

GVP REFORM WORKING GROUP

INTRODUCTORY MEETING. COMMUNIQUE

17 SEPTEMBER 2024 (ONLINE)

Background

- A GVP Reform Working Group (Working Group) has been established to consider the use of GVP as the basis for levy collection on commercial (wildcatch) fishing entitlements. The purpose of this meeting was to provide an introduction to the process for those involved to consider and provide further feedback on.
- The Working Group has been tasked to consider:
 - a) the principles to underpin and guide levy reform on commercial fishing entitlements;
 - b) the impacts of proposed reforms on entitlement holders and ways to achieve a measured approach;
 - c) the securing of reliable beach price data to support a GVP based levy model;
 - d) consultation with key stakeholders and experts;
 - e) budgetary impacts and changes to delivery of services to industry by the VFA;
 - f) governance and key performance indicators to measure and monitor performance of a reform;
 - g) a review of the policies and legislation needed to facilitate a change; and
 - h) a timeline for implementing a proposed change.
- The matters of permits, aquaculture, recreational fishing and the existing cost recovery arrangements are out of scope for the Working Group.
- The Working Group is facilitated by an independent Chair and membership includes 5 industry representatives and 3 VFA representatives.
- The VFA and the Working Group are supportive of transparent and broadscale communication around deliberations of matters put to the Working Group, except in circumstances where a risk to the privacy of individuals exists.
- A communique will be prepared after each Working Group meeting. The communique will be published on the VFA website at <https://vfa.vic.gov.au/commercial-fishing/GVPreform>. The following is the Communique from the introductory meeting.

Outcomes of Meeting One

- The Working Group held its introductory meeting on 17 September 2024. This was an introductory session and covered:
 - The Terms of Reference for the Working Group and its operation
 - The role of the Working Group
 - An overview of current cost recovery arrangements
 - An overview of what a GVP model may encompass
 - Future Working Group meeting arrangements

A presentation was given on the underpinning principles and broad structure of the existing prospective cost recovery system.

A presentation was given on key features to consider under a GVP approach to the collection of levies.

- Under a GVP model, levies would be calculated as a percentage of fish caught multiplied by a standardised beach price for the catch.
- A GVP model would be applied retrospectively. Further details around how the model would operate are to be determined.

The Working Group will review the Terms of Reference for further discussion at the next meeting.

Key matters raised were:

- requirement for the VFA to lead a transparent consultation with the broader industry that facilitates all licence holders and fee-paying stakeholders having opportunity to provide input and feedback in response to each stage of the process
- expectations from industry around transparency and accountability for costs recovered.
- the role of observers and experts at future meetings
- the scope of a GVP approach to the collection of fees and levies
- the importance of privacy where information made be attributed at an individual level
- the timeframes needed to consider matters put to the Working Group to fully digest them and to allow for discussion with the broader industry

The Working group noted that expectations already existed in some parts of industry around what a GVP model would deliver and that any proposed increase in fees could place pressure on business viability.

The Working Group is mindful that there will be interest from across the commercial fishing industry on the process being undertaken and there will be a wide range of viewpoints to consider and questions to be answered over the coming months.

The Working Group is a first step to inform the direction of future reform of cost recovery arrangements. It should not be seen as the only mechanism that will be used to inform decisions and further opportunities for consultation will be available as we move through the process.