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Ms Gail Owen
Chair
Victorian Fisheries Authority
GPO Box 2260
GREENVALE VIC 3059

Dear Ms Owen

**2018-2020 Statement of Expectations for the Victorian Fisheries Authority**

I am pleased to provide you with this Statement of Expectations (SOE) for the Victorian Fisheries Authority (VFA). This SOE applies for the period 1 January 2018 to 30 June 2020, or until otherwise amended.

**Improving the administration and enforcement of regulation**

This SOE sets out my expectations of the VFA’s contribution to the Victorian Government’s program to reduce red tape affecting businesses, not‑for‑profit organisations, government service providers and households by promoting greater efficiency and effectiveness in the administration and enforcement of fisheries-related regulation. It also outlines my expectations on broader improvements for the VFA’s performance.

As the responsible Minister for fisheries, I am responsible for administering the *Fisheries Act 1995* (the Fisheries Act), which affects businesses and the broader Victorian community. This SOE should be read within the context of the objectives, obligations and functions outlined in this legislation and associated regulations as amended, and obligations outlined in the *Victorian Fisheries Authority Act 2016* (the VFA Act).

This SOE outlines key governance and performance objectives and targets aimed at improving the administration and enforcement of regulation and thus reducing its cost impact on business and the community.

**Improvements and targets**

Based on consultation between the Department of Economic Development, Jobs, Transport and Resources (DEDJTR) and the VFA, I have identified key elements of VFA governance and operations where there are opportunities to reduce cost impacts on regulated businesses. I expect the VFA to identify specific activities and initiatives it will undertake to achieve the following performance improvements and targets:

1. Timeliness

Regulatory burden can fall disproportionately on small businesses. Regulatory costs can often result from the timeliness of approval processes, unanticipated delays and coordination problems in administrative decisions.

The Victorian Government is committed to reducing regulatory burden by 25 per cent. It is essential that the VFA contributes to this commitment by ensuring that fisheries regulations are efficient, risk-based, proportionate, transparent and effective.

To this end, I expect the VFA to continue to work with DEDJTR over the next two years on the review of the sunsetting *Fisheries Regulations 2009* and the *Fisheries (Fees, Royalties and Levies) Regulations 2008* to identify areas where regulatory burden could be reduced. I expect the VFA to be accountable for this through its joint governance of the project with DEDJTR.

I expect that VFA recommendations to regulatory burden reduction will be informed by stakeholder consultation and a risk-assessment of fisheries management and compliance issues. Together with DEDJTR, the VFA should consider alternative regulatory tools, including incentive-based regulation where appropriate.

I also expect the VFA to continue to explore the use of e-technologies to reduce the time, cost and administrative burden associated with the sale of recreational fishing licences (RFL) and other public facing services.

Further, I expect that the VFA will consider how the current catch and effort reporting arrangements for commercial fisheries could be improved in the future, to minimise burden to fishers and ensure the most appropriate information is obtained for fishery management purposes.

1. Risk-based strategies

I expect the VFA to continue to deliver existing management plans for key fisheries throughout 2018-2020, including for the abalone, rock lobster/giant crab, eel and scallop (ocean) fisheries. I expect that the harvest strategy for the wrasse fishery will be implemented and that the management plan currently in preparation for inland freshwater fisheries will be finalised and implemented.

I also expect the VFA to take a risk-based approach in the development of any future fishery management plans, to ensure that plans are developed on a priority basis for key or high-risk fisheries.

Reliable and up-to-date data is critical to inform risk-based management of fisheries. I expect the VFA to investigate ways of collecting better catch, effort and value data from the recreational and commercial fishing sectors.

I expect the VFA to conduct a Victorian recreational fishing survey within the next

12 months, consistent with the Government’s Target One Million election commitment. I expect the VFA to report the outcomes of the survey within three months of its completion.

I expect the VFA to continue to implement its intelligence-informed risk-based compliance model, balancing a focus on areas of highest risk, while retaining a base model of cover across all fisheries to maintain community confidence and create a general deterrence.

I also expect the VFA to contribute to the safety of Victorians through minimising the risk of shark hazards in Victorian waters, promoting the safe use of fisheries resources and acting as a support agency for aquatic related emergencies under the *Emergency Management Act 2013*.

1. Compliance related assistance and advice

The risk of not complying with regulations is greatly reduced by providing assistance and advice that helps regulated entities understand their obligations. Stakeholders, particularly fishery licence holders, should be able to access this advice easily.

In dealing with stakeholders, I expect all VFA fisheries officers to be:

* helpful
* respectful
* impartial
* proportionate in implementing compliance activities
* predictable, and
* transparent.

I acknowledge that the VFA has a range of educational programs in place that are specifically designed to improve compliance and promote sustainable and responsible fishing. I expect that the VFA will continue these programs. This should include the implementation of initiatives focusing on promoting responsible fishing practices, including the safe use of fisheries resources. These initiatives and educational programs should be targeted at the needs of stakeholders and implemented in an accessible way, that recognises the diversity of fisheries stakeholders.

I expect the VFA to engage with stakeholders to seek feedback on the clarity and comprehensiveness of educational programs and guidance material.

1. Incentive-based regulation

Incentive-based regulation uses rewards and punishments to induce behaviours consistent with the outcomes that regulators seek to achieve. Incentive-based regulation can create opportunities for regulators to more efficiently use their resources and improve regulatory outcomes.

In light of this, I expect the VFA, in consultation with fishing sectors, to consider incentive-based regulatory approaches as a means of reducing compliance costs. Such approaches may include rewarding a track record of compliance or an investment in risk-mitigating processes with less frequent inspection cycles.

I expect that any data collected on fisher behaviour and compliance activities would be used to inform this process.

1. Cooperation among regulators

Sharing information and developing a common understanding of the regulatory context promotes regulatory coherence, capability development and a cooperative compliance culture. Over time, cooperation between regulators can strengthen the legitimacy of regulation and improve regulatory outcomes.

To this end, I expect the VFA to work with DEDJTR and across Victorian Government agencies to sustainably grow recreational fishing, improve access where appropriate and continue value-adding commercial fisheries.

In relation to aquaculture management, I expect the VFA to continue to work with DEDJTR, the Commonwealth Government and PrimeSafe Victoria to manage the risks associated with marine biotoxins and to implement relevant export standards and agreements, including the Australian Shellfish Quality Assurance Program.

VFA Fisheries Officers are highly competent, well trained and professional. I expect VFA Fisheries Officers to share their knowledge and expertise with other DEDJTR and partner agency authorised officers to build a more effective and efficient compliance management system across government.

I also expect the VFA to continue to assist other regulators, such as the Department of Environment, Land, Water and Planning, the Environment Protection Authority and Transport Safety Victoria in ensuring fishers comply with relevant environmental and marine safety laws.

1. Stakeholder consultation and engagement

Communicating and engaging effectively with stakeholders is essential to good fishery management. I expect the VFA to continue to actively engage and work with commercial and recreational fishers, aquaculture licence holders and Traditional Owner groups who have a direct interest in decisions that affect their fishing entitlements.

In particular, I expect the VFA to pursue genuine engagement, partnership and participation with Indigenous Victorians, in accordance with the DEDJTR *Aboriginal Inclusion Action Plan 2016-18*. I expect the VFA to participate in Native Title Settlement discussions across Government and with Traditional Owner Groups in relation to operational fishery management issues.

I expect that the VFA will continue to work with the Aboriginal community and fishing stakeholders to pursue the outcomes of the Victorian Aboriginal Fishing Strategy.

I also expect that the VFA will continue to work with relevant stakeholders to implement the Victorian Aquaculture Strategy.

I expect the VFA to enhance relationships with other stakeholders with an interest in fisheries management, including community groups, environment groups and other relevant stakeholders.

The VFA’s website should provide accurate, timely and transparent information to encourage responsible fishing practices and to engage stakeholders to participate in fishery management processes and decisions.

I expect the VFA to build on contemporary communications approaches, such as Facebook, Instagram, Snapchat and Twitter, to engage with Victorian fishers and stakeholders in ways that recognise social, generational, cultural and linguistic diversity.

Over the next two years, I expect the VFA to develop and implement approaches specifically targeted at stakeholders with lower engagement in fisheries management, including women, to encourage their participation and grow the recreational fishing community.

I expect the VFA will participate in the many community events and festivals that are held across the State each year, with a continued focus on growing participation in sustainable recreational fishing activities and encouraging responsible fishing practices.

1. Accountability and transparency

Transparency is a critical element of good regulatory practice. Regulators should be open about how management decisions are made and how recoverable costs are expended and stakeholders should be able to understand how regulation is applied through publicly available and transparent processes.

The establishment of the VFA as a statutory authority provides an opportunity to improve the transparency of processes and practices in fisheries management.

By December 2019, I expect the VFA to make publicly available standard processes for fishery management decisions, including how stakeholders can provide input into decisions.

I expect improved transparency and timeliness in publicly reporting on fishery performance, interactions with protected species and fish stocking. I expect periodic updates on the stock status of key Victorian fish stocks to be prepared and made publicly available.

I also expect the VFA to provide quarterly reports on the implementation of Budget Paper No. 3 performance measure targets.

The VFA will ensure that it collects, stores, manages and distributes data and personal information consistent with the *Privacy and Data Protection Act 2014* and relevant state and Commonwealth legislation.

I expect the VFA to commence a review of its cost recovery system within six months to ensure the model is still relevant, efficient and providing appropriate outcomes for both Government and the commercial fishing sector.

Good governance is an essential component of regulator integrity. I expect the VFA to demonstrate it has effective internal accountability mechanisms in place. I further expect the VFA to have effective accountability mechanisms in place for fisheries representative bodies, through funding agreements that include effective and transparent governance and performance measures.

The Victorian Government is committed to progressively build the attitudinal and behavioural change required to deliver gender equality across our State. To this end, I expect the VFA to contribute to delivering the *Victorian Gender Equality Strategy*, including a commitment to ensure a 50/50 gender balance in all committees and working groups.

I expect the VFA to consider the commitments of the *Gender Equality Strategy* in the recruitment of VFA staff and the appointment of VFA staff to senior positions.

I expect that the VFA Board will establish and document appropriate processes to deliver its governance requirements under the VFA Act. I expect the VFA Board to deliver reports in a manner required under the VFA Act and other legislation, and consistent with any relevant guidelines including those developed by DEDJTR and agreed by the VFA.

1. Clear and consistent regulatory activities

The design and delivery of fisheries regulation must be efficient, transparent and easily understood by fishing stakeholders and the broader community. This assists in encouraging compliance and positive regulatory outcomes.

I expect the VFA to continue to review and refine approaches to deliver efficient and effective risk-based regulatory outcomes. In particular, the VFA should apply the minimum level of regulatory intervention to achieve the outcomes sought.

In 2018, I expect the VFA to design and roll out an annual education and enforcement strategic plan.

**Reporting and evaluation**

The VFA’s progress reporting against these SOE performance improvements and targets should be undertaken in the context of annual financial reporting to avoid dual reporting streams. As part of annual reporting, regulators are expected to report on:

* current baseline levels for performance targets set in this SOE, and
* activities to be undertaken to reach the performance targets and improvements set out in this SOE.

I expect that DEDJTR and the VFA collaborate to develop an Evaluation Plan in 2018 and use the Plan to evaluate the delivery and outcomes of this SOE, following its completion on 30 June 2020.

I expect the VFA to respond in writing within two months of receiving this SOE, outlining the specific activities the VFA will undertake to achieve the improvements and targets detailed above. In developing the activities, I expect the VFA to consult with DEDJTR, the Red Tape Commissioner, business and the broader community, as appropriate.

I also expect these SOE performance targets will be incorporated into the VFA’s Business Plan, and this SOE and the VFA’s response should be published on the VFA’s website upon approval.

I look forward to the VFA reporting against its achievements over the life of this SOE and that the VFA continues to be a best practice leader in the administration and enforcement of fisheries regulation.

Yours sincerely

**Hon Jaala Pulford MP**

Minister for Agriculture

Date: 22 / 10 /2017