCH:** If people leave the employment of the public sector, I do not have the ability to stop them working for another employer. There is a general expectation that matters that are confidential remain confidential. I might ask Mr Hill if there are any provisions within the department relating to intellectual property if somebody moves to the private sector.

**Mr T. Hill:** There is a capacity to have that. I am unaware of any provisions relating to staff in the department. Mr Binning may be able to confirm that.

**Mr D.T. PUNCH:** Mr Binning.

**Mr C. Binning:** Our staff are encouraged to work closely with the industry in the facilitation of aquaculture and undertaking research and development. We are extremely attentive in the management of intellectual property that is generated. In the event that staff leave and there is the potential for any conflict of interest to arise, clear arrangements are put in place that are appropriate to protect the public interest.

**Ms L. METTAM:** Can I then assume, given the policy that exists for DPIRD staff, that IP would be protected?

**Mr D.T. PUNCH:** I think Mr Binning's explanation accounts for that. Whether somebody acts very inappropriately, post leaving any public sector agency, is always a difficulty. As Mr Binning has indicated, the protocols are in place.

**Mr V.A. CATANIA:** I might not be on the right page here. Believe it or not, I am admitting to it! I refer to service 6, "Agricultural and Fisheries Biosecurity and Integrity" under the service summary on page 221. Is the minister aware of any issues that exist outside Cockburn Sound on the other side of Garden Island with seagrass being lost and the effect it is having on the fisheries around that area? I apologise for being vague but something just came up in my head from a conversation I have had with someone, who raised concerns about the seagrass on the Indian Ocean side of Garden Island. Are there any losses of seagrass in that area that are affecting that fishery?

**Mr D.T. PUNCH:** I am advised that there has not been any and it has certainly not been raised with me prior, so I guess the answer is no.

**Mr V.A. CATANIA:** I am happy to find out further information and bring it to the minister, but I have had concerns raised about that.

**Mr D.T. PUNCH:** I am very happy for the member to write to me or raise an issue, and I will follow it up for him.

**Mr P.J. RUNDLE:** I refer to page 229 again, and the Albany shellfish hatchery scenario. Can the minister enlighten us on the time frame et cetera of the Oyster Harbour leases?

**Mr D.T. PUNCH:** I think Ms Brayford responded to it in the question earlier. That is being worked through at the moment. I am expecting advice imminently, so they are a work in progress.

**Mr P.J. RUNDLE:** I am happy to receive some advice. I am seeking information on the time frame. For starters, how long is the lease?

**Mr D.T. PUNCH:** The length of lease and the terms and conditions of the lease are still subject to the discussions between the department and proponents. I am expecting advice on that shortly. I am not in a position to indicate to the member the basis of those negotiations at this point.

**Mr P.J. RUNDLE:** Will that information become public when the minister has determined the situation?

**Mr D.T. PUNCH:** The licences are recorded on the register once they are approved.

**Mr P.J. RUNDLE:** Is approval for the environmental process that is being undertaken on the expanded nursery and the like far away?

**Mr D.T. PUNCH:** For the nursery or the zones?

**Mr P.J. RUNDLE:** The nursery.

**Mr D.T. PUNCH:** I will ask Mr Binning to respond to that. He can provide the member with the current detail.

**Mr C. Binning:** The department is working closely with the Department of Finance around expansion of the Albany shellfish hatchery. The plans are close to being finalised. We hope to initiate the final design and construction shortly.

**Mr P.J. RUNDLE:** Will that proposed expanded nursery impact on surrounding activities?

**Mr D.T. PUNCH:** No, it should not. The planning takes the impacts into account. I have been out to the nursery. It is a well-established nursery. To date, it has not been having any impact and I would not expect it, in an expanded form, to have any impact either. It is a very well-run and well-managed nursery. I can arrange an inspection if the member would like to look at it. It is really interesting.

**Mr P.J. RUNDLE:** Going back to the Oyster Harbour leases, will their expansion and the area that they will take up have an impact on surrounding activities? I understand that they will have a major impact on the area they take up.

**Mr D.T. PUNCH:** I certainly have an expectation that discussions have occurred with people who have traditionally used that area as part of commercial fishing. I am very confident that arrangements can be made that lead to a positive outcome for all parties. It is a matter of when the proponents are ready to engage in that conversation with commercial fishers.

**The appropriation was recommended.**

[2.10 pm]