

CONFIDENTIAL

CABINET DECISION

NO. 506

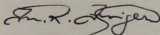
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Submission No.: 437

Title: NORTHERN TERRITORY FISHERIES DEVELOPMENT.

Cabinet:

- (a) accepted the guidelines to enable urgent consideration of proposals for foreign feasibility and licensed commercial fishing in the waters adjacent to the Northern Territory;
- (b) noted that Mr. A.J. Harrison, Director, Tasmanian Fisheries Development Authority, is to be employed as a consultant in assessing the proposals and developing advice to the Commonwealth.



(M.R. FINGER),  
Secretary to Cabinet.

23.11.78.

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CONFIDENTIALFOR CABINETSUBMISSION NO. 437

Title:	NORTHERN TERRITORY FISHERIES DEVELOPMENT
<del>Cabinet</del> <del>xxxxxx</del> <del>xxxxx</del> MINISTER:	INDUSTRIAL DEVELOPMENT
Purpose:	To establish policy and guidelines for the participation of foreign interests in the Australian Fishing Zone in waters adjacent to the Northern Territory.
Relation to existing policy:	Consistent with Cabinet Decision No.300 that "Cabinet endorse the principle that the fishing industry should be built up to be a major economic base in the Northern Territory."
Timing/ legislative priority:	As appropriate
Announcement of decision, tabling, etc.:	Nil
Acting required before announcement:	Nil
Staffing implications, numbers and costs, etc.:	Nil
Total cost:	No direct cost

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Comment by  
Under Treasurer:

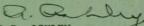
NORTHERN TERRITORY FISHERIES DEVELOPMENT

The financial considerations are incomplete as there is no reference in the policy guidelines to the revenue the Territory may receive as a result of the proposal.

The submission should not only refer to the possible expenditure that may arise but also to the revenue that may accrue to the Territory.

The guidelines should therefore state that foreign proposals will be considered against various criteria including the extent of N.T. Government expenditure on shore facilities and revenue accruing to the Territory.

Approved/Not Approved

  
A.B. ASHLEY  
UNDER TREASURER

Signed:

20 November, 1978

Date:

Comment by  
Public Service  
Commissioner:

Approved/Not Approved

Signed:

Date:

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NORTHERN TERRITORY FISHERIES DEVELOPMENT

Comment by  
Director of  
Finance:

Approved/Not Approved

Signed:

Date:

Comment by  
Public Service  
Commissioner:

No objection to the guidelines.

No immediate staffing implications however expected developments may lead to additional staffing needs in respect of enforcement, examination of development proposals and administration.

~~Approved/Not Approved~~

*G. Gaskill*

Signed:

Date:

G. GASKILL  
for Public Service Commissioner  
20 November 1978

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Issues

1. The diversification of the economic base of the Northern Territory requires the development of the Northern Territory fishing industry.
2. This submission seeks Cabinet endorsement of guidelines for consideration of proposals affecting Northern Territory fisheries.

Background

3. Australia is obliged by Articles 61 and 62 of the Informal Composite Negotiating Text (ICNT) of the Third United Nations Conference of the Law of the Sea (UNCLOS)  
- by Article 61

"to implement conservation and management measures to ensure the maintenance of fish population levels which can produce the maximum sustainable yield as qualified by relevant environmental and economic factors."

and by Article 62

"to promote the objective of optimum utilisation of the living resources in the exclusive economic zone ...." and "where the coastal state" (Australia) "does not have the capacity to harvest the entire allowable catch, it shall.....give other states" (Countries) "access to the surplus of the allowable catch."

4. Early in 1979 Australia will proclaim its sovereign right over the two hundred mile Australian Fishing Zone (AFZ) subject to an obligation to admit foreign fishermen to the Zone to take surplus fish stocks on terms and conditions determined by Australia.
  5. The Commonwealth Government has invited applications for development proposals in the Australian Fishing Zone. National guidelines were established for considering such proposals in the November 1977 Report of the Working Group set up by the Australian Fisheries Council (AFC). However, it was recognised that individual States should be consulted and their advice taken before any fisheries development proposals were concluded.
  6. Proposals for development and exploitation of fish resources in the waters adjacent to the Northern Territory have been passed on to the Fisheries Division of the Department of Industrial Development by the Commonwealth for consideration and advice.
  7. In formulating advice on these proposals it is necessary for the government to establish Territory guidelines which take account of the unique position of the Northern Territory. These guidelines will be used in conjunction with the national guidelines.
- Consideration of the Issues
8. Preliminary estimates of the total exploitable fish resources are based on data from recent Taiwanese fishing operations. They suggest that the initial total allowable catch in the Zone waters adjacent to the Northern Territory

is 40,000 tonnes per annum excluding squid and highly migratory species such as tuna and billfish. These estimates exclude the Gulf of Carpentaria waters both because much of the Gulf waters are adjacent to Queensland and the majority of the waters adjacent to the Territory are already being exploited by Australian fishermen. These waters are essentially prawning grounds.

9. There are nineteen separate proposals for either feasibility or licensed commercial fishing in the waters adjacent to the Northern Territory. In total these proposals, if accepted, would amount to a catch four times the presently estimated total allowable catch of 40,000 tonnes. In these circumstances proposals which present the best opportunity for economic development in the Territory fishery should be given preference.

10. The AFZ has been divided into three categories in the Working Group Report. These categories are:

- Those already developed
- Those currently being or likely to be developed
- Those not being currently exploited by Australian fishermen on a commercial basis

The AFC agreed that foreign participants in the first category should not be considered on any account; secondly, that there may be some scope for foreign participation at least in the short term for some species in the second category; and, thirdly, that there was justification for participation by foreign fishermen in the third category.

11. The Northern Territory has few facilities suitable for fisheries activity. There is only one major port and two minor ports, and one small ship repair and maintenance facility - a slipway too small for effective servicing of fishing fleets. Also, bunkering, ship chandlery and victualling repair facilities are inadequate and in need of development.

12. The active processing facilities are confined to the Northern Research establishment at Darwin, M.G. Kallis Groote Eylandt Fisheries at Groote Eylandt, Galupa Seafoods at Nhulunbuy and an assortment of fish traders and fish processors which amount to an unco-ordinated 'backyard' industry. There are some inactive processing facilities in Darwin and Katherine.

13. The development of a larger-scale fishing industry based on the foregoing exploitable resources is being prejudiced by these inadequate shore-based facilities. It is probable that the establishment of foreign fishing operations in the Northern Territory will assist the development of the local fishing industry including the establishment of shore-based facilities.

14. Further, it will provide the opportunity for better utilisation of catch already being taken by local industry, a significant proportion of which is presently being discarded.

15. Consequently, the development of local industry is an essential component of the guidelines.



16. The proposed guidelines are:

- . The overall objective should be directed towards ensuring that the fishing industry is built up as a major component of the economic base.
- . The following guidelines for assessing foreign fishing feasibility and licensed commercial fishing proposals in the AFZ adjacent to the Northern Territory are recommended:
  - (a) that no intervention into existing Northern Territory fisheries as described in Attachment I be permitted
  - (b) that feasibility fishing be approved in respect of those resources which may be at some future date capable of being exploited by Australians i.e. mackerel, shark, squid, tuna, small pelagics etc.
  - (c) that in areas where insufficient resource data exists, licensed commercial fishing should not be approved until feasibility fishing has been completed
  - (d) that where sufficient resource data is available licensed commercial fishing could be considered subject to the conditions below
  - (e) that preference be given to proposals providing opportunities for the development of the Northern Territory industrial base, i.e.

- . port facilities
- . victualling, bunking, chandlery, repairs
- . on-shore handling of fish/fish products
  - storage
  - processing (including canning/drying)

#### Options

17. There is no option to the establishment of guidelines for considering foreign fishing proposals.

#### Public Impact of the Recommendations

18. The immediate public impact of the adoption of the guidelines will be upon those directly involved in the industry and should be most favourably received by them. In the longer term the wider public impact arising from the anticipated development of the industry should also be most favourably received.

#### Financial and Employment Considerations

19. This submission does not give rise to immediate government expenditure. Depending on the degree of subsequent development in the industry, some investment of public funds may arise in consequence of support for the industry by way of shore-based facilities and it is probable that employment will be generated.

#### Commonwealth and Local Government Relations

20. The Commonwealth is involved in the determination of foreign fishing proposals in the AFZ; there is a well established basis through the Australian Fisheries Council for

Commonwealth-State consultation. It is not apparent that there is any local government involvement.

#### Co-Ordination

21. There has been consultation with the Department of Lands and Housing, Territory Development Corporation and the Port Authority in respect of some of the detail of this submission. There is no conflict of view from other government areas.

#### Legislation

22. No legislation is required.

#### Publicity

23. Upon adoption of the guidelines it will be advisable for a statement to be issued announcing the policy of development of the fisheries and the adoption of guidelines to assist with this development.

#### Timing

24. The guidelines should be adopted as soon as possible.

#### Recommendations

25. That Cabinet

- (a) accepts the guidelines to enable urgent consideration of proposals for foreign feasibility and licensed commercial fishing in the waters adjacent to the Northern Territory;

- (b) notes that Mr. A.J. Harrison, Director, Tasmanian Fisheries Development Authority, is to be employed as a consultant in assessing the proposals and developing advice to the Commonwealth.

In order to provide some protection to those fisheries already developed or likely to be developed by Australians, it is recommended that new foreign fishing ventures not be permitted in the areas defined by:

- (1) all territorial waters
- (2) area west of  $117^{\circ}20'$  and south of  $17^{\circ}30'$  (western side of Gulf of Carpentaria) to all forms of foreign fishing (including demersal/pelagic trawl, purse-seine, gill-netting, squid jigging etc.)
- (3) area from northern coastline  $112^{\circ}E$  north along meridian to  $10^{\circ}30'S$ , thence west along meridian to  $119^{\circ}35'E$ , thence south along meridian to the shore, to all licensed commercial demersal/pelagic trawling and gill-netting.

20 November 1978

*Reginald Staley*  
Minister for Industrial  
Development

EXCLUSION OF CERTAIN AREAS OF WATER  
ADJACENT TO THE NORTHERN TERRITORY  
TO FOREIGN FISHING

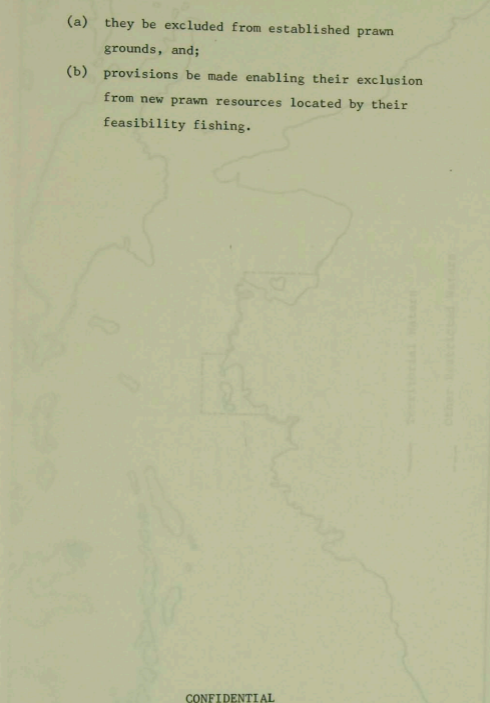
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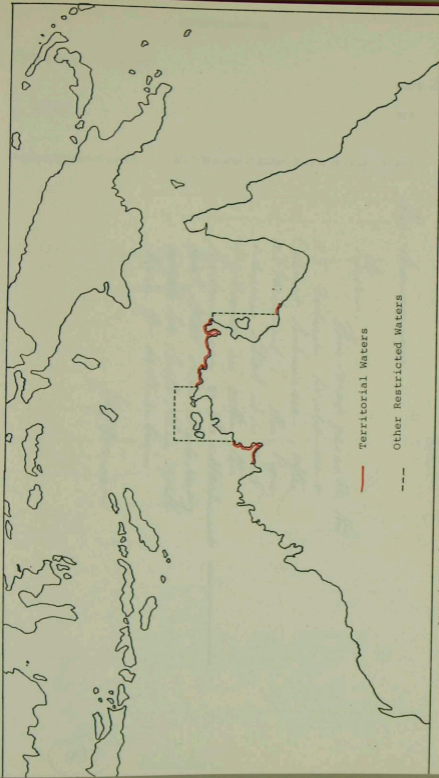
In order to provide some protection to those fisheries already developed or likely to be developed by Australians, it is recommended that new foreign fishing ventures not be permitted in the areas defined by:

- (1) all territorial waters
- (2) area west of 137°20' and south of 12°30' (western side of Gulf of Carpentaria) to all forms of foreign fishing (including demersal/pelagic trawl, purse-seine, gill-netting, squid jigging etc.)
- (3) area from northern coastline 133°E north along meridian to 10°30'S, thence west along meridian to 129°55'E, thence south along meridian to the shore, to all licensed commercial demersal/pelagic trawling and gill-netting.

Consideration may be given to squid jigging in this area provided it does not interfere with established fisheries. Also consideration should be given to feasibility fishing proposals in this and on the understanding that:-

- (a) they be excluded from established prawn grounds, and;
- (b) provisions be made enabling their exclusion from new prawn resources located by their feasibility fishing.





Attachment 1 - Areas closed to new foreign fishing ventures

21 NOV 1978

Ms. Mansarovar

Queen's This map goes with the  
NT Fisheries Development  
Cabinet Submission, after  
attachment 1. Mr. Pyre  
advised that it is not  
important in either the  
Submission or the attachment  
but that Mr. Stals may  
wish to take them with  
him for distribution.

Ray Dawson



MEMORANDUM

TO: SECRETARY TO CABINET

DATE: 21/1/78

FROM: A. MUNRO

REF:

RE: CABINET SUBMISSION - NORTHERN TERRITORY FISHERIES  
DEVELOPMENT

The attached Cabinet Submission has been presented for circulation to Cabinet Ministers.

For your clearance, please.

*M. Halden*  
for (A. MUNRO)

*Chief Minister.*  
~~Recommended for signature~~  
*Received today.*  
*Out of time for 5 day*  
*rule. For consideration*  
*MRF*  
(M.R. FINGER),  
Secretary to Cabinet. 21/1/78

Approved for circulation

*[Signature]*  
P.A.E. Everingham  
Chief Minister