

Victorian Recreational Fishing Licence Review 2019

November 2019

A Marsden Jacob Report

Prepared for Victorian Fisheries Authority
December 2019

Marsden Jacob Associates

ABN 66 663 324 657
ACN 072 233 204

economists@marsdenjacob.com.au

Authors

Gavan Dwyer – Marsden Jacob Associates
Matthew Clarke – Marsden Jacob Associates
Makere Hurst – Marsden Jacob Associates

About Us

Established in 1996, Marsden Jacob Associates has grown to be Australia's leading dedicated natural resource economics, policy and strategy advisory. We employ talented economists and policy advisors who specialise in solving practical, real world problems relating to water, energy, environment, natural resources, agriculture, earth resources, public policy and transport. We work with a wide range of cross-disciplinary partner firms to deliver best project outcomes for our clients.

www.marsdenjacob.com.au

Statement of Confidentiality

The contents of this document and any attachments are confidential and are intended solely for the addressee. The information may also be legally privileged. If you have received this document in error, any use, reproduction or dissemination is strictly prohibited. If you are not the intended recipient, please immediately notify the sender by reply e-mail or phone and delete this document and its attachments, if any.

Disclaimer

This document has been prepared in accordance with the scope of services described in the contract or agreement between Marsden Jacob Associates Pty Ltd ACN 072 233 204 (Marsden Jacob) and the Client. This document is supplied in good faith and reflects the knowledge, expertise and experience of the advisors involved. The document and findings are subject to assumptions and limitations referred to within the document. Any findings, conclusions or recommendations only apply to the aforementioned circumstances and no greater reliance should be assumed or drawn by the Client. Marsden Jacob accepts no responsibility whatsoever for any loss occasioned by any person acting or refraining from action because of reliance on the document. Furthermore, the document has been prepared solely for use by the Client and Marsden Jacob Associates accepts no responsibility for its use by other parties.

Contents

1.	Executive Summary	5
2.	Introduction	9
2.1	Background to recreational fishing in Victoria and the legislative framework	9
2.2	Purpose of review	9
2.3	Approach to undertaking this review	10
2.4	Structure of review	10
2.5	Recreational Fishing Licence Trust Account (RFLTA)	11
2.6	Advocacy model	23
2.7	Exemptions to categories of recreational fishers required to hold a licence	25
	Appendix 1 Small and large grants	26
A1.1	Categories for funding of small and large grants	26
	Figures	
	Figure 1: Historical RFLTA revenue and expenditure (2010/11 to 2017/18)	12
	Figure 2: Historical RFLTA expenditure composition (2010/11 to 2017/18)	13
	Figure 3: Total value of successful grants (\$m)	15
	Figure 4: Number of successful grant applications	16
	Figure 5: Funds allocated to fisheries development (% of total RFLTA expenditure)	17
	Figure 6: Number and value of grants approved (% of total from 2010/11 to 2016/17)	19
	Figure 7: Number and value of grants approved (% of total for 2016/17)	20
	Tables	
	Table 1: Best practice considerations when reviewing the RFLTA	10
	Table 2: 2017/18 RFLTA expenditure composition	12
	Table 3: Initiative funding	13
	Table 4: Grants program types	14
	Table 5: Small grants program fund	26
	Table 6: Large grants program fund	27

Acronyms and abbreviations

RFL	Recreational Fishing License
RFLTA	Recreational Fishing Licence Trust Account
VFA	Victorian Fisheries Authority

1. Executive Summary

The current Recreational Fishing licencing system and Trust Account have been effective in improving recreational fishing. Opportunities exist for improvements with potential for reforms to the grants process. This includes establishing a holistic strategic plan for Trust Account expenditures and a more formal process for input from key stakeholders.

Opportunities also exist for reforms to the current advocacy model. However, current age-based exemptions should remain unless it can be implemented and managed at low cost and address vertical equity objectives.

The Victorian Recreational Fishing License (RFL) system provides a funding source for the Recreational Fish Licence Trust Account (RFLTA) to support a range of activities that are beneficial to the recreational fishing sector – such as: provision of infrastructure to ensure access to recreational fishing; effective management of fish stocks and ongoing enforcement; and research and education to ensure its sustainability.

RFLTA total revenue in 2017/18 was \$7.9 million and expenditure was \$8.6 million. Discussions with stakeholders and a review of RFLTA processes reveals that the RFLTA has been effective in improving recreational fishing and has a number of positive features that promotes efficiency outcomes supported by effective accountability structures. These include:

- The Recreational Fishing Grants program is well subscribed and has typically funded around 70 projects per year.
- The composition of expenditure is transparent through the RFLTA Annual Report to the Victorian Parliament
- A recent evaluation of the Target One Million program, which is partly funded by the RFLTA, concluded that the program had been successful in achieving its specific objectives
- The RFLTA Working Group appears to be applying the grant assessment criteria on a consistent basis and some comparative analysis is undertaken to ensure the expenditure is efficient.
- The governance structure of the Working Group is mostly effective, with an independent Chair and a sufficient representation of skills across the recreational fishing sector.

However, opportunities exist for improvements.

Stakeholder consultation revealed that confusion exists with the purpose of the RFLTA. Additionally, most stakeholders have expressed that: government costs (e.g. enforcement) have been shifted over time to the RFLTA; more of the RFLTA funds should focus on recreational fishing grants; and that there is a degree of overlap between funding for education as similar activities are undertaken by the VFA and Fishcare.

In terms of funding, while the Recreational Fishing Grants program's share of total expenditure has fallen over time, total Recreational Fishing Grants expenditure (in dollar terms) has fluctuated up and down over time (averaging \$2.4 million over the period 2010/11 to 2017/18) and the actual percentage share allocated to

fisheries development activities has slightly increased over the past eight years once the Target One Million expenditure is included.

One of the key recommendations in this review is to establish a holistic RFLTA strategic plan. This plan would incorporate all RFLTA expenditures and provide greater clarity on the role of the RFLTA (including clarifying areas of overlap), its purpose and its key expenditure priority areas. Importantly, the strategic plan would be developed with input from the recreational fishing sector, noting that the Minister ultimately owns the plan.

Some stakeholders have indicated that the governance structure of the RFLTA could be further reformed to make it more independent of government. This would enable the recreational fishing sector to have even greater say over all of the RFLTA expenditure components. There are also concerns that current expenditures on recreational fishing may not be resilient over the longer term if there are changes to future levels of one-off support from government.

In our view, more complex reforms, such as making the RFLTA more independent of government, has the potential to be counterproductive given the scale of the fund and the overlap in activities with the VFA (e.g. enforcement). However, significant scope exists for greater clarity and involvement of the recreational fishing industry in contributing to the overall strategic plan for all expenditures in the RFLTA. This should be pursued before more complex reforms are considered.

Improvements could also be made to the grants process to improve its effectiveness. Some key potential areas for improvement identified during the review include:

- Introducing a new mid-tier category and adjusting the grant application hurdle rates and eligibility requirements accordingly
- Reducing the timeframe that applies from the time of application to the time that it is ultimately funded.
- Consistent with the strategic plan, providing greater guidance to applicants on the likely priorities for the Recreational Fishing Grants program and appropriate feedback if their application is unsuccessful
- Project administration and management costs should be recoverable so long as it does not include costs that are recovered via other processes nor the costs of volunteers that assist with project implementation.
- Evaluating the outcomes of projects to provide the Working Group with an appreciation of whether the projects are achieving the stated benefits as well as illustrating which projects are likely to have the greatest impact and those are likely to have challenges.

In addition, the Recreational Fishing Grants Working Group should comprise members with a mix of skills across the recreational fishing sector to ensure that it can appropriately assess the different types of grant applications. Although it appears that the Working Group has historically appropriately dealt with conflict of interest issues, members should preferably not be selected where there is a perceived conflict of interest.

Discussions with stakeholders have revealed that many are uncomfortable with current advocacy arrangements in terms of VRFish. A key issue is that many outside VRFish believe they are not adequately represented. We received strong feedback that more work is required for all to feel that their interests are being appropriately considered and included in its advocacy policy development processes.

This is important to be addressed and various approaches could be considered to address this issue, such as: requiring stronger and potentially more specific performance measures on VRFish related to engagement with the broader recreational fishing sector; regular surveying of key stakeholders; and/or establishing a small independent panel to provide advice to the government on the performance of VRFish.

Some stakeholders suggested that more substantial reforms could be considered. For example, some suggested that some of VRFish's current funding could be reallocated to support other groups to undertake advocacy activities or even for the advocacy funding component within the RFLTA to be contestable. Some also suggested that some of VRFish's current funding could be reallocated to enable other groups to prepare more effective Recreational Fishing Grant proposals.

In our view, these types of arrangements should only be considered if reform within the current funding framework cannot deliver improvements as a strong argument exists on efficiency grounds for one entity being funded to advocate on behalf of the recreational fishing sector. This was recognised by many stakeholders and is often the case in agricultural sectors (such as dairy and, to a lesser extent grains).

Moreover, the strategic plan provides a forum for key recreational fishing stakeholders to provide input into the appropriate level of funding to resource VRFish compared to other priorities within the RFLTA.

Importantly, the reforms recommended in this review should provide more contestability in grant applications under the Recreational Fisheries Grant program. The introduction of a new mid-sized category should enable fishing groups to bid for projects larger than \$5,000 in a similar timeframe to small grants and with less administrative hurdles than large grants. Additionally, projects developed by fishing groups should become more viable if some of the costs incurred by them in managing and administering projects are able to be recovered under grant funding.

In terms of licence exemptions, discussions with stakeholders revealed a mix of responses as to whether fishers that are under 18 or over 70 years of age should be exempt from the requirement to hold a fishing licence. Some stakeholders said it would be beneficial to require all fishers to hold a licence, even if some were not charged a licence fee, so as to improve the estimation of the total number of fishers in Victoria. Other stakeholders indicated that there were alternative approaches that could be used to estimate total fisher numbers and it would be an administrative burden to do so for this purpose alone. Some others suggested a concessional fee for those under 18.

Taking into account the mixed feedback from stakeholders and the analysis in the recent regulation impact statement (which still appears relevant), a strong case for change from the current situation is not apparent. However, if the cost of implementation was to be able to be kept to a minimum (for example at a time when other reforms are considered), the Victorian Government could consider licencing all fishers and potentially concessional arrangements for those under 18 or over 70 years of age to achieve vertical equity objectives.

RECOMMENDATIONS

Recommendation 1: A consolidated strategic plan should be developed by the VFA in partnership with the State-wide Recreational Fisheries Roundtable (SRFR) across all RFLTA expenditures.

Recommendation 2: Evaluation and performance measurement should be enhanced across all key RFLTA expenditures.

Recommendation 3: The Recreational Fishing Grants program should be reformed:

- The grants structure could be amended to allow for: a new mid-sized category combined with potentially a lower threshold for small grants; and a reduced length of time from grant submissions to funding for large projects.
- Project administration and management costs should be recoverable so long as it does not include costs that are recovered via other processes nor the costs of volunteers that assist with project implementation.
- Consistent with the strategic plan, greater guidance should be provided to applicants on the likely priorities for the Recreational Fishing Grants program and appropriate feedback provided if their application is unsuccessful.
- An expression of interest process for medium to large sized projects could be used for high priority issues that align with the RFLTA strategic plan proposed in Recommendation 1.
- A reformed grants process could also more formally consider the relative shares of public and co-investment funding required for different types of projects based on the expected share of public and private benefits.
- The mix of skills of the Recreational Fishing Grants Working Group should be reviewed to ensure that it comprises members with an appropriate mix of skills across the recreational fishing sector. Additionally, members should preferably not be selected where there is a perceived conflict of interest.

Recommendation 4: A more intensive review of VRFish should be undertaken in 2020 to ensure that it broadly consults with the broad recreational fishing community in providing advice to government and advocating for the sector. Additionally, the strategic plan should provide guidance on the appropriate level of funding to resource VRFish compared to other priorities within the RFLTA. More substantial reforms to advocacy and representation should be considered through this review, including options to re-allocate funding across a range of recreational fishing bodies.

Recommendation 5: Retain licence exemptions for those under 18 or over 70 years of age. A case for change in the future may be warranted if the administrative costs can be kept to a minimum, and even then, a concessional charge may be warranted to meet vertical equity objectives.

2. Introduction

2.1 Background to recreational fishing in Victoria and the legislative framework

Victoria's inland waters, bays, inlets and oceans support a range of recreational fisheries. In inland waters this includes trout and redfin, and native species such as golden perch, Murray cod and Australian bass. In bays, inlets and oceans this includes snapper, King George whiting, flathead, bream, sharks, tuna, calamari and Australian salmon, scallops, abalone and rock lobster.

The **Fisheries Act 1995 (the Act)** provides a legislative framework for the regulation, management and conservation of Victorian fisheries including aquatic habitats.

The key objectives of the Act, which relate to recreational fishing, include:

- providing for the management, development and use of Victoria's fisheries, aquatic industries and associated aquatic biological resources in an efficient, effective and ecologically sustainable manner
- protecting and conserving fisheries resources, habitats and ecosystems including the maintenance of aquatic ecological processes and genetic diversity
- promoting quality recreational fishing opportunities for the benefit of present and future generations
- facilitating access to fisheries resources for recreational uses
- encouraging the participation of resource users and the community in fisheries management.

The **Fisheries Regulations 2009** supports the Act and set out the conditions under which recreational fishing may occur in Victoria (such as types of equipment, areas where fishing may occur and catch limits).

The **Fisheries (Fees, Royalties and Levies) Regulations 2008** set out the levies and fees to be paid for a recreational fishery licence.

2.2 Purpose of review

The purpose of the review is to review the Recreational Fish Licence (RFL) system including the associated Recreational Fish Licence Trust Account. The terms of reference states that:

- The review will have regard to the Recreational Fishing Licence Trust Account (RFLTA) funds and how they can be optimised for the purpose of improving recreational fishing.
- The review will examine the purpose of the RFLTA and its current operation, including reporting to the public.
- The review will consider if the needs of recreational fishers and the public are being met, and what might be done to better align the operation with stakeholder expectations.
- The review will examine the appropriate model for distribution of RFLTA funds and how they can be optimised for the purpose of improving recreational fishing.
- The review will consider the costs and benefits of expanding the categories of recreational fishers required to hold a licence (i.e. current exemptions)
- The review will consider the advocacy model for recreational fishing in Victoria.
- The review will consider the current framework for the planning and approval of investment from the RFLTA.

In undertaking this review, Marsden Jacob has not reviewed nor made recommendations related to current licence fees or revenue processes related to the RFLTA – with the exception of reviewing the current licence exemptions.

2.3 Approach to undertaking this review

2.3.1 Best practice and other frameworks

One of the key focuses of this review is on the RFLTA. However, the Victorian government also provides additional funding to the recreational fishing sector beyond funding provided by the RFLTA. Therefore, the totality of expenditure from the RFLTA and the Victorian Government will be also considered in reviewing funding provided to the recreational fishing sector.

With this in mind, this review has considered two important frameworks:

- Best practice considerations when reviewing the RFLTA
- Victorian Government cost recovery guidelines.

Best practice considerations when reviewing the RFLTA

The review will draw on several best practice considerations when reviewing the RFLTA. These are shown in Table 1.

Table 1: Best practice considerations when reviewing the RFLTA

Type of best practice issue	Key considerations for this review
Clarity of role and purpose	• Do the arrangements provide clarity of roles and purpose?
Effectiveness	• Is the RFLTA effective in achieving its objective?
Efficiency	• Does the grants process promote efficient outcomes?
Accountability and Transparency	• Are there clear accountabilities in administering grants? • Is there transparency of the process and decisions?
Measuring performance	• Are there processes to measure the performance of the RFLTA and whether it is achieving its objectives?

Victorian Government cost recovery guidelines

According to the Victorian Government Cost Recovery Guidelines (2013), general government policy is that regulatory fees and user charges should be set on a full cost recovery basis because it ensures that both efficiency and equity objectives are met.

2.3.2 Stakeholder consultation

The review involved consultation with a number of key recreational fishing stakeholders. This involved a round table discussion and direct face to face discussions with key stakeholders.

2.4 Structure of review

The review has been structured into three components:

- The Recreational Fishing Licence Trust Account (section 2.5)
- The advocacy model (section 2.6)
- Licence exemptions (section 2.7)

2.5 Recreational Fishing Licence Trust Account (RFLTA)

2.5.1 Current situation

A recreational fishing licence (RFL) is required for recreational fishing in Victoria. Under the Act, all levies and application fees received in respect of these licences are paid into the Recreational Fishing Licence Trust Account (RFLTA). Additionally, under the Act (s.151B), the RFLTA must be used for the purpose of recreational fishing.

The Act states that the following may be paid out of the RFLTA:

- amounts determined by the Minister for the purpose of improving recreational fishing; and
- the costs and expenses incurred in the administration of recreational fishing licences and the Account.

Working Group

The Recreational Fishing Grants Working Group (RFGWG) comprises members that are appointed by the Minister Responsible for Fisheries. The role of the Working Group is to provide advice to the Minister on the expenditure of Recreational Fishing Licence Trust Account funds. A key role of the Working Group is to assess and provide advice on applications for grants received under the Recreational Fishing Grants Program.

The Working Group comprises eight members (plus an independent Chairperson). The terms of reference for the Working Group states that membership composition is intended to comprise range of knowledge, experience and views from across the State covering as much as possible:

- Ocean, coastal, estuarine, freshwater native fish and salmonid recreational fisheries
- Port Phillip Bay, South West, North East, North West, East Gippsland, West Gippsland regions
- One person nominated by VRFish to provide advice that reflects the views of:
 - the whole Victorian recreational fishing community;
 - the organisations affiliated with VRFish; and
 - the VRFish Board.
- The recreational fishing industry to provide advice that reflects the views of recreational fishers as identified by persons involved in the Victorian recreational fishing business sector (e.g. tackle, guides, charter, etc.).

RFLTA revenue and expenditure

RFLTA total revenue in 2017/18 was \$7.9 million and expenditure was \$8.6 million (Table 2). RFLTA revenues have historically been similar to expenditures (Figure 1), although expenditure have been greater than revenues in recent years. Net cash on hand at the end of the 2017/18 year was \$6.2 million.

Nearly 70 per cent of total expenditure is from three expenditure types: Target One Million Implementation; Fisheries enforcement and education; and Recreational Fishing Grants Program and other projects.

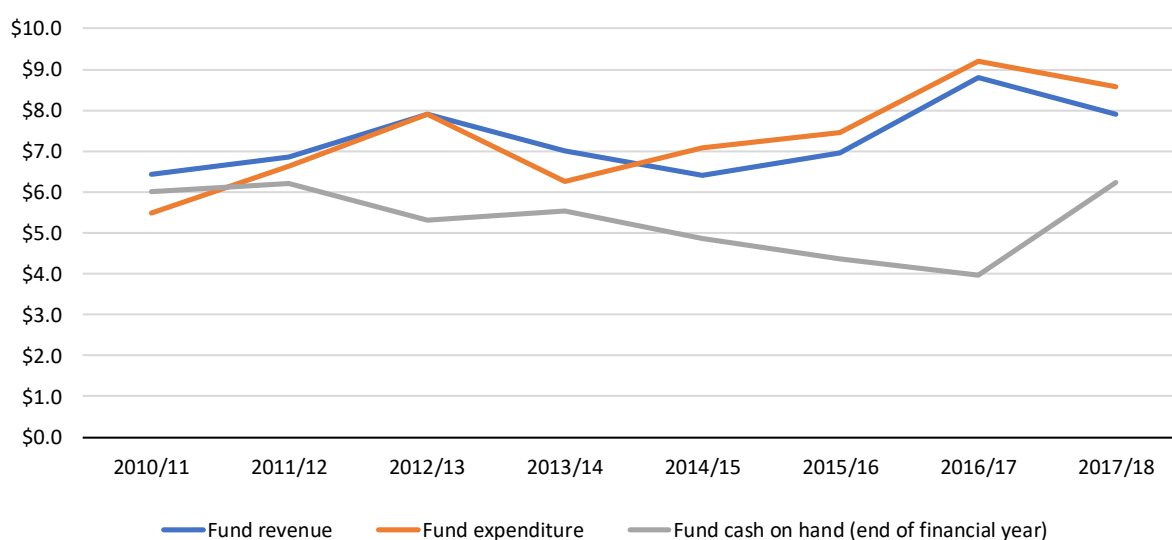
While the Recreational Fishing Grants program share of total expenditure has fallen over time, total Recreational Fishing Grants program expenditure (in dollar terms) has fluctuated up and down over time (averaging \$2.4 million over the period 2010/11 to 2017/18 – Figure 2).

The increase in licence fees created additional revenue in 2016/17 was accompanied by new expenditure on the Target One Million program (Figure 2).

Table 2: 2017/18 RFLTA expenditure composition

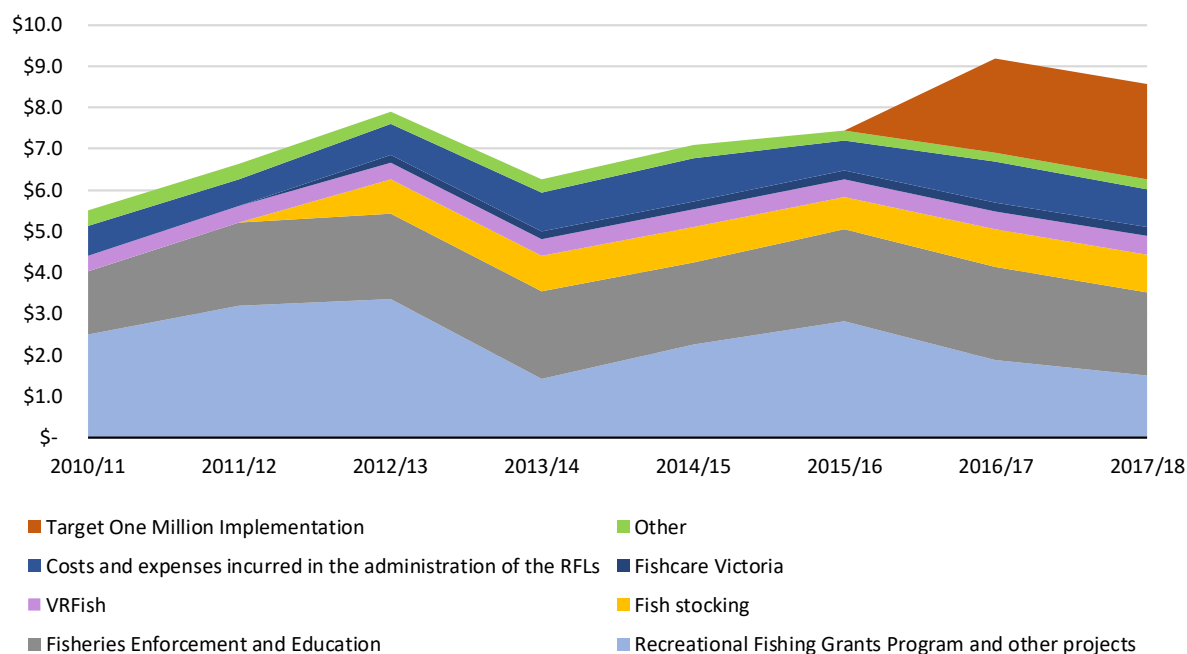
Expenditure type	Total (\$m)	%
Target One Million Implementation	\$2.3	27%
Fisheries Enforcement and Education	\$2.0	24%
Recreational Fishing Grants Program	\$1.5	17%
Fish stocking	\$0.9	11%
Costs and expenses incurred in the administration of the RFLs	\$0.9	11%
VRFish	\$0.5	5%
Fishcare Victoria	\$0.2	3%
Other	\$0.2	3%
Total	\$8.6	100%

Figure 1: Historical RFLTA revenue and expenditure (2010/11 to 2017/18)



Note: 2017/18 cash on hand rises even though revenue is less than expenditure. This is explained in the report to Parliament in the following way: 'Includes unspent funds relating to VFA-led projects which were refunded back to the RFL Trust Account due to DEDJTR year-end corporate finance processes outside of the RFL reporting period'.

Figure 2: Historical RFLTA expenditure composition (2010/11 to 2017/18)



Target One Million

In addition to the RFLTA expenditure, Government provided additional funds as part of government initiatives (Table 3).

Initiative funding has significantly increased funding to the recreational fishing sector (Table 3). For example, in 2017/8, around \$7.5 million of initiative funding was provided to the recreational sector in addition to RFLTA expenditure of \$8.6 million (Table 2). This equates to total expenditure of \$16.1 million in 2017/18.

In 2015/16, the Government began an initiative called Target One Million to grow participation to one million anglers by 2020.

Since 2016/17, some RFLTA revenue has been allocated to recover part of the Target One Million expenditure (approximately \$4.3 million in total from 2016/17 to 2017/18).

Table 3: Initiative funding

	Total	Total (excluding RFLTA funded)	Average per year (excluding RFLTA funded)
2007/08 to 2010/11	\$13.5	\$13.5	\$3.4
2011/12 to 2014/15	\$16.0	\$16.0	\$4.0
2015/16 - 2018/19 (Target One Million Phase 1)	\$37.0	\$30.1	\$7.5

Target One Million comprises two phases, with phase 2 to begin in 2019/20.

Key aspects of phase one (2015 to 2019) included:

- Halting commercial netting in Port Phillip and Corio Bays over eight years through a buyback program
- Fish Stocking. The target was to increase fish stocking to 5 million fish per year.
- The Stronger Fishing Club program. This program provided all eligible angling clubs with funds to promote membership. The Stronger Fishing Clubs grants programs was open from early 2016 until 31 August 2017. The program provided grants for angling clubs to conduct projects to promote and/or increase club membership and benefit recreational fishing in Victoria.
- The Better Fishing Facilities grants program. This grants program delivered benefits to recreational fishers and contributed to boosting participation. Examples of projects funded under this program are those that:
 - Improve access to marine, estuarine and inland waters for boat based fishers (e.g. boat launching facilities)
 - Improve access to marine, estuarine and inland waters for land based fishers (e.g. piers and jetties)
 - Improve infrastructure and facilities at popular fishing locations (e.g. lighting, seating)
- A range of other recreational fishing improvement projects. Some examples include banning netting at the mouth of rivers in the Gippsland Lakes and establishing a new trout cod fishery in Beechworth

Program Types

The Recreational Fishing Grants Program comprises three separate programs (Table 4).

Table 4: Grants program types

Program	Details
Small Grants Program	• This program is continually open throughout the year (up to \$5,000 - GST Exclusive)
Large Grants Program	• A Large Grants Program (for projects from \$5,001 to \$100,000 - GST Exclusive)
Commissioning Program	• This program is for large priority projects (generally in excess of \$100,000)

The Small Grants Program provides funding under three categories:

- Recreational fishing access and infrastructure
- Community fishing events
- Education projects

The Large Grants Program provides funds for projects under four categories:

- Recreational fishing access and facilities
- Recreational fisheries sustainability and habitat improvement
- Recreational fisheries related education, information and training
- Recreational fisheries research

More detail on these categories is contained in Appendix 1.

Applications for large grants are assessed both quantitatively and qualitatively (ranked 1 to 5) by the Working Group against appraisal criteria including:

- To what extent will the project's outcome/s clearly benefit and/or improve Victoria's (or site specific) recreational fishing?

- Is there a clear case for RFL holder support for the project based on priorities identified through the online survey of licensed anglers?
- Is the proposed project realistic and practical?
- Has the applicant defined the project's outcome/s and how they would demonstrate that they have been achieved?
- Are the project costs and benefits derived from the project equitably distributed?
- Is there sufficient support for the project from both internal and external stakeholders?
- Is there a reasonable level of financial and/or in-kind contributions from other sources?

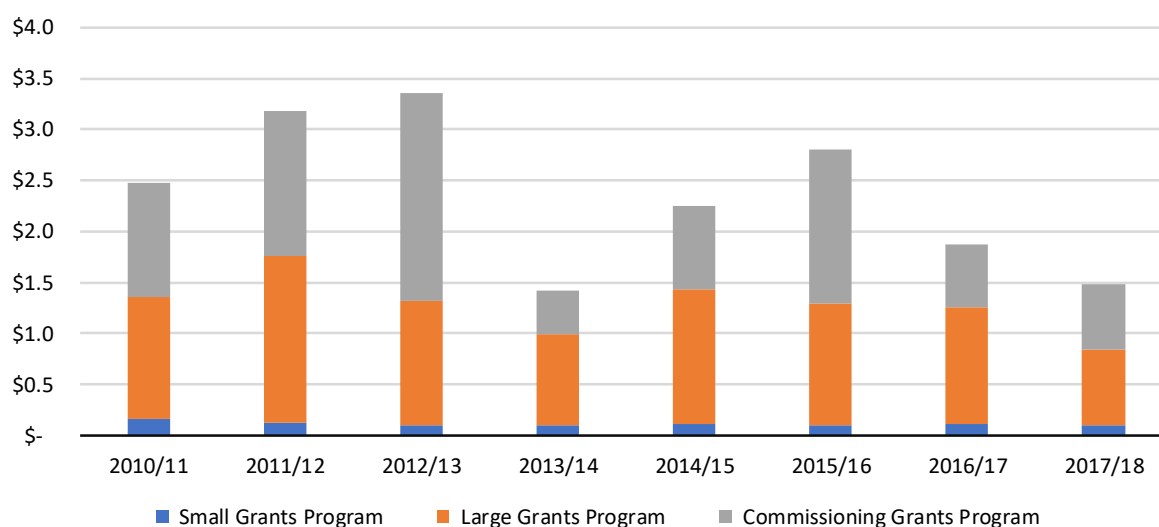
Over the 8 year period from 2010/11 to 2017/18, total funding for each of the programs was on average:

- \$110,000 for the small grants program
- \$1.2 million for the large grants program
- \$1.1 million for the commissioning grants

Therefore, large and commissioning grants comprise the large majority of the total value.

However, the total value of grants has not been very stable with some volatility from one year to the next (Figure 3). Additionally, the number of grants approved has experienced some volatility from year to year, with most being small grants (Figure 4). Therefore, although the number of small grants is relatively high compared to other grant types, the total value of these grants is relatively small compared to other grant types.

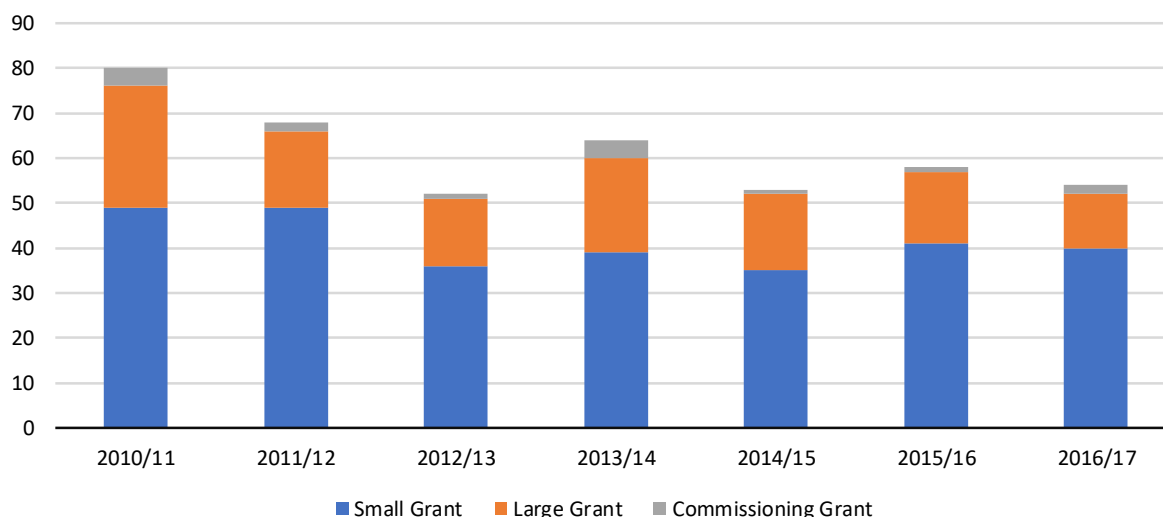
Figure 3: Total value of successful grants (\$m)



Source: MJA analysis of RFL Trust Account Reports to Parliament.

Note: This graph refers to funding each year, irrespective of when the grant was approved.

Figure 4: Number of successful grant applications



Source: MJA analysis of RFL Trust Account Reports to Parliament.

Note: This graph only refers to new projects in the year the application is first announced.

2.5.2 Review assessment

Taking into account stakeholder feedback and Marsden Jacob's own analysis, the review has examined the RFLTA in the context of the best practice considerations in Table 1.

Clarity of role and purpose

Clarity of role and purpose relates to whether the RFLTA has a clear objective and whether this is understood by stakeholders.

While there is a general understanding across stakeholders on the current composition of RFLTA expenditure, several stakeholders expressed that more of the RFLTA funds should focused on recreational fishing grants and that some expenditure overlaps exist with current VFA expenditure. Moreover, some common views were that:

- RFLTA funds should not be spent on activities that involve government regulating the recreational fishing sector or the Target One Million program.
- RFLTA should revert back to its original settings when it was established (early 2000s) when a higher proportion of RFLTA funds were allocated to recreational fishing grants. A figure of 50% of the total RFLTA expenditure was often mentioned.
- Some RFLTA funds are allocated to activities that are also undertaken by the VFA. An example is the allocation to Fishcare Victoria from the RFLTA which provides similar education outreach as VicFishKids which is run by the VFA. Another example is enforcement expenditure which funds part of VFAs enforcement activities.

These views indicate that some confusion exists with the purpose of the RFLTA. Additionally, many stakeholders have the perception that some regulatory functions of government should not be recovered via the RFLTA.

The RFLTA funds are currently being applied for three distinct purposes:

- Fishing regulation. Some RLFTA funds are used for compliance and enforcement purposes (around \$2 million per annum). According to the 2016 Regulation Impact Statement or RIS (p. 6), the funding of enforcement activities via the RFLTA was made in 1999 to reflect the increase in enforcement effort as a consequence of moving to All-Waters RFLs and the associated licence prices introduced in 1999.
- Fisheries development. Most of the RFLTA funds are used for this purpose. This includes the recreational fishing grants, Target One Million, fish stocking and Fishcare expenditures.
- Fisheries advocacy. This funds VRFish and this allocation of RFLTA funds is intended to ensure that there is adequate advocacy for recreational fishers in Victoria

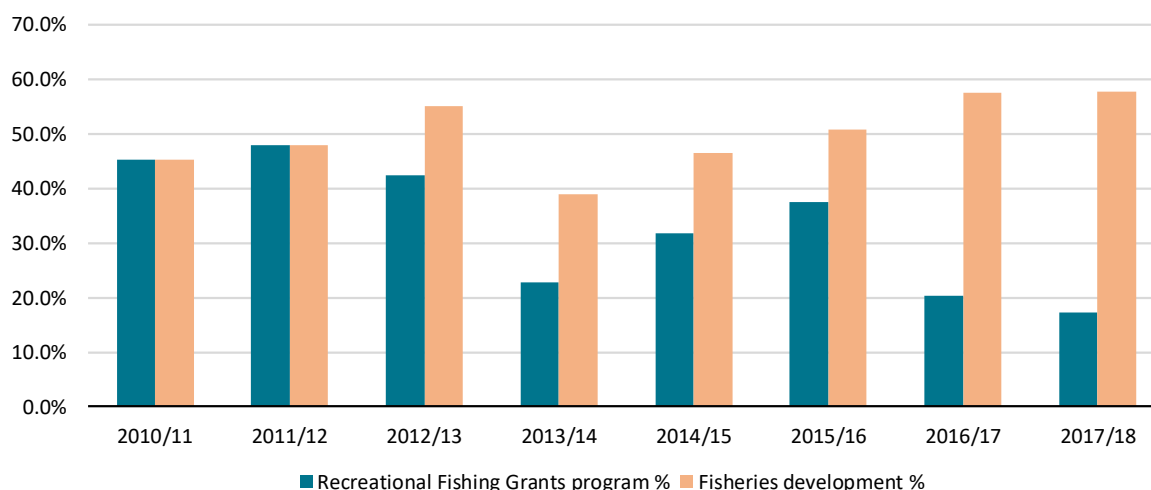
Additionally, the Victorian Government are spending an additional \$5.0 million (RIS 2016, p. 4) on enforcement expenditures which are not part of the RFLTA.

Under full cost recovery, RFL fees and charges would be set to recover all of the expenditures under the RFLTA as well as the additional enforcement expenditures of government. The 2016 Regulation Impact Statement (2016, p. 13) indicates that the cost recovery of all expenditures on recreational fisheries (i.e. the RFLTA and other government expenditures) is around 39%. This is based on 100% cost recovery of the RFLTA expenditures and around 30% cost recovery of VFA enforcement expenditure (which is partly recovered via the RFLTA).

As per the 2016 Regulation Impact Statement (p. 13), the Victorian Government has made it clear in the RIS that it is not enacting full cost recovery. Therefore, in terms of what costs should be recovered via the RFLTA, recreational fishers are fortunate that government is not applying general government policy which is full cost recovery via fees and charges.

In terms of funding, while the Recreational Fishing Grants program's share of total expenditure has fallen over time, total Recreational Fishing Grants expenditure (in dollar terms) has fluctuated up and down over time (averaging \$2.4 million over the period 2010/11 to 2017/18) and the actual percentage share allocated to fisheries development activities has slightly increased over the past eight years once the Target One Million expenditure is included (Figure 5).

Figure 5: Funds allocated to fisheries development (% of total RFLTA expenditure)



Source: MJA analysis of RFL Trust Account Reports to Parliament.

One area where clarity of role would be beneficial is in the area of education. Discussions with stakeholders has revealed that the Victorian Government is undertaking education for both compliance and fisheries development purposes, while the RFLTA has also allocated some funds to Fishcare which undertakes education for fisheries development purposes. Stakeholders have indicated that this overlap for fisheries development has led to some confusion and could ultimately lead to sub-optimal outcomes.

Effectiveness

Effectiveness refers to the degree to which the objectives are being achieved. Under the Act, expenditure using the RFLTA must be for the purpose of improving recreational fishing. Considering the type of expenditure within the RFLTA, it is clear that all of the funds in the RFLTA are being used for this purpose.

Evidence also exists that the RFLTA has been effective in improving recreational fishing. For example:

- The Recreational Fishing Grants program is well subscribed and has typically funded around 70 new projects per year.
- The RFLTA annual report to the Victorian Parliament provides detailed information on the nature and scale of VFA's enforcement activities – some of which is funded via the RFLTA (around \$2 million in 2017/18)
- A recent evaluation (EY, 2018) of the Target One Million program (around \$2.3 million in 2017/18) concluded that the program had been successful in achieving its specific objectives – including: increasing the number of recreational fishers and total fishing trips in Victoria; increasing fish stocking throughout Victoria; upgrading fishing facilities/infrastructure and improve access for recreational fishers; and increasing interest in recreational fishing among the Victorian population.

However, opportunities exist for improvements. In particular, a key issue is that in assessing applications for Recreational Fishing Grants, the Working Group implicitly allocates RFLTA funds between the categories defined for small and large grants (Appendix 1) and across geographic regions.

Moreover, the Working Group does this without a firm understanding of:

- what would be most effective overall to improve recreational fishing (as per the objective in the Act)
- whether there are specific priorities and equity considerations that should be considered in assessing grants
- what type of projects would be effective in improving recreational fishing as there is no post project evaluation of grants.

Several stakeholders also indicated that a mid-sized category might be appropriate considering the time it takes for a large grant to be assessed, approved and funded – typically up to two years from the time of submitting the application. This time delay may also have led to a large proportion of funding successful applications (in terms of the number of applications) being less than \$5,000 and not as many in the \$5,000 to \$30,000 range (in terms of the value of the grants). This is illustrated in Figure 6 for 7 years of successful grant applications from 2010/11 to 2016/17 and in Figure 7 for 2016/17 (the most recent published year). Analysis of historical applications also indicates that around half of the applications less than \$5,000 are less than \$2,500.

Therefore, a new mid-sized category (e.g. \$5,000 to say \$25,000 or \$2,500 to \$25,000) may be more efficient and enable a better spread of different sized projects. The new category would have a shorter approval timeframe than large projects (i.e. similar to the <\$5,000 which is typically funded in the year of submission) but more scrutiny than small projects (but less than large projects). The time length it takes for large projects to be funded should also be reviewed, although it is acknowledged that these projects do require a higher level of scrutiny.

Some stakeholders advocated that an expression of interest process for specific high priority issues may be beneficial as part of the grants process, particularly for large grants. This mechanism may be a beneficial improvement as it could be used to ensure that project proposals align more closely with the priorities of the Working Group and the strategic priorities of the RFLTA – particularly if a holistic strategic plan is developed for the RFLTA.

Some stakeholders indicated that they incur additional costs in preparing, organising and managing projects that is not recoverable via the grants process. Taking into consideration their importance to project success,

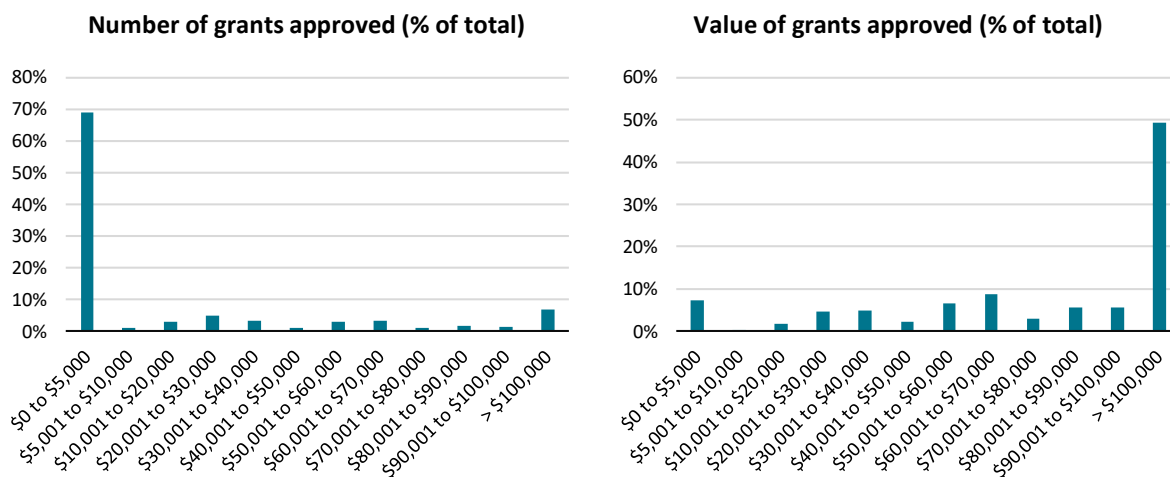
these costs should be recoverable so long as it does not involve costs that would otherwise have been recovered via other processes.

The current grant process considers whether the applicant is also providing in-kind contributions from the applicant or other organisations. The grants process could more formally consider the relative shares of public and coinvestment funding required for different types of projects based on the expected share of public and private benefits and the risks of spillovers and free riding. This could be incorporated as part of a reformed grants process.

A number of participants suggested that the grants under the Recreational Fishing Grants program be distributed according to the membership or prevalence of fishing activity. Our assessment is this is not desirable nor feasible. First, the funding should be contestible and distributed according to which project will achieve the largest net benefit. Second, the RFL and recreational fishing activity data is not robust enough to confidently established a more equity activity based system. Third, though well intentioned, it is likely such a system would most likely create a range of incentive problems down the track and could become entrenched and intractable.

In principle, it would be helpful if there was closer alignment of recreational fishing groups in preparing project proposals. This would enable more efficient engagement and alignment of resourcing priorities. The new proposed strategic plan under recommendation 1 and proposed changes to the grants process (e.g. greater guidance provided to applicants on the likely priorities for the Recreational Fishing Grants program) should assist in providing fishing groups with a greater understanding of strategic priorities of the RFLTA and the short to medium term priorities of the Recreational Fishing Grants program. This provides fishing groups with more clarity on how they can best align with others to prepare effective grant proposals.

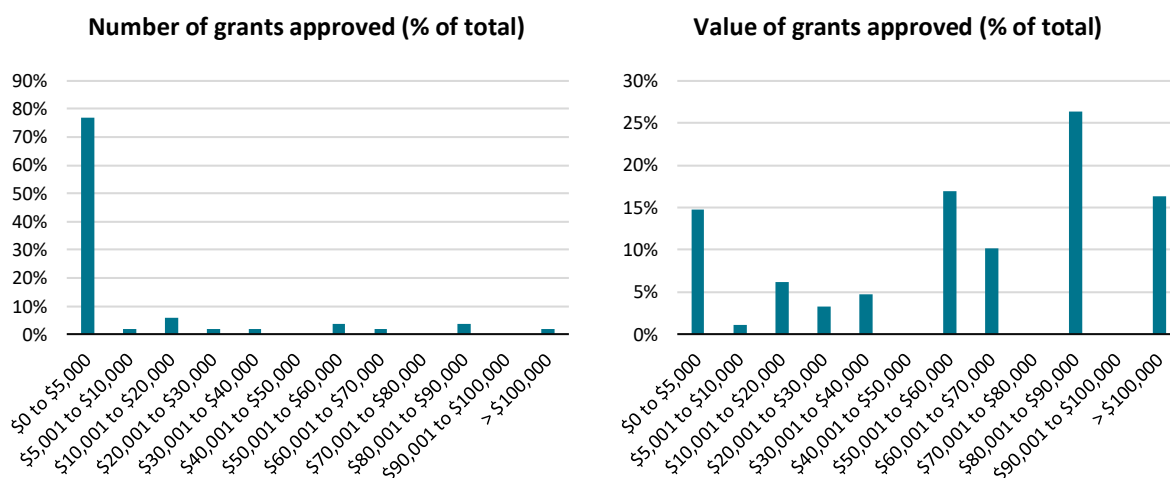
Figure 6: Number and value of grants approved (% of total from 2010/11 to 2016/17)



Source: MJA analysis of RFL Trust Account Reports to Parliament.

Note: the graph is based on the total amount approved for small and large grants. Grant funding could be spread over more than one year.

Figure 7: Number and value of grants approved (% of total for 2016/17)



Source: MJA analysis of RFL Trust Account Reports to Parliament.

Note: the graph is based on the total amount approved for small and large grants. Grant funding could be spread over more than one year.

The effectiveness of the current RFLTA allocation to industry advocacy (i.e. VRFish) is discussed in more detail in the advocacy section.

Efficiency

Efficiency of the RFLTA can be viewed in several ways:

- The allocation of total RFLTA funds across all of its expenditure – i.e. the 8 categories of expenditure shown in Table 2.
- The allocation of funds within the 8 categories of expenditure.
- The cost of particular items of expenditure to ensure they are low cost.

Stakeholders views were mainly focused on the allocation of the RFLTA within the Recreational Fishing Grants Program. Discussions with stakeholders revealed that the current process undertaken by the Working Group does have some positive features that promotes efficiency outcomes, including:

- The application process for both small and large grants requires applicants to provide a range of information about the proposed project, including information on how the project will benefit the local community (small projects) and how it will improve recreational fishing in Victoria (large projects)
- The scoring system for large projects is applied to each project on a consistent basis, based on discussions with key stakeholders
- Proposed expenditure, where appropriate, is sometimes compared with historical expenditure on similar types of expenditure
- Three quotes are required for large grants, noting this is not always possible due to limited suppliers

However, opportunities exist for improvements. Some limitations of the existing process are:

- The outcomes of projects are not evaluated which limits the ability of the Working Group to appreciate which projects are likely to have the greatest impact and those are likely to have challenges.

- Unsuccessful project applicants are provided with limited information on the reasons for why their project was not approved.
- Limitations on the time allocated for the Working Group to assess grants.
- Commissioning grants are developed by the VFA and the selection and assessment process for these projects is not the same as is currently applied to large grants.

Accountability and Transparency

In the context of RFLTA, accountability refers to whether the RFLTA has clear and effective accountability structures and guidance for decision making. Transparency refers to whether there is information provided to appropriate parties that clearly shows how decisions were made and the impact of those decisions.

Discussions with stakeholders and a review of the governance structure of the RFLTA indicates that:

- The governance structure of the Working Group is sufficiently effective, with an independent Chair and a sufficient representation of skills across the recreational fishing sector. Some indicated that the Working Group could benefit from a greater understanding of all different type of fisheries.
- The Working Group has a term of reference and uses assessment criteria to assess projects.
- The Working Group is focused on assessing recreational fishing grants. It does not have a formal role in decision making for other components of expenditure in the RFLTA. These are decided by the Minister in consultation with the VFA.
- Some conflict of interest issues has arisen when an organisation that requests funding under the application process also has a member of its organisation on the Working Group. Where conflicts exist, these appear to be dealt with in an appropriate way.

Overall, the accountability structures for the Working Group appear to be effective. However, a key governance issue is what role the Working Group, or the recreational fishing sector more broadly, should provide advice on expenditure components outside of recreational fishing grants. Various approaches could be implemented to address this issue, such as a forum for greater input into the overall strategic plan for the RFLTA for all expenditures or more significant reform such as making the RFLTA independent of government.

In addition, the Recreational Fishing Grants Working Group should comprise members with a mix of skills across the recreational fishing sector to ensure that it can appropriately assess the different types of grant applications. Therefore, the mix of skills should be reviewed going forward. Although it appears that the Working Group has historically appropriately dealt with conflict of interest issues, members should preferably not be selected where there is a perceived conflict of interest.

More complex reforms, such as making the RFLTA more independent of government, are likely to be counterproductive given the scale of the fund and the overlap in activities with the VFA (e.g. enforcement). However, scope exists for greater clarity and involvement of the recreational fishing industry in contributing to the overall strategic plan for all expenditures in the RFLTA.

In terms of transparency, detailed information on RFLTA expenditures is reported to the Victorian Parliament each year. This includes expenditure for each project and a short description of the project. However, opportunities for improvement to transparency exist in the Working Group assessment process, including:

- Limited guidance is currently provided to potential applicants on the likely priorities for the Recreational Fishing Grants program
- Limited feedback is currently provided to applicants if they are unsuccessful
- There appears to be limited evaluation and auditing undertaken of large or commissioning projects to assess their impact and what learnings could be fed back into future assessments by the Working Group.

Measuring performance

Measuring performance refers to whether appropriate evaluation is undertaken that measures the performance of all RFLTA expenditures in improving recreational fishing.

A review of current processes and discussions with stakeholders indicates that the VFA provides information to the Working Group on the performance of some programs which are partly or wholly funded by the Working Group, but which do not form part of the recreational fishing grants program. Some recent examples in 2018 include enforcement and Target One Million. The VFA undertook a comprehensive evaluation of the Target One Million program in 2018.

However, stakeholder discussions indicate that very limited evaluation and performance measurement is undertaken of other key expenditures – including Fishcare, VRFish and the three types of recreational fishing grants (small, large and commissioning). In terms of the recreational fishing grants, some key metrics that could be measured include, for example:

- The number of successful and unsuccessful applications and by region and type of fishery
- The type of reasons as to why applications are successful or unsuccessful
- The impact of projects (e.g. increase in number of fishers in a particular region)

2.5.3 Recommendations

Recommendations for improvements to the RFLTA are as follows:

Recommendation 1: A consolidated strategic plan should be developed by the VFA in partnership with the State-wide Recreational Fisheries Roundtable (SRFR) across all RFLTA expenditures. This would provide greater clarity of RFLTA role and purpose and address key stakeholder issues. The strategic plan would be developed with input from the recreational fishing sector, via the SRFR. The plan would:

- provide clarity on the purpose of each expenditure and how it fits under each of the three categories of expenditure (regulation, advocacy and fisheries development).
- provide an overall plan for the strategic priorities for RFLTA over the next, say, five years. This plan could provide specific guidance to the Working Group on priorities across types of expenditures and regions which would assist in assessing applications.
- indicate how the recreational fishing sector will be consulted in developing the plan for each sub-component within the RFLTA (e.g. enforcement expenditures, Target One Million, Commissioning grants).
- clarify the role of the Working Group in providing advice on all types of recreational fishing grants (including Commissioning Grants) as well as other key RFLTA expenditures. This should also ensure that the work effort allocated to the Working Group is commensurate with the expectations of it.
- provide clarity on the respective roles of the VFA and Fishcare in providing education services for fisheries development.

Recommendation 2: Evaluation and performance measurement should be enhanced across all key RFLTA expenditures. Specifically, performance information should be collected on key RFLTA expenditures where it is not currently being reported or collated. This includes the recreational fishing grants, VRFish and Fishcare. For example, in terms of recreational fishing grants, collection of key information after project completion would enable the Working Group to better understand the relative effectiveness of different type of projects and the historical coverage of projects across regions and fisheries.

Recommendation 3: A reformed Recreational Fishing Grants structure and assessment process which includes:

- The grants structure could be amended to allow for: a new mid-sized category combined with potentially a lower threshold for small grants; and a reduced length of time from grant submissions to funding for large projects.
- Project administration and management costs should be recoverable so long as it does not include costs that are recovered via other processes nor the costs of volunteers that assist with project implementation.
- Consistent with the strategic plan, greater guidance should be provided to applicants on the likely priorities for the Recreational Fishing Grants program and appropriate feedback provided if their application is unsuccessful.
- An expression of interest process for medium to large sized projects could be used for high priority issues that align with the RFLTA strategic plan proposed in Recommendation 1.
- A reformed grants process could also more formally consider the relative shares of public and co-investment funding required for different types of projects based on the expected share of public and private benefits.
- The mix of skills of the Recreational Fishing Grants Working Group should be reviewed to ensure that it comprises members with an appropriate mix of skills across the recreational fishing sector. Additionally, members should preferably not be selected where there is a perceived conflict of interest.

2.6 Advocacy model

2.6.1 Current situation

Advocacy represents the activities undertaken by the recreational fishing sector to advocate for their recreational fishing interests. The current advocacy model for recreational fishing in Victoria is largely centred on VRFish, which is allocated RFLTA funds under a funding agreement. In 2017/18, VRFish was allocated approximately \$450,000.

As part of this agreement, VRFish must provide the Victorian Government with an annual business plan, annual budget and an audited annual financial report. Additionally, the agreement states that the goal of VRFish is to engage with the Victorian recreational fishing community to provide advice to the government on fisheries and natural resource management matters that reflect the diversity of views of Victorian recreational fishers.

The funding agreement contains a list of outcomes to which the funds should be directed – such as (not exhaustive): gathering views of the broader recreational fishing community; encouraging the adoption of sustainable and responsible recreational fishing practices; and providing strategic and operational advice on issues that have the potential to impact the quality of and/or participation in recreational fishing in Victoria. The outcomes are supported in the agreement by key performance measures.

Fishers are also able to advocate to the Government on relevant recreational fishing issues via the State-wide Recreational Fisheries Roundtable (SRFR). The SRFR has a defined terms of reference and, broadly speaking, its purpose is to be a forum at which VFA: provides information about strategic matters; seeks advice from members as necessary; and exchanges information and specialized input about recreational fishing with members to assist Fisheries Victoria in the management of Victorian recreational fishing. The forum is also intended to be provide an opportunity for constructive interactions between leaders in the recreational fishing sector.

Meetings of the SRFR are held quarterly and participation in the SRFR is intended to reflect the broad range of recreational fishing types, interests and issues across Victoria plus representatives of recreational fishing-related industries.

2.6.2 Review assessment

Discussions with stakeholders revealed that many are uncomfortable with current advocacy arrangements. Although many agree that a single entity representing all recreational fishers is the preferred arrangement, a key issue is that many outside VRFish believe they are not adequately represented. We received strong

feedback that more work is required for all to feel that their interests are being appropriately considered and included in its advocacy policy development processes.

Some stakeholders also highlighted that, in addition to advocacy, VRFish assists its angling clubs to develop submissions for grants under the Recreational Fishing Grants Program. Some perceive this to be a potential for conflict of interest and indicated that, therefore, the advocacy activities of VRFish need to be separated from these other activities.

In terms of the SRFR, a common view from stakeholders was that the SRFR has provided a valuable forum for the VFA to outline its key strategies and activities and for the key recreational fishing groups to interact and engage with each other. However, stakeholders also indicated that potential exists for this group to be used to provide strategic input into future government plans for the recreational fishing sector. However, some clarification of its structure and membership to occur to ensure it is appropriately representational of the recreational fishing community.

If RFLTA funds are to be used for advocacy, a strong argument exists on efficiency grounds for one entity being funded to advocating on behalf of the recreational fishing sector. This was recognised by many stakeholders and is often the case in agricultural sectors (such as dairy and, to a lesser extent grains).

In terms of effectiveness, the current funding agreement contains a range of performance measures through which VRFish must illustrate that it seeks and considers the diverse spectrum of views of recreational fishing when providing advice to government.

However, notwithstanding these performance measures, the view of many stakeholders is that engagement with them by VRFish is not sufficient nor effective. Feedback was provided that VRFish no longer delivers key projects around social/economic valuation studies and young leaders development. This is important to be addressed and various approaches could be considered to address this issue, such as:

- Requiring stronger and potentially more specific performance measures related to engagement with the broader recreational fishing sector;
- Surveying key stakeholders to understand how they been consulted by VRFish; and/or
- Establishing a small independent panel to provide advice to the government on the performance of VRFish. The panel could consult with key stakeholders to assist in providing its advice.

Additionally, the strategic plan could provide guidance on the relative importance of funding VRFish compared to other priorities.

Some stakeholders suggested that more substantial reforms should be implemented. For example, some suggested that some of VRFish's current funding could be reallocated to support other groups to undertake advocacy activities or even for the advocacy funding component within the RFLTA to be contestable. Some also suggested that some of VRFish's current funding could be reallocated to enable other groups to prepare more effective Recreational Fishing Grant proposals.

In our view, more substantial reform is less preferable due to efficiency considerations and the additional complexity that would come with ensuring that these funds are spent appropriately. Moreover, these types of arrangements should only be considered if reform within the current funding framework cannot deliver improvements. This should be considered further in a more intensive review of peak body representation in 2020.

Recommendation 4: A more intensive review of VRFish should be undertaken in 2020 to ensure that VRFish broadly consults with the recreational fishing community in providing advice to government and advocating for the sector. Additionally, the strategic plan should provide guidance on the appropriate level of funding to resource VRFish compared to other priorities within the RFLTA. More substantial reforms to advocacy and representation could be considered through the 2020 review, including options to re-allocate funding across a range of recreational fishing bodies.

2.7 Exemptions to categories of recreational fishers required to hold a licence

2.7.1 Current situation

Under the Act (s.44(1) of the Act), a person must not— (a) take or attempt to take fish from marine waters or inland waters; or (b) use or possess recreational fishing equipment in, on or next to Victorian waters— unless he or she is authorised to do so by a recreational fishery licence (or is otherwise authorised under the Act). Exemptions to this requirement are contained in the Act and the Regulations.

A fisher is exempted from the requirement to possess a licence if they are:

- under 18 years of age (s.47 of the Act); or
- 70 years of age or over (regulation 66 of the Regulations).

In addition, under regulation 66 of the Regulations, exemptions are given where the fisher holds:

- Victorian Seniors Card or interstate equivalent (see single card image to the right);
- Veterans' Affairs Pensioner Card;
- Veterans' Affairs Repatriation Health Card coded (TPI);
- Commonwealth Pensioner Concession Card coded either (DSP), (DSP Blind), (AGE), (AGE Blind) or (CAR);
- Or is a member of a traditional owner group fishing within an area subject to a natural resource agreement relevant to that traditional owner group.

2.7.2 Review assessment

Discussions with stakeholders revealed a mix of responses as to whether fishers that are under 18 or over 70 years of age should be exempt from the requirement to hold a fishing licence. Some stakeholders said it would be beneficial to require all fishers to hold a licence, even if some were not charged a licence fee, so as to improve the estimation of the total number of fishers in Victoria. Other stakeholders indicated that there were alternative approaches that could be used to estimate total fisher numbers and it would be an administrative burden to do so for this purpose alone. Some others suggested a concessional fee for those under 18.

The 2016 Regulation Impact Statement (p. 23) considered removing these exemptions as one of its alternative pricing options. The RIS considered that the benefits of improved horizontal equity (i.e. those that benefit should pay) were offset by adverse impacts on vertical equity (those that can least afford it should pay less), higher administrative costs and higher levels of non-compliance. Taking into account the mixed feedback from stakeholders and the analysis in the RIS (which still appears relevant), a strong case for change from the current situation is not apparent. However, if the cost of implementation was to be able to be kept to a minimum, the Victorian Government could consider licencing all fishers and potentially concessional arrangements for those under 18 or over 70 years of age to achieve vertical equity objectives.

Recommendation 5: Retain licence exemptions for those under 18 or over 70 years of age. A case for change in the future may be warranted if the administrative costs can be kept to a minimum, and even then, a concessional charge may be warranted to meet vertical equity objectives.

Appendix 1 Small and large grants

A1.1 Categories for funding of small and large grants

Table 5: Small grants program fund

Category	Details
Recreational fishing access and infrastructure	Examples of what can be funded: • installation of solar lighting above fishing platforms • fish cleaning tables • directional, educational and information signage • fence-stiles, gates, access paths, stairs and/or walkways to improve access to public fishing locations • pontoons or jetties
Community fishing events	Funding is available for events or programs that: • promote responsible recreational fishing practices • improve angling skills and knowledge amongst participants • seek to increase participation in recreational fishing • support National Gone Fishing Day. • support the Victorian Fisheries Authority's Women in Recreational Fishing Network (WIRF) - for more information contact Belinda Yim on 8392 6845. Note: we can promote your event to the WIRF network to encourage women to come along if you provide us with details of your event. We can also provide you with WIRF-related giveaways for you to hand out at your event. As a guide, events could include: • a workshop or training session on aspects of recreational fishing such as knot- or fly-tying, rig-setting, bait collection and application, fish catch and release techniques, • 'Come and try' fishing days, Fish-a-thons, or club promotion days • displays at shows and expos
Education projects	Funding is available for education projects that: • promote responsible and sustainable recreational fishing practice As a guide, education projects could include: • the preparation of educational material such as brochures, reports, digital and social media, DVDs, radio programs
Categories not able to fund	• Natural persons • The purchase of equipment for a group's exclusive use, competitions, prizes, give-aways, or alcohol for any events • General operating or travel costs not directly associated with a project/event; • The stocking of fish (including the purchase, transportation and/or the release of fish for an event)

Category	Details
	Projects assessed as having little value or no benefit to public recreational fishing in Victoria

Table 6: Large grants program fund

Category	Details
Category 1 - Recreational fishing access and facilities	This includes improvements to recreational boating-related infrastructure, where a clear benefit to boat-based recreational fishing can be demonstrated. - Projects that could expect favourable consideration would include those that: - Provide easy, safe and efficient access to public waters - Improve facilities in areas of high current or expected recreational fishing demand - Provide facilities for users from an identified wide catchment area - Provide all-weather facilities at selected sites - Have designs which minimise maintenance costs, and - Include appropriate signage (for which funding is also available, as part of the project cost). Projects that would not receive favourable consideration: - Provision of access for select groups only (other than those with special needs), or construction of facilities that are not open and freely accessible to the fishing public. - RFL revenue will not be allocated to fund the purchase of any club equipment (e.g. fishing rods, fishing reels, IT equipment, audio visual equipment such as cameras, DVD players etc.).
Category 2 - Recreational fisheries sustainability and habitat improvement	Projects in this category must be designed with a clearly defined objective that will result in the maintenance or improvement of recreational fisher catches. Projects that assess recreational fisher catches for the above purposes or that assess the success of a project in this category would be eligible. Projects that could expect favourable consideration would include: - Fish habitat improvement programs for recreational fish species, and - Assessment of recreational fisher catches and use patterns. Projects that would not receive favourable consideration, or would be considered a low priority include: - Assessments that do not identify a clear end-benefit for recreational fishers.
Category 3 – Recreational fisheries related education, information and training	Projects should be designed to improve the practices, procedures and experiences of recreational fishers, and to preserve the rich heritage of this recreational pursuit. Projects that could expect favourable consideration would include: - Development of educational programs designed to promote recreational fishing and good recreational fishing codes of practice - Development of displays to promote recreational fishing and/or educate the public on recreational fishing - Running of specific-purpose events, field days or training programs (which may include the participation of Fishcare Victoria) on recreational fishing

Category	Details
	• Preservation of angling history in various forms, or • Assessment of new techniques for fishing and transfer of information to recreational fishers. Projects that would not receive favourable consideration, or would be considered a low priority include: • Projects that have a very narrow focus • Materials developed for a primarily commercial purpose, and/or • Recreational fishing competitions and associated prizes.
Category 4 – Recreational fisheries research	Projects considered for inclusion in the research category must be designed to provide practical knowledge to enable better management of recreational target fish species in Victorian waters. Research projects will be expected to have fisheries research professionals or principal investigators, although such professionals can be engaged by project proponents to conduct research activities on their behalf. Projects that could expect favourable consideration would include: • Research on biology and habitat use of recreational fish species • Research on response to, and impacts of fishing on recreational fish species • Evaluation of the success of fish habitat improvement programs • Evaluation of specific recreational fish stocking programs • Investigations of the impacts of environmental factors on recreational fisheries, and/or • Research on the social and economic impacts of recreational fisheries. Projects that would not receive favourable consideration, or would be considered a low priority include: • Research on fish species not targeted by Victorian recreational fishers • Research on threatened fish species protected by legislation from recreational fishing • Commonwealth-managed fisheries • Aquatic habitat works that do not directly affect a recreational fishery, and/or • Research programs that cannot define a benefit to recreational fishers.