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FISHERIES & AQUACULTURE

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Dear Licence Holder

Marine Scalefish Fishery licence fee offset arrangements commencing 2024/25

As a result of the reform of the Marine Scalefish Fishery (MSF) and implementation of individual transferable quota (ITQ) for four primary species (Snapper, King George Whiting, Southern Garfish, Southern Calamari), there was a need to review the licence fee arrangements for the fishery.

To review the current licence fee structure a Working Group, comprised of representatives from each sector with access to marine scalefish species, was established. The Working Group was tasked with developing a suitable licence fee structure that ensures equity in the licence fees across participants.

Based on the feedback from the different sectors and in consideration of the sectors operating environment the new licence fee structure for the MSF was set as follows:

- 30/70 split of costs between the Base Fee and Unit Fee; 30% of the costs will be attributed to the Base Fee and 70% of costs will be attributed to the Unit Fee.
- The 70% applied to the Unit Fee be equally distributed between the four primary species (Snapper, King George Whiting, Southern Garfish, Southern Calamari) quota units (i.e. one quarter of the 70% applied to each species).
- The Net Fee is abolished and management costs to be distributed between Base Fees and Quota Unit fees.
- All licence holders pay the full Base Fee; there is no discount for the different sectors. This is because the Base Fee is aligned to the costs of any licence holder being part of the fishery and is independent of access such as quota, spatial restrictions or different gear types.

On 29 September 2023, all licence holders were advised of the change to licence fees and that the new fee structure will be implemented in the 2024/25 financial year.

Since the release of the new licence fee structure, there has been communication with the industry associations and various licence holders who have advised that there is a need to provide further time to transition through this change and minimise the impact on their operations. To help alleviate this issue and enable a transition period for licence holders to adapt their business operations to the new fee structure, the Minister for Primary Industries and Regional Development has decided to offset some of the licence costs for quota holders.

The offset will involve funding, provided by the Government, totalling \$1.55 million over the next three years to offset the management costs of the fishery. The offset is based on a \$150,000 offset per year for each of the four ITQ species, with the Snapper fees being offset on a pro rata arrangement for the South East Fishing Zone, as the other areas of the fishery are closed and currently subsidised.

Based on the current management costs for the fishery in 2023/24 the offset of fees will have the below impact to licence fees.

	Base	Garfish Quota Unit Fee	Calamari Quota Unit Fee	KG Whiting Quota Unit Fee	Snapper Quota Unit Fee
30/70 Current	\$1,991	\$118	\$61	\$120	\$43
30/70 Offset	\$1,991	\$ 82	\$42	\$84	\$30
Difference	\$0	-\$36	-\$19	-\$36	-\$13

Note figures are based on 2023/24 management costs and the actual figures for 2024/25 may differ. The figures provided on 29 September 2023 may vary as they were based on the 2022/23 management costs.

The offset will commence in the 2024/25 financial year and is a demonstration of the Government’s commitment to ensuring the prosperity of the fishery. If you have any further questions regarding the licence fee offset arrangements, please contact pirsa.fisherieslicensing@sa.gov.au or phone 8207 5332.

Yours sincerely



Prof Gavin Begg
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