REPORT

OF

Royal Commission

APPOINTED TO INQUIRE INTO

THE FISHING INDUSTRY

OF

WESTERN AUSTRALIA

27th October 1949
Report of the Royal Commission appointed to enquire into the Fishing Industry in Western Aust.

TO: His Excellency the Honourable Sir James Mitchell, Knight Grand Cross of the Most Distinguished Order of Saint Michael and Saint George, Governor in and over the State of Western Australia and its Dependencies in the Commonwealth of Australia.

May it please Your Excellency:

We, the members of the Royal Commission appointed to enquire into the Fishing Industry in Western Australia, have the honour to present to Your Excellency our Report as follows:

History of Appointment of Royal Commission:

On Thursday, 21st October, 1948, the following motion moved by Mr. H.A. Leslie, the member for Mt. Marshall was agreed to:

"That a Select Committee be appointed to enquire into the condition of the fishing industry in Western Aust. and means whereby greater supplies of local fish at reasonable prices can be made available to the consumer."

The following members were appointed to serve on the Select Committee:— Hon. E.H.H. Hall; Messrs. H.A. Leslie, T. Fox, D. Brand, and L.P. Kelly.

It was found desirable after the adjournment of Parliament for the Committee's conversion into a Honorary Royal Commission and accordingly the members were so appointed by the Governor on the twenty-sixth day of January, 1949. The Royal Commission was published in the "Government Gazette" on the fourth day of February, 1949, and empowered members to enquire into and report upon the matters which had been previously referred to them by the Legislative Assembly.

Your Commission examined 68 witnesses, a list of whose names appears attached to the bound copy of evidence taken.

A preliminary survey of statistics and conditions pertaining to the fishing industry indicated that the Commission would be able to reach sound conclusions upon which to base its recommendations only after the most comprehensive investigation possible. All main fishing centres, with the exception of Shark Bay, were visited by the Commission and at these centres a personal investigation of conditions was made and informal discussions with fishermen took place, in addition to the formal evidence taken. Shark Bay was not visited owing to transport difficulties but evidence regarding fishing from this base was taken in Perth and further information obtained during a visit to Geraldton.

The fishing industry is one which has, like Topsy, "just grown" and only within the last few years has any attempt been made to place it on an organised basis. The major activity in organising in the past, and this is still so, has been directed towards regulating fishing in order to remove the danger of a possible depletion of the various species of fish. But even
in this direction the lack of scientific knowledge, or even accurate information gained from experiences, has made the regulating attempts more of a hit and miss affair usually associated with guesswork and supposition.

To the average person in Western Australia "fish" and "Fremantle" are almost synonymous because of the impression that the major proportion of our fish is caught at or about this port and the immediately adjacent beaches. Whereas the Fremantle area may have been the chief centre of fish production in past years, this has changed in recent years with the extension of fishing activities at other coastal centres. For instance, for the year 1947 the wet fish production from the Fremantle area— which includes the coast line from Jurien Bay to Mandurah, exclusive of the Mandurah estuary, was only 24% of the total production of the State for that year, whilst Shark Bay alone produced 40%. Wet fish does not include the canning variety of salmon. Production figures from the major coastal centres for that year were:

<table>
<thead>
<tr>
<th></th>
<th>Wet fish</th>
<th>Salmon</th>
<th>Total</th>
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<tbody>
<tr>
<td></td>
<td>lbs.</td>
<td>lbs.</td>
<td>lbs.</td>
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<tr>
<td>Esperance</td>
<td>145,736</td>
<td>110</td>
<td>145,846</td>
</tr>
<tr>
<td>Hopetown</td>
<td>134,900</td>
<td>1,766,373</td>
<td>1,801,273</td>
</tr>
<tr>
<td>Albany</td>
<td>330,964</td>
<td>936,392</td>
<td>1,269,356</td>
</tr>
<tr>
<td>Bunbury</td>
<td>512,443</td>
<td>131,292</td>
<td>643,735</td>
</tr>
<tr>
<td>Mandurah Estuary</td>
<td>211,131</td>
<td>-</td>
<td>211,131</td>
</tr>
<tr>
<td>Jurien Bay to Mandurah</td>
<td>889,242</td>
<td>-</td>
<td>889,242</td>
</tr>
<tr>
<td>(Fremantle area)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Swan River</td>
<td>94,153</td>
<td>-</td>
<td>94,153</td>
</tr>
<tr>
<td>Dongara &amp; Geraldton</td>
<td>72,117</td>
<td>-</td>
<td>72,117</td>
</tr>
<tr>
<td>Abclothos</td>
<td>163,775</td>
<td>-</td>
<td>163,775</td>
</tr>
<tr>
<td>Shark Bay &amp; Carnarvon</td>
<td>1,639,361</td>
<td>-</td>
<td>1,639,361</td>
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Inclusive of salmon, suitable only for canning, production from the Fremantle area is only 13% of the State total. It is, of course, true that in addition to the quantity of fish actually taken in the waters included in the Fremantle area, a further considerable quantity of fish from other parts of the coast passed through Fremantle but this, consequent upon the advent of fast refrigerated motor transport, is not now the case. Thus, Fremantle as a fishing port, lost much of the position it previously held.

The number of licensed fishermen for the year ended 1947, totalled 1,479, of whom 797 were licensed in Perth and Fremantle and it might be advanced that such a large proportion of licensed fishermen in this area is an indication of the relative importance of the industry in these waters.

Such a claim cannot be admitted because, firstly, the figures include part-time and domestic as well as full time professional fishermen and it is reasonably safe to assume that a very large number of those licensed in the metropolitan area are domestic and part-time fishermen; an assumption which is borne out by a
comparison of the production figures per capita.

Consideration of these facts is important because existing legislation controlling the marketing and distribution of fish deals only with the metropolitan area, and when originally adopted, was reasonably based upon the circumstances then existing. The absence of any legislation regulating the handling of fish at other centres, which now contribute so largely to the total marketable supply, has allowed the existing haphazard manner of handling and distribution to arise.

Obviously therefore if the people are to profit from the expansion which has taken place, some alteration in the present set-up is necessary. An alteration which will provide for the more equitable distribution of fish.

Because of the hazards attaching to the full-time fishing, as a complete livelihood, combined with the lack of organisation and the consequent economic insecurity, the industry, in the past, has not been an attractive one in which to engage. This has meant that the majority of those who were so employed entered the industry because of circumstances of birth which gave them a connection with or particular interest in it, or those who were compelled to do so because of limited or denied opportunity for engaging themselves in other directions. It must be remembered that the hazards attached to off-shore fishing are physically and economically greater than almost any other industry because the fisherman is completely at the mercy of the weather. He must of necessity take risks which involve danger to life and his equipment. The element of chance also plays a big part in his operations, particularly in Western Australian waters on which very little information is available regarding fishing potentialities, and much time and labour is spent, and risks taken, for a very negligible result. In addition to this, the fisherman faces the uncertainty of marketing and obtaining a reasonable financial reward for his labour. Conditions since the war years of 1939-45 have considerably changed, however, and the industry is attracting a larger number of operatives of a highly desirable character. While this can be attributed in part to the modernising of methods and equipment, the major factor affecting this change is undoubtedly due to improved economic prospects consequent upon higher prices. All the fishermen witnesses examined emphasised the need for economic security and it is our opinion that, in spite of the hazards and discomforts associated with commercial fishing, the industry will retain and attract good operatives if there is an assurance of a reasonable reward for their labour and their capital outlay.

In comparison with most other countries, the consumption of fish in Australia is very small. In the United Kingdom, the
average annual consumption of fish per head of the population is set down at over 40 lb. New Zealand consumes about 24 lb. per head and the Australian average is between 13 and 14 lb., inclusive of approximately 4 lb. of imported fish. This leaves an average annual consumption of local wet (fresh) fish per head of population of about 10 lb. The total catch of wet (fresh) fish in Western Australia for 1947 would provide about 8.20 lb. per head of population if consumed entirely in the State. But the quantity available is reduced by the amount used in providing ships' stores as well as exports of wet fish to the Eastern States. In 1948, a total of 37,000 lb. of fresh fish was carried by air transport to the Eastern States and a further 82,844 lb. was exported by sea. A total of 119,014 lb. in addition to that supplied to ships' stores, details of which could not be obtained, has been suggested that we are comparatively not a fish-eating people because of the abundance of meat foods. This suggestion is not tenable for a number of reasons, of which only the most important need be quoted, and that is that fish in adequate quantity and attractive quality has never been available to the public because of haphazard distribution. For instance, the entire absence of anything in the way of distribution service to country districts has denied country people the opportunity to satisfy an appetite for fish even if only as a change diet.

The remarkable quantity of smoked fillets imported recently from South Africa, which found such a ready sale everywhere, is cited as just one outstanding indication of the existence of the big demand for fish if readily available and attractively retailed. Although there is evidence to indicate that this imported fish did interfere with the market for local wet fish, this was due principally to the price factor. The recently introduced "quick-freeze" process of freezing and retailing fish has also provided proof of this demand for wet fish, because the "quick-freeze" processing plant, newly established at Albany, has found it beyond its capacity to meet the demand for this product.

It is obvious, therefore, that at present an insufficient quantity of fish is being taken from local waters to meet requirements and that every encouragement should be given to expand the industry to meet this requirement exclusive of any prospects which might exist for an export trade.

Evidence was given, however, that at certain times in the year there does arise a condition of so-called "glut" on the market. On the other hand, there are periods when fish is in extremely short supply. Your Commission saw evidence of this latter condition during the course of an actual inspection of the Fremantle market, the metropolitan market, storages and retail establishments. At this time, supplies were so short as hardly to justify such
establishments remaining open, and retailers were buying at the top retail control price and selling most obviously at above the maximum fixed price.

This state of affairs is due essentially to the lack of adequate storage facilities and the entire absence of methodical distribution. Fishing is wholly seasonal and, although, because of our long length of coastline, commercial fishing is being carried on somewhere at any given period during the year, there is definite season or peak period when fish is available in abundance for catching. Adequate and efficient storage facilities must be provided to hold this fish against the lean or off season.

Evidence submitted to the Commission showed that only a few months prior to the time of our inspection, when fish was in such short supply, fishermen operating at Shark Bay and at Southern ports were advised to cease operations as storage was full and fish could not be accepted. The position at this particular period was, to a considerable extent, due to the heavy importations of South African fillets which was retailed at a price which made it far more attractive to the public than our own wet fish.

Such a state of affairs is not only discouraging to fishermen but it provides no advantage, even temporarily, to the consuming public for the reason, as evidence submitted to the Commission disclosed, that the reduced prices paid to fishermen when fish were available in abundance were not reflected in the prices charged to consumers. Nor did the evidence disclose any appreciable rise in the volume of consumption.

The uncertainty of the nature of their operations was trespassed by fishermen. Unlike soil produced foods, fish cannot be harvested at will. Fish must be gathered in, when and where they are known to be present. Because of their constant movement, fish not caught at the opportune moment might well not afford another chance. If, therefore, greater supplies of local fish are to be made available to the public, every encouragement must be given to the continuance of fishing operations to the maximum extent while conditions are favourable, and facilities provided to cope with the resultant catches.

Under the existing marketing, storage and distribution system, this encouragement is not possible and the industry suffers much economic loss whilst the public finds the supply of fish, at most times, inadequate.

Investigations were made by your Commissioners, as far as possible, into existing methods of marketing and distribution. Dissatisfaction with present practices in this connection was expressed by every one of the witnesses examined. There was an apparent reluctance on the part of some of those engaged in fish distribution to be quite frank when under examination. All of them,
however, endorsed the opinion that the existing set-up was unsatisfactory to both fishermen and consumers.

In view of the consistent public expression of opinion concerning the existence of a "ring" or monopoly of distribution your Commission sought evidence on this point and reached the conclusion that although a single "ring" or monopoly does not at present exist, nevertheless practices which prevail in the industry in regard to marketing are not in the best interests of the fishermen or the public and that these practices do permit control of the industry to rest, to an undesirable extent, in the hands of a very limited group of distributors.

Because of the operations of this group, which comprises wholesale buyers, some of whom also operate retail shops, only a comparatively small proportion of the fish caught reaches the open market. By buying direct from fishermen, they are able and do "corner" available supplies. It has been the practice in the past for members of this group to provide financial assistance to fishermen and in consequence place the fishermen under an obligation to dispose of catches to the members concerned. In other instances, boats and/or fishing gear are provided and operated on a share basis with the fishermen and of course catches under such arrangements are sold direct to the wholesalers. In some cases, distributors enter into arrangements with fishermen to take the whole of the catch at a fixed price over the season.

Whatever the basis of acquisition by the wholesaler may have been, the system has proved most unsatisfactory both before the introduction of the wartime price fixing regulations and under these regulations. Prior to price fixing, the system prevailing was undoubtedly a greatly discouraging feature in the industry because it left the fishermen almost entirely in the hands of the wholesaler-retailer distributors. At the same time, the independent retailer, because of inadequate supplies reaching the open market, was compelled to accept whatever the wholesaler cared to supply and at the wholesaler's price.

The introduction of price fixing relieved the position so far as the fishermen are concerned, but as the practice of direct acquisition from fishermen by wholesale distributors has continued, the wholesalers have retained their control on the industry to the detriment of both fishermen and consumers.

Prospect of the eventual lifting of price control regulations raised misgivings amongst fishermen who fear a return to the pre-war exploitation by distributors. The opinion expressed by witness John Malcolm Arcus, Manager of the Kingfisher Trawling Proprietary Ltd., and Western Seine Netting Proprietary Ltd., is typical in this connection. Mr. Arcus, is the captain of the
of the "Kingfisher," a 66ft. boat of the trawler type of 70 tons gross which normally carries a crew of six. The cost of the boat and equipping it amounted to £9,500 and the boat operates at a cost of £130 per week. In this evidence Mr. Arcus said, page 161 —

"I understand you are considering some form of control of the industry in the nature of a fish board, or that such a proposition will be discussed.

Chairman: It has been suggested, and it will be discussed.

Witness: It seems that control is in the hands of certain people.

Chairman: Do not be afraid to speak your mind.

Witness: I believe that more Australians would enter the industry if there were greater security in the matter of selling the fish. At the moment a man could put a lot of money into a boat and equipment and could catch a lot of fish, but he could still be at the mercy of certain people in regard to disposal. For that reason he is going to be very timid about it.

Chairman: That deals with the question of marketing.

Would you say that with your bigger boat the uncertain quantity and supplies of fish is a minor factor compared with that of secure marketing?

Witness: Up to date it has been...."'

As stated, this evidence is typical of the attitude of fishermen to the marketing and distribution problem. Fishermen who gave evidence urged, without exception, the necessity for an organised system of marketing and, whether giving the views of fishermen organisations or stating their own personal opinions, they considered that legislation to provide for this was not only desirable but necessary.

In an attempt to assist themselves in this connection, fishermen have formed two co-operative companies. The Mandurah Fishermen's Co-operative Company, sponsored at its initial stages by the R.S.L., operated successfully for a while and arranged a distribution direct to consumers. Unfortunately, the venture was not continued successfully along these lines owing to a lack of continuity of supplies. Insufficient capital also limited operations but the matter of supplies proved the main difficulty when the fishermen upon whom the co-operative relied for supplies succumbed to more immediately attractive conditions offered by other buyers. This was the case even with erstwhile staunch supporters and members of the company. Thus the whole purpose of the establishment of the company was defeated and the company has since developed into merely another wholesale-retail distributor.

A Co-operative company established at Fremantle has, on the other hand, proved very successful. This company has a lease of the Fremantle fish market building and is reasonably well supported by its members. Even here, however, in spite of excellent management, as observed by your Commission on personal inspection, only a comparatively small percentage of the fish landed at
Fromantle passes through the company's hands and consequently it is quite ineffective in any attempt to control the marketing and distribution.

Your Commissioners are of the opinion, taking all the foregoing facts into consideration, that a better supply of fresh fish can be made available to the public by the operation of an organised marketing and distribution system and that legislation should be enacted to provide for this. All fish landed anywhere along our coast line to be included.

Your Commissioners have given considerable thought to the question of the price to the consumer and we find this the most difficult problem of all to be dealt with.

In industry generally the matter of price is related to costs. The assessment of costs is usually based upon the actual or reasonably assured output in relation to the labour effort, capital invested, operating costs, etc. But, because of the absence of any assurance whatsoever regarding the volume of production from any given effort in connection with fishing the usual assessment of costs cannot apply. Furthermore, the hazards of the occupation - such as loss and damage to capital equipment, weather compelled protracted inactivity and other unpredictable circumstances add to the impossibility of arriving at any possible mathematical calculation of actual costs in relation to production, to determine whether the prices paid to fishermen or charged to the consumers are too high or too low. Comparisons of values prevailing pre-war and those applying today under price-fixing regulations also presents difficulties which deny a reasonable assessment being made.

Reference to statistical records reveals that acknowledgement is made that the figures are not complete because of the difficulties encountered in the actual collection of statistics. Figures extracted from the Commonwealth and State Year Books show that for the year 1939-1940 the gross take of fish in Western Australia was 6,269,200 lb. which represented a gross local value at the market of £280,934 or approximately 10s.7d. per lb. For the year 1945-46 the gross take was 5,046,064 lb. for a value of £317,000 or approximately 13s.9d. per lb. Figures for the 1947 year are not available but inquiries reveal that the gross values have increased still further.

Dealing with the question of price, firstly from the fishermen's point of view, your Commissioners found that although there was actually a very wide variation of the price paid to fishermen at different centres for the same species of fish, fishermen generally expressed satisfaction with the prices they received under price fixing regulations. Evidence also indicated that those engaged in the industry, whether operating large or small boats were enjoying reasonable prosperity at the present time.

The variations in prices paid to fishermen all have
relationship to the cost of transportation to markets. For instance, at Shark Bay fishermen received 24d. to 4d. per lb. for mullet and whiting and 4½d. to 5d. per lb. for snapper and the cost of getting the fish to market, which includes the necessary packing and icing, cartage and freight amounts to between 9d. and 1s. per lb.

At Albany fishermen received 7d. to 8d. per lb. for mullet and whiting and 1s. to 1s.2d. per lb. for snapper and the transportation charges were only 2½d. to 2¾d. per lb.

At Mandurah, for mullet and whiting the price to fishermen was 10d. to 1s. per lb., and the transportation costs were only fractional. At Fremantle, where no transport costs are involved, fishermen received from 10d. to 1s.2d. per lb.

For a comparison of these figures it would therefore appear that a more or less uniform wholesale price prevails for the fish, according to the variety, on delivery in the metropolitan area, but that the fishermen operating at distant fishing centres receive a far lesser return per lb. for their catches than those operating nearer to and at Fremantle. Differences in the method of operation, i.e., large and small boats; hand line or net and size of net, etc., also provide compensating factors in regard to the price received. Although the prices received by fishermen have increased, as estimated variously by fishermen, by between 33 ½ per cent. to 100 per cent. it must be borne in mind that the industry has been subject to the same increases in living and operating costs as other sections of the community. In fact, figures presented to the Commissioners show increases on material required to maintain essential equipment as high as 400 per cent.

Your Commissioners are satisfied, however, that the prices paid to fishermen prior to the 1939-45 war had no relation whatsoever to any factor connected with fishing operations; that the price generally was too low and made the industry unattractive. To allow the price to fluctuate violently consequent upon scarcity or glut in supplies is economically unsound. Stable prices must be assured to operatives if the industry is to be maintained and encouraged to expand.

Taking into account all of the existing circumstances, your Commissioners consider that present average prices to fishermen are neither inadequate nor excessively high but we are of the opinion that the position can be improved if prices at the different centres be levelled and the existing disparity consequent upon transport and other costs, removed by an averaging system. This would be possible only under an organised marketing system, of course. Such a procedure would, however, encourage the proper expansion of the industry to all suitable catching grounds and would minimise the possibility of uneconomic operations which must
arise from over concentration of fishermen in waters nearest to the central market. We are of the opinion also that this would permit of a lower retail price to consumers. Difficulty is again experienced in regard to arriving at a retail price which can be considered reasonable to the consumer. Your Commissioners have been unable to obtain reliable data on pre-war retail prices, because of the rapid fluctuations, to use as a basis for accurate or even average comparison with existing prices. The fact stands prominent, however, that existing prices are much in excess of those which generally prevailed at that time and particularly in regard to certain of the better varieties such as snapper and jewfish. Whether or not the rise in retail prices is disproportionate to that which applies to other commodities, appears to have affected the local consumption very little, if at all.

Your Commissioners are of the opinion that fish retail prices should not be so high as to place the commodity in the luxury class. Prices must have some relation to the value of fish as a food and be comparable to those of other foodstuffs, etc., to permit the consumption of fish more frequently as part of the normal diet.

Your Commissioners made inspections of places and shops where fish are handled and sold, at all the centres visited. These inspections included the Fish Markets at Fremantle, now leased to the Fremantle Fisherman's Co-operative, where a favourable impression was created by the manner in which the fish are handled and the business of this company conducted. At the metropolitan Fish Market in Perth, where fish are sold by auction, the Commission found no cause for criticism in the manner in which the premises are kept nor in the way the business was conducted. It was noted, however, that quite a quantity of the fish on offer was must unattractive and far from fresh. Some of this fish was later inspected in retail shops in the city where it was being sold above maximum retail price.

While it is true that the fish was not actually bad at the time of inspection, it was obviously not long before it would be so, but because it was not "unfit for human consumption" at that time it could not be condemned under the existing provisions of the Health Act. This, in the opinion of the Commission, is a weakness in the Health Act, which applies in the case of other foodstuffs as well, and which should be remedied. We found, not only on this inspection, but on other occasions and at other centres, such as the Goldfields towns, that while the fish though obviously stale, and not actually bad at the time of sale to the public, and whilst on ice in the shop, would certainly be unfit for consumption by the time it was taken home to be eaten later in the day or perhaps the
following day.

Consideration should therefore be given to amending the Health Act to permit of highly perishable foodstuffs being condemned at a stage when it is considered to be " unfit for sale" for human consumption.

Your Commissioners inspected fish being held in cold storages in the centres visited and generally found no cause for complaint. It is a fact, however, that little is known of the effect on fish held in such storage for different lengths of time and we consider that investigation should be made into this aspect. It appears to be very likely that the unattractive-ness of much of the fish displayed for sale, with deeply sunken eyes and absence of "bloom," is deterioration consequent on overlong or inefficient cold storage.

Transportation is another problem which demands attention. Transport facilities, except in the case of road transport from distant fishing centres to the metropolitan area, are practically non-existent so far as servicing country districts is concerned, with the exception of the goldfields. The highly perishable nature of fish demands special facilities for its transport, and investigation should be made into the possibility of introducing a regular system of transportation service by road with the use of refrigerated vans.

A limited service of this nature has operated to country districts for a while, under sponsorship of the Mandurah Fishermen's Co-operative Company, but was eventually discontinued largely because of the inadequacy of supplies of suitable fish. Nevertheless the idea was shown to be practicable and was greatly appreciated by country residents.

Your Commissioners were greatly impressed with the new method of preparing, storing and selling fish known as the "quick-freeze" process. The only plant operating this process for wet fish in Western Australia is at Albany and your Commissioners made an inspection of the plant and watched the actual operations.

According to an authority "quick-freezing" is the best food preservative method yet designed because it interferes least with nature by not disturbing the food's cell structure. In this way the nutritional value, flavour, colour, texture and even the bloom of the product are maintained. Briefly the process provides for freezing the fish, after cleaning, filleting, and packing, by a blast of air many degrees below zero and reducing the temperature to this degree within a matter of minutes. The packages, sealed and airtight, are stored at temperature below zero, are conveyed in special refrigerated containers to distribution centres, and, until sold, are kept in special refrigerated cabinets. When taken from these cabinets and
sold to consumers the fish will remain frozen for several hours.
(Other goods may be similarly treated and the process is a fairly
general one in America). Storage refrigerator cabinets and
the contents of packaged fish installed in the metropolis and at
Kalgoorlie were inspected and figures obtained from retailers
relating to the sale of "quick-frozen" fish indicate that, in
spite of the apparent high price, there is no difficulty in selling
and, in fact, at the time of inspection retailers were not able to
meet the demand.

Although the present retail price of this "quick-frozen"
fish is claimed to be comparable to that of whole wet fish because
of the absence of any waste to the consumer, it is nevertheless
unattractively high.

Even though this processed fish is finding an apparent
ready sale in spite of the high figure at which it is retailed we
feel that costs in the processing are unnecessarily high and must be
reduced if the commodity is to be accepted as other than a "luxury"
line. This cost aspect must be carefully considered. The manager
of the Albany factory of Seafoods Limited stated in evidence that the
processing costs were estimated on the factory operating at full
production capacity and although the output was, at that time, well
below this capacity the resultant increased costs were not added
to the selling price. Improved methods of handling appear to be
not impossible and effort must be made in this direction in order
to reduce costs.

Your Commission is of the opinion that this method of
handling fish is particularly suited to Western Australian conditions
and that a sufficient extension of this operation, subject to a
reduction in operating and retailing costs, offers an opportunity to
supersede the present unhygienic and un-economic method of
retailing whole wet fish. The installation of suitable storage
cabinets in retail stores generally in the metropolitan area as well
as country centres would provide a facility which would make fresh,
wholesome fish readily available to consumers with a consequent
increase in consumption. The anticipation of this method
eventually eliminating the present unattractive fish shop is not
unreasonable.

Because of the fact that food must be processed by this
system whilst absolutely fresh and that fish is rendered unsuitable
for quick freezing if previously slow-frozen, it would be
necessary to provide suitable plants at various centres along the
coast. Similar plants are already in operation at Geraldton on the
frozen crayfish tails export industry and these could be readily
adapted to handle fish as well.
Reference has already been made to the fact that because of the high degree of uncertainty attaching to availability of fish in our waters at any given time and under favourable conditions, fishing operations must continue to the maximum extent possible. While therefore there should be no restriction on quantity caught, some regard must be had to the possibility of a depletion of any of the species which are indigenous to our waters. Evidence taken on this question discloses much conflict of opinion.

Evidence submitted on this point by Dr. D.J. Serventy, Senior Research Officer of the Division of Fisheries of the C.S.I.R.O., is most interesting. He says --

"I cannot categorically state, from the data available to me, that depletion through over-fishing has been proved for any fishery in W.A. In fact, I consider from my general knowledge of the history of the fisheries, the statistics which are available and the present condition of the industry, that depletion as ordinarily understood has not taken place to any important degree in Western Australian waters. This view is contrary to much lay, and, in fact, to some scientific, opinion expressed regarding our fisheries."

Attempts to prevent over-fishing rely upon regulating, by prohibition, the minimum sizes of fish which may be caught, and this regulation is based upon the estimated degree of maturity, judged by length or weight, that fish, including shell-fish, require to reach before they reproduce. Although he disagrees with the view that "a fish should have a chance of spawning before it is killed," Dr. Serventy confesses that it is the view which some biologists and the overwhelming majority of laymen espouse.

Regardless of the opinion held by either side, however, it is always best to "play safe" and your Commissioners are therefore of the opinion that until such time as there is a greater certainty in regard to the necessity for this method of protection it should be continued.

Dr. Serventy's further evidence on this question, wherein he states --

"The modern scientific reason for laws protecting small or young fish is that against capture is not to ensure an adequate supply of brood stock but because it is more economical for the fish to be allowed to grow to a bigger size rather than that they be taken when smaller."

confirms our opinion that a continuance of the regulation cannot effect any harm whereas it may be beneficial and is at least economically sound. For instance, as Dr. Serventy pointed out, the minimum length at which Firth herring may be taken is five inches and the flesh of a herring this length would be about half an ounce after cleaning.

Some difference of opinion also exists in regard to the size and weight of different fish which should be prohibited.
If the protection of sexually immature fish is to continue then much more investigation should be made into the biological aspect. We are not satisfied that there is any reasonable degree of certainty that sufficient protection is afforded in all cases or that in others the size or weight fixed may not be unnecessarily high and consequently too restrictive.

The whole question of effective action to obviate a depletion by ensuring a continuous reproduction is a complex one but on one aspect there is no disagreement. That is that spawning and breeding grounds or waters should suffer as little disturbance as possible and this refers particularly to estuaries. Man-made alterations and disturbances in the restricted estuarine waters and some types of inshore waters may effect environmental changes which could adversely affect the fisheries.

Your Commissioners agree completely with the statement by Dr. Serventy that --

"It is impossible to leave these areas in an absolutely natural condition when they infringe upon towns and settlements but a compromise should be arrived at between civic improvers and those whose interests depend on keeping estuaries and other waters in as natural a condition as possible. This impairment of the environment is the greatest danger which the estuarine fisheries are facing and which may lead to decreased productivity in the future. By comparison the activities of the professional net fishermen in the estuaries may be ranked at a very low order."

This aspect, in our opinion, must be given serious consideration and breeding areas in estuarine waters protected, even to the extent that the Fisheries Department should be consulted before interference with estuary shores and waters is permitted either for settlement or especially for industrial purposes.

The disturbance of the fish in these waters at specific periods should also be avoided as far as possible and for this the waters should be closed entirely against all types of fishing at these periods. Attention generally should be given to the matter of keeping estuaries, which are liable to silt up very badly, open to the sea, and we consider this should be the responsibility of a particular Government department instead of the present position wherein it is really "nobody's business."

Insufficient suitable data is available to permit arrival at a definite conclusion in regard to any serious depletion of the overall supply of fish in estuarine and coastal waters. Replies from witnesses on this question revealed quite a wide variety of opinion. It must be borne in mind that where fishermen remark upon a noticeable diminution of some species of fish in certain waters their remarks cannot be applied generally because their knowledge and experience is confined to the limited area of estuarine or inshore waters in which they customarily fish.
Your Commission is satisfied, however, that whilst estuarine and inshore fishing may be capable of development to a greater degree the scope in this direction is limited. We are therefore convinced that a major expansion of the industry -- sufficient to meet adequately the local consumption potential as well as an export trade -- is only possible through the development of off-shore fishing and the introduction of suitable methods of trawling. Evidence given by fishermen of long experience confirms this.

In recent years some investigation has been carried out in this direction by the Fisheries Department and the C.S.I.R.O. Interesting information, based upon his observations and investigations, has been published by Mr. Fowler, and from this it is clear that suitable types of fish and in ample quantity abound in the waters off our coast. Because of the nature of the sea bed off the coast special problems arise in regard to most suitable type of equipment and method for successful trawling. This avenue should continue to be explored and because of the promising nature of the results of investigations so far conducted, the C.S.I.R.O. should be urged to re-commence and intensify their activities in this direction. From a study of the information made available to us, we believe that the waters of the Bight offer much promise in this connection. Although a trawling venture sponsored by Seafoods Ltd. of Albany proved unsuccessful, we believe this was due largely to lack of knowledge of the special methods and equipment required for operating in these waters. We are given to understand that this company -- Seafoods Limited -- which is experiencing very great difficulty in obtaining supplies of fish from local sources, has proposals in hand for trawling. Their endeavours will be watched with interest.

We are of the opinion that there is room for improvement in the encouragement and development of fishing activities at the outer-ports and in waters for which these ports can serve as natural centres. Activity in this direction is highly desirable.

Esperance.

The port of Esperance should serve as a centre for operations in the Bight as the source of supply to the Goldfields. Shore facilities for handling fish are non-existent and fishermen are obliged to market their catches haphazardly. Also there is not a single facility available to fishermen for the maintenance and repair of their boats. An urgent need is a slipway. Salmon, in season, abound on the coast to the east of Esperance and excellent hauls have resulted in the establishment of a canning factory at the port. The salmon season lasts only a few months
and because of the insufficiency of supplies of other fish suitable for canning or processing, the canning factory is closed down for the major portion of each year. This must obviously add to the cost of their product because of idle invested capital and this could and should be remedied by the encouragement of fishing operations for other varieties of fish suitable for processing. Incidentally, members of the Commission inspected samples of smoked (dried) herring and flake (shark) fillets which were treated at Esperance and compared more than favourably with the best imported qualities. In fact the smoked fillet we believe is actually sold retail as English fillet. This indicates another of the possibilities at this port, or elsewhere, in processing our fish for local or export markets.

The salmon processed at Esperance is taken from waters in bays many miles to the east of this port and considerable difficulty is being experienced in transporting the hails to the factory because of the absence of trafficable roads. The lack of this facility is discouraging to fishermen and definitely limits operations. Provision of an all-weather road serving the adjacent beaches is urgently recommended. The existence of this road would not only encourage an extension of the salmon fishing but other operations as well. Greater encouragement should be given to the development of Esperance as the natural source of supply of fish to the Goldfields.

ALBANY.

Most of the fish landed at Albany, with the exception of salmon, is marketed through two local agents and is sent either to Perth or some of the larger country towns. Consignments to Perth are to the Metropolitan Fish Market and direct to wholesale and retail merchants. Country consignments go chiefly to hotels and restaurants. Seafoods Ltd., a private company which has received most generous financial support from the Government, through the Department of Industrial Development, has met with considerable difficulty owing to inability to obtain sufficient fish to maintain its plant in full operation. This company operates the "quick-freeze" process. The wisdom of launching an enterprise of this nature -- with the substantial capital and costs involved -- without first ensuring, as far as possible, an adequate and continuous supply of "live" fish is questionable. A very large increase in fishing activity in existing fishing grounds around Albany will be necessary in order to meet this Company's requirements, and even then there can be no assurance of adequate quantities being available for catching by present methods. The company in our opinion is adopting the only way
out of its difficulty by seeking supplies from trawler operations.

The main canning factory, owned and operated by Mr. Hunt, is established at this port and in addition to canning a tremendous quantity of salmon, varieties of other fish are also canned and the factory operates a full year's schedule. Most of the canned fish finds a ready sale in the Eastern States and the demand is actually greater than Mr. Hunt can supply.

**GERALDTON.**

The chief interest in Geraldton as a fishing port lies in the fact that it serves the highly productive Shark Bay fisheries during the season there, and more latterly the development of the frozen cray-fish tail trade with America. Because of transport difficulties your Commission were not able to visit Shark Bay, but evidence was taken, and information obtained from fishermen operating there.

Because of the seasonal nature of the fishing at Shark Bay and the fact that this is the only activity there, it holds little prospect of development as a centre. Transportation is a major problem but this, in the opinion of your Commission, can be solved by the provision of a good all weather road to Geraldton and adequate storage facilities at Geraldton.

Because of the facilities and amenities it can provide, Geraldton should be developed as the northern fishing port and the distributing centre to the northern and midlands agricultural areas.

The utter stupidity of existing distributing methods cannot be better illustrated than by the report that fish supplied to Kaliewa, only 60 miles from Geraldton, was first sent to Perth and thence to Kaliewa.

The provision of adequate facilities at Geraldton for handling the larger fishing boats would encourage the use of the port by these boats as a centre and so avoid the necessity, as now, for travelling all the way to Fremantle involving lost time and additional cost.

Encouragement should be given to the establishment of the quick-freeze process for fish. This should present little difficulty as already a similar process is in operation there in connection with the treatment of crayfish tails for export. An extension of the process to fish would provide continuity of operation for these plants already in existence.
CRAYFISH.

The tremendous expansion in the production of crayfish within the past year is of considerable interest. Production of crayfish in 1946 was 1,272,057 lbs., and in 1947 it rose to 2,335,736 lbs. This is due to the huge demand for this product in America. In 1947 the Fremantle area produced 760,051 lb. Dongara and Geraldton production totalled 200,425 lb. and from the Abrolhos Islands the total was 1,367,214 lb. The fish is treated by a "quick-freeze" process. Your Commission visited the catching grounds at the Abrolhos Islands and followed through to the complete processing. Present prices being received in America provide a phenomenal return to the fishermen and, incidentally, preclude the crayfish coming on the local market because of this high price.

The wisdom of the almost complete denial of a supply of live crayfish to the local market in order to meet the export demand is questionable. Export markets and attractively high prices are dependent upon too many factors entirely outside the control of producers to justify a permanently stable home market elsewhere. We consider, therefore, that the local demand for live crayfish should be met as far as possible.

Crayfish are transported alive, by boat, from the catching grounds to the processing plants. Any dead fish are discarded on arrival as they are unsuitable for processing. Where the fish are reasonably well handled the loss in this connection is negligible.

Regarding the question of whether the fish should be processed at sea or at shore-based plants, there are factors such as facilities for inspection, hygienic handling, interference with operations by weather conditions, living conditions for workers, etc., which have a bearing on this. Furthermore, there is also the as yet, undetermined effect upon the crayfishing grounds of the indiscriminate dumping of the offal in the sea. It has been suggested that this practice is likely to have a harmful effect. If processed at sea, there is also the loss of the offal which could otherwise be converted into poultry food and fertiliser.

Taking all these factors into consideration in a comparison of sea processing with shore operations, your Commission is of the opinion that given frequent transport from the catching grounds to the shore plants, the advantages are definitely in favour of treatment on shore.

To some extent the sudden prosperity in crayfishing has interfered with "wet" fish supplies because it is attracting fishermen away from "wet" fishing during the crayfish season. This accounts to some extent for the shortage of fish which occurs
at this season. No definite information is available regarding the possible depletion of crayfish consequent upon the heavy increase in the "take." In view of the fact that severe depletion, almost to extinction, has taken place in other parts of the world because of over-fishing, the position, especially at the Abrolhos, is being carefully watched and at the present time double control is exercised, first in regard to minimum size and second a limit has been set in the total quantity which can be taken in the season. We consider this action wise.

**SALMON.**

As the species of salmon taken in our waters is of poor eating quality as "fresh" fish, it presents no particular problem in regard to the disposal of catches. Prior to the establishment of the canning factories, salmon was seldom taken and it was not sought after. Now that it has permitted the establishment of a valuable industry, however, action should be taken to ensure that the nature and extent of the fishing operations do not cause a serious depletion.

**LICENSING.**

As it now stands the Fisheries Act provides for two kinds of fisherman licenses. Any person who catches fish for sale, whether using line or not, must hold a license and such a person is generally considered a "commercial" or "profesional" fisherman. The other license permits any person to use a net for fishing for his own use and not for sale. This is usually described as a "domestic" fisherman. In this regard there is room for alteration and improvement in the Act.

"Commercial" fishermen complain that "domestic" fishermen do dispose of their surplus catch for sale privately and so interfere with the market. Your Commission is of the opinion that there is much cause for this complaint and that action should be taken to remedy it. One method by which this can be done is to restrict the use of nets by domestic fishermen to certain waters. This will also remove the cause of complaint by commercial fishermen that domestic fishermen, having a disregard for the preservation of fishing grounds, frequently detrimentally affect, by their method of operation, good fishing grounds.

**NETS.**

We consider that further consideration should be given
to the effectiveness of the regulations governing the minimum
size mesh of nets. The purpose of prohibiting the use of a net
mesh below a given size is based on the presumption that the larger
mesh will allow small fish to escape. It is possible that some
fish do escape this way, but, according to the evidence submitted to
the Commission, many of these undersized fish do not get out of
the net and are crushed or so badly injured by the weight of larger
fish in the net that the purpose of the regulation is defeated.

INSPECTIONS.

Your Commissioners desire to pay a tribute to the work
done by the Fisheries Department inspectors. Working, in most
cases, under difficulties with an area of territory to cover which
definitely does not permit of adequate inspection and control,
the inspectors, we find from the evidence, are carrying out their
duties well. It would appear that generally they have sought the
co-operation of the fishermen, rather than resort to coercion,
and this co-operation by the fishermen, with only an occasional
exception, has been readily forthcoming. The inspectors examined
by the Commission indicated that they concerned themselves with
matters of benefit to the industry rather than acting merely as
"policemen."

CONCLUSIONS.

It is distinctly noteworthy that without exception the
witnesses, whether fishermen, wholesale fish merchants or
retailers, were in agreement that the existing methods of marketing
and distributing fish were entirely unsatisfactory and that an
alteration was desirable.

Your Commissioners are of opinion that —

(a) To improve the quantity, and the quality of fish
available to the public;

(b) At a reasonable price to consumers;

(c) Allowing for an adequate return to fishermen, an
organised system of marketing must take the place of the
existing haphazard methods. The system adopted must
provide for a marketing authority with power to direct
the delivery by fishermen, the storage and the distribution
of fish.

Two suggestions regarding the nature of this authority
were submitted, namely:

(1) The appointment of a marketing board;

(2) The establishment of Fishermen's Co-operative
Societies.
In either case legislation would be required to give power to exercise necessary controls. The vesting of the requisite powers, which must be very wide, in a controlling board, raises no special problem as such a Board would operate and be subject to the control associated with similar Boards. On the other hand, the co-operative suggestion gives rise to different problems with strong objections to vesting the necessary powers in a non-statutory body.

It is a matter of regret that it was not found possible for the Commission, or some member of it, to make a personal investigation into marketing conditions in other States where, in the case of Queensland, a Fish Marketing Board operates; and in others, a Victoria and New South Wales, the co-operative system applies. Inquiries in these States were conducted by correspondence and though the preparation of this report was held over for this purpose, it was not possible to obtain by this means evidence of a sufficiently conclusive nature for the purpose of the inquiry. Reports received, however, indicate that the absence of powers for compulsory acquisition by the co-operatives is their weakness.

Reports from the States where the co-operative system of fish marketing is in operation confirm that while there is some benefit to those who fully support the co-operatives, their objective is completely defeated by having to compete against fish marketed outside of the movement. The greatest weakness lies in the fact that at a time when supplies are abnormal, either light or heavy, fishermen are attracted away from delivering to the co-operatives and consequently the scheme breaks down. To be successful, co-operative marketing must have the full support of members and all engaged in production must be members, otherwise the stability consequent upon a fixed minimum price to producers cannot be provided.

Legislation would be required to compulsorily effect this.

Although all fishermen witnesses were in agreement that legislation compelling all fish to be marketed through one channel was required, the wisdom of vesting such power in a commercial body is doubted. Your Commission considers it would be unwise and unworkable.

On the other hand, the formation of co-operatives has distinct advantages; one of the most attractive, from the fishermen's point of view being the saving which can be made on bulk purchases of equipment and replacements and fuel etc.

Your Commissioners are therefore of the opinion that the necessary powers should be vested only in a representative
Government appointed Board of Commission. We are further of
the opinion that the full benefits of co-operation can be secured
to the fishermen, who desire it, under such an authority and our
recommendations are aimed at this objective. These benefits can
be increased by co-operative companies extending their activities
into the retailing field.

We are of the opinion that our recommendations, if
adopted, will provide for a reduction in prices to consumers because
of all-round stabilised prices to fishermen and also a reduction in
handling, storage, transport and distribution costs.

As the continued success of the industry and its expansion
to the fullest capacity is dependent upon many factors connected
with fishing, although not strictly related to marketing, we
consider that all of the activities relating to the industry should
come under the direction of the proposed statutory authority.
These activities include those of the present Fisheries Department
in connection with the licensing of fishermen and boats; the
control of fishing grounds, the regulation of fishing in regard
to sizes, weights and species, and inspections. Also the provision
of, or recommendation for, shore installations and facilities
generally for fishermen etc. would best be handled by one department
and one authority.

RECOMMENDATIONS.

Your Commission are of the opinion, and therefore
recommend, that the desirable changes indicated in this report
can be secured only by —

"The enactment of legislation providing for the
appointment and establishment of a Fishing
Industries Commission."

The Commission to take over the administration of the
Fisheries Act and Regulations.

The Commission to be vested with appropriate authority
to function as a Marketing Board with power of compulsory
acquisition over all fish caught and landed in the State, and to
arrange and direct storage, transportation and distribution to
retailers and processors.

The Commission to comprise majority representatives of
professional fishermen with representatives of distributors,
processors, consumers and a Government nominee as Chairman.

The Commission to appoint Fishermen Co-operative
Companies to be receiving and handling agents for the Commission
and to foster and assist in the establishment of such companies
or branches wherever required.
or branches wherever required.

The Commission to license retailers of fresh fish, but not retailers of packaged "quick-frozen" or similarly processed fish.

We desire to acknowledge the assistance of the Chief Inspector of Fisheries, the Inspectors of Fisheries at Albany and Geraldton and the Road Board Secretary at Esperance.

We desire also to place on record our appreciation of the work done by the members of the Hansard reporting staff, including their typists.

We have the honour to be, Sir,

Your Excellency's most obedient and humble servants,

Sgd. HUGH A. LESLIE ...... CHAIRMAN.
T. FOX ...... MEMBER.
L.P. KELLY ...... MEMBER.
E.H. HALL ...... MEMBER.

Sgd. L.T. HAWLEY,
SECRETARY.

N.B. Before the final report was submitted to the Commission Mr. D. Brand was appointed an Honorary Minister in the State Cabinet and in consequence expressed his desire not to take part in the final considerations of this report.

Sgd. HUGH A. LESLIE,
CHAIRMAN,
27th October, 1949.