

6<sup>th</sup> May 2024

Mr Luke O'Sullivan Director Fisheries Management Victorian Fisheries Authority

By email: luke.osullivan@vfa.vic.gov.au

Dear Mr O'Sullivan,

# **Subject: Management of Black Sea Urchin**

The Victorian Sea Urchin Divers Association (**VSUDA**) acknowledges receipt of your letter dated 11 April 2024 in relation to a proposal from VFA concerning the future management of the black sea urchin fishery and provides the following feedback as requested in that letter. Kindly advise as to which other persons or organisations you have requested feedback from and provide us with such correspondence and feedback. In relation to formulating your proposal, please provide us with all documentation you have relied upon in making your proposal. We would be pleased to receive this via Dropbox.

#### **Biomass**

The premise for VFAs proposed amendments is based on misconceptions of the nature and extent of the fishable urchin biomass in Eastern Victoria.

Your letter states that the' current estimate for harvestable black urchin biomass is around 4,000 tonnes and the total biomass is estimated at 45,000 tonnes.'

Those figures are misleading and incorrect. In this respect, I refer to the following material (copies **attached**):

- (i) D.G. Worthington & C. Blount (2003) Research to develop and manage the sea urchin fisheries of NSW and eastern Victoria, FRDC Project No. 1999/128
- (ii) Victorian Sea Urchin Fishery Baseline Management Arrangements 2014
- (iii) Spatial and temporal trends in the abundance of long-spined sea urchins (Centrostephanus rodgersii) in Eastern Victoria using available fishery and fishery independent information, January 2020, Victorian Fisheries Authority Science Report Series No. 10.



We are aware of a desktop study conducted by VFA around 2019 that included a reassessment of reef area using LIDAR imagery, but we have never been provided with a full report and are not aware of any publications that include the data to support recent biomass estimates. Please provide us with a copy of any such reports or publications.

We refer to the following extracts from the attached documents.

# D.G. Worthington & C. Blount (2003) Research to develop and manage the sea urchin fisheries of NSW and eastern Victoria, FRDC Project No. 1999/128

#### 2.4.2.3. Habitat area and biomass

Estimates of the area of habitat available to sea urchins in Port Phillip Bay and eastern Victoria were obtained from independent sources.

In eastern Victoria bare reef, or barrens, was rare and calculations of the area of habitat available to sea urchins were taken from estimates of reef area made by McShane et al. (1986).

The area of habitat within each location varied from 3 ha at Tullburnga Island to 951 ha at Airport. The estimated total biomass of Centrostephanus within eastern Victoria was about 3300 t, with the greatest biomass occurring at Airport, Gunshot and Sandpatch (Table 2.4.4).

The area of habitat within each location varied from 3 ha at Tullburnga Island to 951 ha at Airport. The estimated total biomass of Centrostephanus within eastern Victoria was about 3300 t, with the greatest biomass occurring at Airport, Gunshot and Sandpatch (Table 2.4.4). The estimated total biomass of Heliocidaris within eastern Victoria was about 1500 t. A significant proportion of both of these populations were comprised of individuals with poor quality roe (Figure 2.4.5).

Even at this early stage in the development of the fishery, anecdotal evidence suggests that some productive areas of Fringe have quickly become depleted. It is likely that techniques of density reduction in Barrens will be used more frequently if the fishery were to expand. This could reduce the pressure on sea urchin populations in Fringe, and potentially allow an increase in the available habitat for abalone.

## Victorian Sea Urchin Fishery Baseline Management Arrangements 2014

The most recent stock assessment for both H. erythrogramma and C. rodgersii was conducted in 2002 (Worthington & Blount, 2003). However, this assessment covered PPB and only one section of the EZ (management area 24). In order to get a better understanding of sea urchin abundance to inform the TACC setting for the fishery, an analysis of density estimates has been undertaken. The density estimates which formed the basis of this analysis were collected as part of annual fishery-independent surveys



of abalone abundance. Urchin biomass was subsequently estimated by extrapolating the urchin density estimates from these surveys.

C. rodgersii Area 22 (Marlo to Pearl Point) 29 Area 23 (Tamboon Inlet to Rame Head) 461 Area 24 (Wingan Inlet to Cape Howe) 3,300 TOTAL 3,790

Biomass estimates from Area 24 are based on Worthington and Blount (2003) and include biomass on vegetated reef only (not barrens). Biomass estimates from Areas 22 and 23 are derived from quantitative density estimates collected between 2001-2013 as part of annual abalone abundance surveys, and, by applying a factor, represent biomass on vegetated reef only.

TACC = Black urchin 3% biomass 114 tons

In the years since the stock assessment was completed by Duncan Worthington, 'no take' marine parks were introduced at Cape Howe, Point Hicks and Beware Reef, removing these areas from the urchin fishery.

The EZAIA rolled out an extensive urchin culling program at Gunshot Reef, Gabo Island, Tullaberga Island, Benedore, SandPatchLee, Island Point, Petrel Point, Pearl Point, Yeerung and East Cape, reducing the area available to harvest Centro.

Two exclusive Crown lease areas were granted on the Western side of Gabo Island and Tullaberga Island, further removing areas previously available for harvesting urchins.

The commercial harvesting of Centro has continued at an accelerating pace, further depleting productive Centro stocks in fringe habitats in some.

It appears that none of the factors outlined above have been considered in VFAs recent assessment of fishable urchin biomass.

Spatial and temporal trends in the abundance of long-spined sea urchins (Centrostephanus rodgersii) in Eastern Victoria using available fishery and fishery independent information, January 2020, Victorian Fisheries Authority Science Report Series No. 10

There was no detectable increase in most of the other Spatial Management Units, despite some individual sites within each showing some signs of increasing abundance. Contrary to this overall long-term trend, long-spined sea urchin numbers have declined from historic highs in several instances, which can be attributed to both culling operations and commercial harvesting.



#### 5.3 Scaling of FIS to estimate biomass.

Initially, EZAIA proposed that the present study attempt to replicate the approach of Worthington and Blount (2003) using the FIS. These authors estimated urchin biomass for a large stretch of the Mallacoota coastline from the New South Wales border to Sandpatch Point as part of an FRDC project (FRDC 1999/128).

The sampling regime undertaken by Worthington and Blount (2003) involved counting urchins along transects from the shore out to the reef edge or barrens, whichever occurred first. This technique is appropriate for sampling over a range of strata/depths and because the density estimates can be expanded up according to the estimated reef area for each stratum it is a more suitable method for estimating biomass than the FIS. The FIS program is specifically designed to detect relative temporal changes in abundance.

If the FIS was undertaken in its current form during 2000 when Worthington and Blount (2003) undertook their detailed survey of urchin abundance, it would have been possible to scale/calibrate the two and hence estimate how urchin biomass has trended through time by assuming that changes in abundance at the FIS sites are reflective of changes over the broader area. Unfortunately, this was not the case, and it would be a mistake to simply extrapolate the FIS urchin densities to the areas used by Worthington and Blount as the FIS sites are only reflective of urchin abundance within those sites/depths/strata and not necessarily the abundance of the entire area. In any case, simply multiplying the abundance of urchins observed in the FIS by area does not change the trends in the analyses so there is no real value in doing so given any biomass estimates could be inaccurate and therefore misleading.

## September 2022 – VFA Workshop

In September 2022, the VFA held a Workshop with the urchin industry in Mallacoota which was meant to be the first of several. This is the first time the urchin industry was presented with new biomass estimates of 45,000 tonnes total and 4,424 tonnes fishable.

These estimates were derived from extrapolating Fishery Independent Surveys (**FIS**) urchin density data over new estimates of reef area from Lidar imagery. Clearly, the extent of the reef area shown in the Lidar images is far greater than the portion divers are able to fish. The intent (of the VFA scientist) was to work through the data with us to verify the fishing grounds and urchin densities at different depth strata, however the consultation process was stopped, the urchin fishery manager moved on from that position and there were no more workshops. Despite there being no published material, the VFA continue to quote and rely upon this data for their decision. It is clearly flawed and incorrect.



For example:

## Reefcode 24.17 (Gabo Island)

(a) The VFA Lidar image shows the fishable reef area at reefcode 24.17 (Gabo Island) as 116 hectares (**attached**). However, this fails to consider that between 2016-2018, 109,200 urchins were culled on the Eastern side of the Island (shaded in Red). This area remains virtually devoid of urchins. There is also a 6ha exclusive crown lease on the western side of the island that has not been taken into account. In fact, the only fishable area (represented by the blue line) is a thin strip of reef generally 12-15m deep and about 30m wide around the southern end of the island before it drops onto a barren in 20 – 25m depth.

## Secrete Reef 24.05

(b) This reef, of 27 hectares, is a deep-water reef that is near 100% urchin barren, with no harvestable urchins and yet it appears to be included in the fishable biomass estimates.

## Airport Area

(c) We note that (from the Sep 2022 workshop) more than 3,000 tons or 68% of the recent estimate of fishable biomass is attributed to the Airport based on the reef area from Lidar imagery. However, it is clear to us that only a small fraction of that area can be fished for urchins, most of the reef that appear in the image is either barren, beyond diving depths or has never been sighted. We consider that given urchin harvesting occurs within and around the same kelp forest as abalone harvesting, the footprint of the abalone fishery may be a good approximation of the footprint of the urchin fishery. The size of this footprint could be easy to be ascertained from VMS data.

The same can be said of all other Lidar reef area images.

The East Victorian coastline is characterised by fringing reef around headlands and other reef patches. Centro in commercial quantities exists on reefs between Cape Howe and Point Hicks, a coastline length of about 70km most of which is sand (compared to Tasmania 750km and NSW 1000km).

Harvesting occurs either within kelp forests or fringe habitat close to the edge of the kelp forest, typically in depth ranging from 10m to 18m. Within a short distance of the kelp forest edge out onto a barren, urchin densities are very low and roe yield and quality is poor and non-viable for harvesting. without significant investment in alternative products or subsidisation.

We are aware that in Tasmania divers have been able to harvest urchins on the barrens using specialised diving equipment (Nitrox) to depths of 25m. It appears that the "barrens" in



Tasmania are characterised by enough sponge cover and drift algae (food) to produce commercially viable urchin roe, although it may have also been made possible by financial support to processors and divers through the states Abalone Industry Reinvestment Fund. Recently, Tamanian company True South stopped processing Centro (urchins) due to poor quality roe and low market prices impacting financial viability.

#### **Total Allowable Commercial Catch (TACC)**

Your letter states that a 'TACC of 114 tonnes of black urchin has been set each year since the creation of the fishery in 2014. Whilst catch has been increasing annually, it has never been fully caught. As at 22 February 2024, 56% of the black sea urchin 2023/24 TACC had been caught (64 tonnes), with 4 months of the fishing season remaining.'

In this respect, the sea urchin catch history data shows that catch has increased steadily from around 20 tonnes in 2014 to an all-time high of around 80 tonnes in 2020 before bushfires and Covid caused major disruptions. As at the 30<sup>th</sup> April 2024, we estimate that more than 90 tonnes has already been caught with still two months to go to the end of the season. We expect that the TACC will be fully caught before the 30<sup>th</sup> June 2024.

The VFA appears to recognise some of the natural constraints that impact the fishery, but we don't think they are fully understood. Unlike Tasmania and NSW, the East Coast of Victoria is a highly exposed to adverse weather, on average there are around eight possible diving days each month. The Centro season is generally from January to June (6 months). Coupled with the fact that urchin processors can only take the catch from Sunday to Thursday due to weekend wage constraints, the number of fishable days is limited.

You may or may not appreciate the markets are currently distorted by divers in Tasmania receiving a subsidy. This should be referred to in, we would hope, a paper prepared by the VFA of their understanding of the markets in NSW, Victoria, and Tasmania. It is our considered belief that the VFA does not fully understand these markets.

The urchin license holders and nominated operators are meeting the demand of mainland processors subject to the natural constraints of the fishery. Further, we have ample fishing capacity (number of divers) to meet any increase in demand. Our policy is to support any new entrant processors with supply. We have for many years encouraged the local abalone processor to take up the processing of urchins, but they have so far declined. We have not been made aware of or been approached by any other processors in Victoria seeking supply, however we are pursuing discussion with Melbourne based companies at this time.

It is open to the VFA to increase the Centro TACC in line with the management plan and previous requests by VSUDA.



The level of harvest (supply) is only constrained by market demand, processing capacity, logistics and the natural constraints of the fishery. Removing the TACC will have <u>no effect on the amount of urchins harvested</u>. If you disagree with this, please provide your analysis which you rely upon to the contrary.

## **Development of markets for sea urchins**

Existing licence holders have been the pioneers of the fishery, have established the fishery and are very passionate about the fishery and its growth. Without these people, the fishery would not exist today. In particular and without being exhaustive:

- 1. From about 1990, Peter Fry had begun to process and export white urchins from Port Phillip Bay under the name of Australian Sea Urchins Pty Ltd.
- 2. In 1998, the Eastern Zone Sea Urchin Divers Association Inc (later renamed Victorian Sea Urchin Divers Association Inc) was established to promote the industry and provide a voice to government.
- 3. In around 2001-2002, VSUDA members provided local knowledge and logistical support (boat and crew charter) for the first stock assessment of the urchin resource in southern NSW and eastern Victoria conducted by Worthington & Blount.
- 4. For many years, VSUDA members worked together to develop the domestic market. Processing and packaging methods included wet pack (KINA) and trays (UNI) for sale directly to consumers and restaurants across Australia. Divers collaborated to form partnerships and small businesses, investing in processing equipment, packaging, refrigeration, and promotional activities. Divers gained extensive knowledge of the fishing grounds, how to target urchins of viable yield and quality, as well as how to process and package for markets. Much of this knowledge was provided to processors to assist them.
- 5. In 2003, VSUDA developed a Harvesting code of practice (updated in 2006) to "Foster industry best practices in the harvesting and handling of sea urchins and in the preservation of the marine environment." This document was later recognised and utilised in Fisheries Victoria's successful application to the Department of Environment and Heritage (DEH) for export approval for the urchin fishery.
- 6. In 2004, the VSUDA was awarded a Department of Agriculture Fishery and Forestry, New Industries Development Program, In-Market Experience Scholarship to investigate the Japanese urchin fishery and market opportunities. This included reciprocal visits with Japanese processors and study of various markets, products, and supply chains with significant in-kind investment of time and money.



- 7. Between 2001 and 2011, VSUDA members supplied and supported other attempts at processing and exporting sea urchins by processing factories based in Melbourne and southern NSW (Ken Chan, Cerbin Pty Ltd,). On each occasion, these businesses failed, owing divers' substantial amounts of money.
- 8. In 2012, VSUDA members pioneered part processing at sea in order to reduce onshore processing costs and maintain supply to the domestic market. This required investment in specialised processing tables and adaptation of vessels.
- 9. There have been trips to Osaka, Japan in 1996 with the Australian Chamber of Manufacturers.
- 10. In 2003, the domestic wholesale price for packaged urchin roe was around \$40 per kg for KINA (wet pack) and \$65-\$80 per kg for UNI (trays).
- 11. Today, the beach price for black (Centro) urchin in Victoria is \$2.50 kg. The market price for packaged roe varies according to grade from \$200-\$1,000 per kg.
- 12. Around 2014, South Coast Sea Urchins Pty Ltd (SCSU) established a substantial urchin processing facility in Pambula NSW. VSUDA divers worked closely with SCSU supplying high quality urchins from Mallacoota, shared processing knowledge and passed on customer accounts. VSUDA was also able to supply SCSU with urchins from Port Phillip Bay by transferring Port Phillip Bay quota units onto one of the licenses, thus helping to ensure year-round supply. By drawing supply from different geographic locations, southern NSW, eastern Victoria, and Port Phillip Bay, SCSU was able to establish a domestic market for its brands, winning the Delicious Awards in 2017.
- 13. Around 2015, Sea Urchin Harvest Pty Ltd started an urchin processing facility in Tomakin, NSW and began taking urchin supply from VSUDA divers out of Mallacoota. Once again, license holders worked closely with the processor to coordinate supply of urchins of high quality and yield and engage more operators on licenses. Supply from different geographic regions (Mallacoota and NSW) helps to underpin the viability of the processing factories.
- 14. Under the license and quota system, license holders can support factories with a guaranteed proportion of the urchins available for harvest (their proportion of the TAC), thus providing business certainty. Under the security of the license and quota system, divers have been able to dedicate their time (allocated diving days and portions of the working year) and capital equipment (dive boats etc) to the continued pursuit of the



urchin industry. License holders have engaged many other divers as nominated operators to ensure regular supply to processors.

- 15. Since 2022, one of the VSUDA members has worked with CSIRO on developing shelf stable urchin products. So far, more than \$30,000 has been spent on lab reports, manufacturing equipment, jars, labels and artwork, travel, and accommodation expenses.
- 16. Another VSUDA member has worked with Sailors Grave Brewing in Orbost Vic, to develop a Sea Urchin beer that is now being sold domestically and exported.
- 17. In 2022, VSUDA members formed a company, BlueKelp Pty Ltd, to further pursue commercialisation of shelf stable urchin products. BlueKelp was registered as a trademark and engaged a business consultant to develop strategic plans. Significant investment has been made in this company.
- 18. In 2023, BlueKelp Pty Ltd conducted consumer trials of its products at the Wild Harvest Seafood Festival in Mallacoota.
- 19. In 2023 VSUDA engaged Australian Government Department of Industry Science and Resources Entrepreneurs program, AusIndustries, to facilitate a Centro strategy workshop in Mallacoota with urchin license holders, urchin processors, EZAIA, MAL Abalone and FRDC. This resulted in a Centro Strategy document adopted by VSUDA.
- 20. VSUDA has recently partnered with the ARC Centre of Excellence in Synthetic Biology, Macquarie University Sydney. The 'Wealth in Waste' project will focus on optimizing extractions of calcium carbonate and collagen from the sea urchins to see what new materials and products can be created. The intent is to find ways to utilise urchins that currently have limited commercial value, thus increasing the use of the resource and expanding the footprint of the fishery.
- 21. VSUDA has recently partnered with the Kelp Forest Alliance, University of NSW, and urchin processors to develop a project called the 'Quantification of carbon cycling from kelp restoration in the Great Southern Reef'. The plan involves the ambitious removal of at least 10 tonne of sea urchins through a comprehensive take-all harvest approach. Those urchins that are deemed fit for consumption will be processed accordingly, while the rest will be repurposed as fertilizer.

Sea urchin culling program.



In about 1998, Duncan Worthington and others prepared a scientific study on the positive effects of reducing sea urchin densities to improve habitat, urchin roe quality and abalone recruitment. The study stated:

"There was a strong influence of habitat on the -abundance of abalone. Very few abalone were found in Barrens habitats, and abalone were most abundant in Fringe habitats. Manipulative experiments demonstrated that by reducing densities of Centrostephanus, Barrens habitat can be modified to alternative habitats that can enhance the recruitment, survival and growth of abalone. Such a strong negative interaction between an established high-value fishery, and an under-exploited resource with considerable potential for development, offers a rare opportunity to develop complementary fishery management plans."

The EZAIA, at the time, determined to apply the results by Duncan Worthington and others at a larger scale. It took 10 years of lobbying the VFA to get the first culling permit and a joint project by EZAIA and VFA at a reef called Island Point. An effective culling tool was developed and manufactured by the writer. This tool has since been used in NSW, Victoria, and Tasmania.

In 2011, the EZAIA/VFA Island Point project was the first attempt anywhere to remove urchins by culling on a large (reef) scale. The project was an intensive study that included control and treatment monitoring sites. VFA conducted the science and EZAIA conducted the urchin removals.

A key objective was to provide a case study, raise public awareness and attract funding.

Following successful results of the Island Point project, a list of priority reefs was developed, and the culling program was rolled out, adding one new reef each year whilst also performing "maintenance" culling at previous sites until kelp habitat was consolidated. This rollout continued over a 12-year period, predominantly funded by EZAIA but with some grant monies along the way. There were several side/supporting projects including subsidising urchin harvesting at specific locations, abalone translocations and abalone juvenile collectors. The program was bookend by another intensive study at Gunshot Reef 2019-2022 in a joint project EZAIA, VFA & funded by DELWP. Details of the program are contained in the report **attached**. Some of the relevant points from the reports are:



- A. When the culling project started, there were very limited opportunities for harvesting and selling urchins (no market). Large scale urchin harvesting, processing and export through the abalone factory in the late 1990s and early 2000s had failed and there was no domestic market to speak of. Priority was given to the larger abalone producing reefs, those most important to EZAIA to protect given that it was EZAIA members funds that were being spent. The result has been that urchins (and urchin harvesting opportunities) have effectively been wiped out in areas where culling has occurred, this is across more than 100ha of reef area.
- B. The urchin culling has no doubt been effective in reducing urchin populations and recovering kelp forests. Unfortunately, the abalone populations in the culled areas and generally across eastern zone have continued to decline. More research is required to determine the impact of urchin culling and harvesting on local abalone populations.
- C. The impact of culling, as far as we are aware, has not been considered in any assessment of urchin fishable area/biomass (see **attached** Culled vs. Unculled reefs this is an analysis of VFA FIS site urchin abundance data).
- D. Mr John Minehan, as a board member of EZAIA, was the project manager for the EZAIA urchin mitigation program. This included all aspects, from designing the program and monitoring system, coordinating dive teams, conducting the surveys, collecting the data, designing, and implementing the database, writing, and presenting most of the reports including at interstate and international forums. A key role was keeping the different sectors (EZAIA, VSUDA and VFA) on the same page so the project could proceed. For the Gunshot project, Mr Minehan was responsible for conducting community engagement and orchestrating the media production requirements.
- E. VSUDA has supported the culling program in the past through participation, providing feedback and officially approving the culling program at its AGM every year.
- F. Most of the VSUDA members are also EZAIA members and have paid their share of the culling program through member funds.
- G. Most of the VSUDA members were regular participants in the culling activities.
- H. VSUDA still supports, in principle, urchin culling at specific reef locations and depth ranges where urchins cannot be harvested at present and unlikely to be able to be harvested at any time in the future, such as at Ollies (Secret) reef, Red River and Tamboon.



- VSUDA has developed a project (subject to funding), to utilize urchin populations of mixed quality and yield through a Take-All-Harvest approach as successfully utilized in Tasmania.
- J. There is no scientific study or monitoring of the impact of urchin harvesting on reef habitat in Victoria, nor is there any habitat mapping generally.

# **History of fishery – quota managed fishery**

The Fishery was initially managed as a developing fishery, pursuant to a fisheries notice dated 25 May 1998. The Fisheries Notice indicated that permits would be issued under s 49 of the Fisheries Act 1995. Members of the VSUDA were issued with these permits.

Even prior to that, in around 1985, urchin harvesting commenced in Mallacoota under experimental fishing permits.

In July 2014, the Fishery ceased being managed as a developing fishery and became a quota-based fishery wherein quota units were issued to members of VSUDA. In this respect, reference is made to a document on the VFA website: Sea Urchin – Commercial Sea Urchin Fishery. In particular, we refer to the following.

- (a) The document states that the Victorian Government has taken steps to grow the potential of the State's sea urchin fishery by introducing a new licensing and quota system that provides urchin fishers with more secure access to the fishery and business confidence to invest in their business and to develop local and overseas markets.
- (b) The document also states that the regime will ensure long-term sustainability, economic efficiency and cost-effective management of the fishery. By securing long-term fishing rights, the industry will now be able to invest in growing markets to supply local and overseas markets with this increasingly sought after delicacy.

The Minister has set the TACC since 2014 at 114 tonnes, which is evidence of the appropriateness of the TACC during that time. If the TACC should have been set at a higher amount during that period, then this should have been done by the Minister.

We would be pleased if you could elaborate and explain to us why the TACC was set at that amount during that period, whilst you now allege that it can be set at a much higher amount. If it could have been set at a higher amount, this may have held back the industry from knowing that there was a much higher allowable catch available. Kindly provide us with all briefing notes to the Minister as the basis on which the TACC has been set at 114 tonnes.



# Importance of quota managed fishery to members of VSUDA

Members of VSUDA, based on the quota management regime and the VFA's statements made concerning investment security, have invested in the sea urchin fishery. Such investments are significant. Examples (without being exhaustive) are as follows:

- 1. One member has a significant investment (exceeding \$2 million) in sea urchin harvesting and processing infrastructure, has AQIS accreditation and has been heavily involved in development export markets in Japan. As a result of being granted an Access Licence and quota, he has been able to continue investment and obtain financial assistance from banks.
- 2. Another member purchased an Access Licence and quota in 2020 and has made a significant investment.
- 3. Another member has used the quota units has invested over \$2 million in licences, vessels, plant, and equipment to operate its fishing business.
- 4. Other members have invested substantially in new boats, equipment, business development, time, and effort.

Removing the black urchin ITQ units and issuing more licences would be devastating to the businesses of all members of VSUDA. The proposal is contrary to the statements made by VFA above.

#### Compensation

Since the VFA first publicly proposed amendments to the urchin management arrangements in May of 2023, this has created a great deal of uncertainty, devalued licenses and ITQ units and caused enormous distress to fishermen.

Whilst the VSUDA consider the proposal to be ill-conceived, flawed, inappropriate and clearly not supported by the science, in the event that the VFA continues with the proposal, compensation will need to be paid to the industry (including processors and banks) for loss and damages that they will suffer as a result of the implementation of the proposal.

Furthermore, as the VFA has now decided to dismantle the quota managed fishery, this creates a precedent and uncertainty for all other fishing sectors in Victoria. In particular, rock lobster and abalone are subject to a quota managed regime. The decision to dismantle this sea urchin quota managed fishery will result in uncertainty and a reduction in the value of quota units in both those fisheries. In these circumstances, without advocating for those industries, no doubt those industries would look to the government for compensation.

In relation to the implementation, at the recent meeting, VSUDA was advised that the VFA had obtained legal advice and what it was proposing was entirely legal. This has clearly been relied on by the VFA in formulating its proposal. Accordingly, we would be pleased if you could provide us with a copy of your legal advice.

#### **Further feedback**

In light of the above, members of the VSUDA stringently oppose the proposal by VFA. It is based on flawed science and is inappropriate in the circumstances, as outlined above.

Centro is a native species in Victoria, the long-term sustainable of the urchin fishery (in line with VFAs stated management objectives) is important to employment opportunities in Mallacoota and critical to the family business that rely upon it. Urchin populations are vulnerable to overexploitation and serial depletion, we do not want a boom-and-bust fishery.

It is misconceived to propose to remove regulatory barriers. There are no such regulatory barriers, it is simply the management of the fishery. Such a proposal is of great concern to the fishery and, no doubt, other fisheries and the financial institutions that lend funds based on the security of a quota managed fishery. Introducing and unwinding this quota managed system will undermine other fisheries in Victoria, including abalone and rock lobster, and sets a precedent. Accordingly, the banking industry should be engaged in the consultation process as there has clearly been a policy change by the Victorian Government.

We are open to discussions on an increase to the recreational bag limit on urchins, however we believe that removing the bag limit completely is fraught with future problems. Not the least of which is the likelihood of creating a black market that legitimate licensees are then forced to compete.

Furthermore, the proposal set out in your letter lacks detail. We would be pleased if you could provide us with full details of your proposal, including the documentation requested as above and a timeline as to when and how you propose to alter the current structure. We would then like to provide you with further feedback concerning same.

# **Moving forward**

We trust the VFA will reconsider the proposal. We await further information from the VFA and a full response to the matters raised in this correspondence. Kindly advise when you anticipate you will be able to provide us with such a response.

Yours faithfully,

Jason York – President, Victorian Sea Urchin Divers Association Inc.