**FISHERIES (RESEARCH AND DEVELOPMENT FUND) AMENDMENT BILL 1993**

**Legislative Assembly, 11 August 1993, page 204**

Second reading

**The Hon. T.R. GROOM (Minister of Primary Industries)** obtained leave and introduced a Bill for an Act to amend the Fisheries Act 1982. Read a first time.

The Hon. T.R. GROOM: I move: That this Bill be now read a second time.

I seek leave to have the second reading explanation inserted in Hansard without my reading it. Leave granted.

Under existing arrangements commercial and recreational fishery licence and registration fees are paid into the Fisheries Research and Development Fund (‘theR&D Fund’) which is constituted pursuant to section 32 of the Fisheries Act 1982 (‘the Act’). In accordance with section 32, income from licence and registration fees is put towards various research and development programs undertaken by the South Australian Research and Development Institute (‘SARDI’); previously such work was undertaken by the former Department of Fisheries.

During discussions with Treasury on funding arrangements, Treasury suggested that it would be better to have uniformity in the method of funding operations, preferably through the use of the R & D Fund to meet costs of not only research requirements but also costs of administration and enforcement incurred by the Department of Primary Industries (Fisheries). This would also facilitate the general budgetary process. Furthermore, in light of the adoption of special deposit accounts, the expenditure provisions of section 32 of the Act would need to be expanded.

Commercial and recreational fishing sectors have expressed the view that they would not like to see the R & D Fund used as a common fund to support all departmental activities because this would lead to reduced funding being available for research programs. They consider that research activities should not be compromised as there is a need to ensure the long term maintenance of the State’s fisheries.

However, the proposed amendment will provide a basis for a net reduction in the Department’s draw on consolidated funds, such that fisheries administration and enforcement also could be funded from this source. This is particularly relevant in the current economic climate whereby government funding arrangements should be managed as responsibly as possible, combined with the commercial fishing industry’s agreement during 1992-93 to contribute 100 per cent of the assessed recoverable costs associated with management of specific fisheries, phased in over a ten year period.

 A specific matter that needs to be clarified in the Act is the collection and disbursement of money on behalf of the South Australian Fishing Industry Council (‘SAFIC’). In 1977, the South Australian Government approved annual grants from the R & D Fund specifically for the purpose of funding the operations of the (then) Australian Fishing Industry Council (SA Branch) Incorporated, and that the grants be financed through increased fishery licence fees.

Section 46(b)(xiv) of the Act empowers the making of regulations that prescribe a licence fee, which may be set according to specified matters. In practice, each year the Department consults with SAFIC regarding the setting of licence fees for the next licensing year.

When the government component is determined, SAFIC advises its requirement for each fishery and this is added to the government component. A submission seeking variations to the licence fees is put to Cabinet. Subject to Cabinet approval, the regulations are amended to specify a total amount that each licence holder is required to pay. The regulations do not identify the separate components of the fee. When the licence fee (or quarterly instalment) is received by the Department, the government component is retained whilst the industry component is forwarded to SAFIC. This arrangement operates with Treasury approval. Verbal advice received from the Crown Solicitor’s Office has indicated there is no specific authority under section 32 of the Act to provide for money held in the R & D Fund to be disbursed to SAFIC. It has been suggested that the Act be amended to accommodate the present arrangement. This is incorporated in the proposed amendments to section 32.

 A related matter that also needs to be addressed is the collection of money from licence holders as a contribution to the funding base of the Commonwealth established Fisheries Research and Development Corporation (‘the FRDC’).

The FRDC provides funding for specific research projects of benefit to Australian fisheries and aquaculture. Funds are raised by way of— the Commonwealth Government providing unmatched funds equivalent to 0.5 per cent of the average gross value of fisheries production (‘GVP’); State, Territory and Commonwealth fishers and aquaculture operators providing contributions of 0.25 per cent of GVP; and the Commonwealth Government matching contributions by State, Territory and Commonwealth fishers and aquaculture operators up to a maximum of 0.25 per cent of GVP.

As there is no specific authority under section 32 of the Act to make such a contribution to the FRDC, it is proposed that the section be amended accordingly so that South Australia can secure research funding from the FRDC.

In summary, it is proposed that the Fisheries Act 1982 be amended so that the Fisheries Research and Development Fund be utilised for administrative and enforcement purposes as well as for research purposes.

I commend the measures to the House.

Clause 1. Short title This clause is formal.

Clause 2. Amendment of s. 32—Research and Development Fund This clause amends section 32 of the principal Act to empower the Minister to apply money in the Fisheries Research and Development Fund— in making any payment to the Fisheries Research and Development Corporation; in making any payment to a prescribed fishing industry body; in making any refund required or authorised by the Act to be made; and in defraying the costs of administering and enforcing the Act.

Clause 3. Amendment of s. 46—Regulations relating to fisheries and fishing. This clause amends section 46 of the principal Act. Paragraph (ba) was inserted by the Statutes Amendment (Fisheries) Act 1993. The reference to ‘body’ in subparagraph (iv) should be to ‘committee’.

Mr D.S. BAKER secured the adjournment of the debate.