



# TASMANIAN ABALONE COUNCIL LTD

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## SPECIAL GENERAL MEETING

**TUESDAY 4<sup>th</sup> December 2007**

**10.00am**

**at**

**CCAMLR Headquarters Building**

## MINUTES

1. President Greg Woodham welcomed members in attendance, and asked the meeting for acceptance of observers at this meeting - Damien Hope (has recently purchased an abalone quota unit, however DPIW has not recorded him as NNP); Andrew Sharman (DPIW ó invited to address meeting re abalone ganglioneuritis); Andrew Febey (Chair; AbFAC). Meeting agreed.

Greg then thanked Eleni Lovell for her work as Executive Assistant for the past 12 or so months. Greg then advised the meeting that the Board had approached Melinda Mullen to return to the Council, and she had accepted their offer. Melinda will be working full time as Administrative Manager/Project Officer.

2. President Greg Woodham called for items of General Business to be added to the agenda. The following items were identified:

- Virus in Victoria and effects on Chinese market ó requested to be discussed under General Business ó President advised that this item is already on the agenda. (Greg Smith)
- Question to Treasurer - how much has been spent on legal opinions this week ó to be covered in Treasurers Report. (Chauncey Hammond).
- Issue of abalone coming in from Victoria under permit to Tasmanian processors. (Ken Hoskin)
- New authorisation system for quota. (Rob Royle)
- Amendment to LMRMA. (Rob Royle)

3. Apologies

Lorna Amis, Bill Ayliffe, Margaret Batey, Neale Batey, Adam Buckpitt, John Buckpitt, Bruce Cutts, Helen Cutts, Nick Daft, Berkeley Dilworth, Elizabeth Dobson, Peter Dobson, Max Doerner, Nick Downie, Mark Escott, Bill Frankiewicz, Vicki Frankiewicz, Brian Franklin, Stuart Gooley, Alan Gray, Charlotte Gunn, Robert Gunn, Troy Harper, Michael Hoults, Sue Humphries, Julene Jones, Jennifer King, Paul Kornan, Helen Langley, Sam Langley, Wenson Lin, Brent Maddock, Michael Mauric, Liz McGowan, Christine McKibben, Ruma Mildwater, Robert Mildwater, Robin Moore, Wayne Moore, Joe Murphy, Robert Norris, Sue Oldham, Neil Pearson, Margaret Penalurick, Lexie Polanowski, Melanie Polanowski, Phil Pyke, Elizabeth Rex, Lindsay Rex, Sarah Rex, R Robinson, Charles Royle, Georgia Royle, Graham Royle, Margaret A Royle, Margaret N Royle, Rob Scanlon, Michelle Sims, Barton Sinclair, Judy Sinclair, Robert Skipworth, Clark Smock, Vince Sorrentino, Di Speers, Max Stevenson, Max Summers, Graeme Sutterby, Geoff Valentine, Gina Wallace, PM Wells, Merrilyn Williams, Tony Wurf



Geoff Bull spoke to the motion ó this disease is very serious ó personally believe it won't cross Bass Strait by itself ó but we need a plan as to what we are going to do if/when it does get here.

Members spoke of their concern regarding this disease; need to ensure that there is an appropriate plan in place to respond to this disease.

Greg Woodham advised the meeting of what actions have been taken so far by the Board in regard to this issue ó meetings, proactive stance from the Dept, we are being briefed regularly on the ongoing development of the Dept's emergency response plan etc,etc.

Andrew Sharman (Abalone Fishery Manager, DPIW) spoke in relation to the disease response plan. The over-arching aim is to keep the disease out. Under natural conditions, this disease will not move quickly; what will move it quickly is human intervention. The emergency response initially is to close an area if the disease is found. Longer term options are zoning etc, as has been done on King Island. A new full time DPIW position is being advertised tomorrow to follow through on implementation of Risk Assessment/Management protocols. Andrew intends to have the Emergency Response Plan available for comment by TAC by the Christmas break.

Andrew then fielded questions from members regarding issues surrounding the management of the disease. Topics raised included Ministers power to restrict movement into or out of an area; current Victorian situation; compensation; broodstock collection. Andrew also advised the meeting that whilst there have been committees set up on a national level regarding this disease, it is our opinion that this is better handled at a State level; we are the biggest abalone producing state; we need to be prepared for any outbreak of this disease here.

A member queried the protocols in place for vessels arriving in the State on board the Bass Strait ferries. Andrew Sharman advised that this was identified as a risk in the risk assessment process, but that the disease does not live in non-organic material. TAC has had communication with Quarantine Tasmania re the protocols in place, and was of the view that all vessels were being inspected prior to disembarking. Anecdotal evidence from a member suggests that this is not happening. TAC undertook to follow this up with Quarantine Tasmania. Anecdotal evidence also suggested that passengers arriving at airports are asked by Quarantine staff if they have any fruit or vegetables in their possession, however they should also ask if they have any fish or fish products. This will also be followed up with Quarantine Tasmania. Dean undertook to write to the Minister re AGV Quarantine protocols.

The issue of abalone coming into Tasmania under permit to be processed by Tasmanian processors was raised by Ken Hoskin. Ken queried how this can still be happening, when surely this is presenting a large risk to our industry. Andrew Sharman confirmed that the only abalone coming into the state under this permit are heat treated ó not live ó and that they are processed by a processor who discharges effluent into the municipal sewerage system, not back to sea. DPIW will be undertaking a further assessment of this practice.

It was requested of Andrew Sharman, from the floor, that the Emergency Response Plan should be available to the TAC prior to the Christmas break, even if Bio-Security have not finalised their input into it. Andrew undertook to meet this request.

A member raised the issue of Quarantine ó and whether we should be working with Quarantine Victoria, to stop the disease before vessels etc leave Vic, rather than when they get to Tasmania ó Andrew Sharman responded to this by saying that what he would like to see is a wash down bay at the Spirit Terminal in Victoria.

Roger King proposed an amended motion as follows:

***The TAC executive continue to liaise with Tasmanian Government to formulate an effective, rapid and planned response, should the Victorian disease Abalone Viral Ganglionuritis be found in the Tasmanian Abalone Fishery.***

Further discussion regarding the extensive work that has so far been done by the TAC Board and the DPIW in handling this situation. There has been extensive consultation between DPIW and TAC on this matter, and there will continue to be so.

Dean Lisson advised the meeting that the Emergency Response Plan will be posted to the TAC website as soon as it is available. If members want to know latest news on Victorian situation, suggest check VADA website. [www.vada.com.au/Virus/Virus.htm](http://www.vada.com.au/Virus/Virus.htm)

The amended motion, as above was accepted by Geoff Bull and Mick Daft.

*Motion passed by clear majority.*

***Motion 2. That the executive immediately take necessary action to have the industry views mandated at the AGM August 2007 implemented for the 2008 fishing year.***

***Moved: Rob Royle***

***Seconded: Geoff Bull***

Rob Royle spoke to the motion, stating that although he did not attend the AGM, he had read the minutes very carefully: 6 motions were voted on at the AGM regarding the TACC for next year. After clarification with President on what has happened subsequently, it makes this motion irrelevant. Received quota transfer documents earlier than ever, so this motion is not required. The TACC has been signed by the Minister and this has been advertised in the newspapers. Clarification sought on the cap for Block 5.

***Motion withdrawn by Rob Royle and Geoff Bull.***

***Motion 3. Censure motion...In Craig Mundy because of his continuing inability to make a positive contribution to maximising the production from the Tasmanian Abalone Fishery.***

***Moved: Geoff Bull***

***Seconded: Rob Royle***

President Greg Woodham advised the meeting that the TAC had sought legal advice on this motion and this advice was that this motion should be disallowed by the chair. Motion disallowed. The proposer of the motion then requested an amended motion be tabled, however as this is a new motion, it was agreed to hold it over to the next General Meeting. The new motion is:

***That the executive express in writing to the Minister the TAC's dissatisfaction with TAFI's approach in failing to maximize sustainable production from the Tasmanian Abalone fishery.***

Given that this is a new motion and cannot be dealt with from the floor, the meeting agreed to discuss this matter and perhaps a resolution be passed, giving direction to the Board. There was then discussion about this issue, with some members expressing their dissatisfaction in the advice given from TAFI to our FAC representatives, and that there was a continual 'negative' picture painted by the TAFI scientists. Also concern that the views expressed by TAFI scientists at AbFAC are given undue weight, and industry views are not equally considered. Concern also at the information which used to be available in the Stock Assessment Report on long term average catch rates, which is no longer included in the report.

Other members disagreed, stating that whilst the TAFI view is usually the conservative one, they are also happy to listen to other opinions on TACC setting. Historically there have been substantial increases in the TACC, which have led to the collapse of certain parts of the fishery, so now we need to take a cautious approach. Industry should be happy with smaller, staggered increases, showing a more stable management of the fishery. Many management plans of other fisheries have a limit of how much the TACC can be increased in any given year. We need to take smaller increases in the TACC and allow the market to adjust to this increased quantity of fish.

A member then queried the revised TACC setting process which is mentioned in the recent TAC newsletter. Dean Lisson advised that this process has been under review for approx 6 months; looking at forming a new committee which would come up with recommendations on the TACC, present these at the TAC AGM, then at the FAC, then a final recommendation would go to the Minister. This committee would have a similar membership as the current stock assessment working group and also include divers with expert knowledge from each of the five zones. This committee would make recommendations on size limits, zones as well as the TACC. This new process will still allow some discussion at the TAC AGM, but with formal TACC recommendations from this working group.

Member concern also in the time delay in getting the stock assessment report from TAFI - this is still a concern.

***Motion 4. I Grant Jordan of King Island, move a motion that there is not a cap placed on blocks 1 to 4 (King Island).***

***Moved: Grant Jordan***

***Seconded: Neale Batey***

Grant Jordan addressed the meeting in relation to this motion, saying that it seems following the setting of the TACC, that the motion is not valid or relevant. Grant had some underwater video footage of abalone stocks at King Island (unable to show the footage due to a technical problem). Grant claimed that the K.I. fishery isn't being maximised. It appears the fish are slow growing in this area, and are dying of old age before they reach minimum size limit. Grant undertook to put a paper on this issue to the next TAC Board meeting for further discussion and submission to the FAC.

***Motion withdrawn.***

***Motion 5. I Neale Batey of King Island, move a motion that there is a size reduction for blocks 1 to 4 (King Island).***

***Moved: Neale Batey***

***Seconded: Grant Jordan***

Grant Jordan spoke to the motion, saying that a size limit reduction is recommended as per discussion on previous motion; the fish in the area are slow growing. Grant is happy to take observers to do some measuring, however some difficulty in this as the fish are in deep waters in this area and there are limits on depths TAFI divers can dive to.

Dean Lisson asked Grant to do a proposition to the FAC re a reduction in the size limit in this area. Other members suggested that this motion be put anyway and get support here at this meeting.

Motion put: ***Motion passed by clear majority.***

***Motion 6. Motion to amend the TAC Constitution – Clause 21 levy.***

***Moved: Chauncey Hammond***

***Seconded: Allen Hansen***

With the agreement of the proposer and seconder, it was decided to hold this motion over until the next General Meeting, when it will be considered with other amendments to the Constitution. Chauncey told the meeting that the reasoning behind this motion was that the levy is then raised by each sector.

***Motion 7. That the Board of the Tasmanian Abalone Council takes serious note of the above (refer to notice of motions- motion #7 for this meeting) and take steps to address either by co-opting people or on their own. The Board shall report back to Members either before or at the next meeting.***

***Moved: Steve Gasparinatos***

***Seconded: Tony Wilson***

Steve Gasparinatos spoke to the motion, saying that members are repeatedly being told that this organisation is being run professionally and at minimal cost to members. An example is that TFIC resources are not utilised to the full value for photocopying etc for mail-outs, when we are TFIC members. Steve then pointed out grammatical errors in a newsletter article, and the issue of the development of a TAC Ltd Strategic plan. Concern also expressed regarding the new legislation passed in the LMRMA.

A member queried whether quota owners are members of TFIC. The meeting was informed that they are not members of TFIC and accordingly it is unreasonable to expect TFIC to pay for mail-outs to quota owners.

Rob Royle then spoke in support of the motion, stating he doesn't want to be critical, however he wants things to be right. Dissatisfied with AbFAC and what happened recently. Noted that in previous FAC minutes there was a dissent recorded, however this doesn't seem to happen now. Concern with new quota authorisation system. Concern with amendments to the LMRMA & has had contact from David Fitzpatrick recently regarding this.

Query from a member; there appears to be some parts of the motion I agree with, but not all of it; if we support it, are we are voting for all of it?

Greg Woodham responded, saying that the Board members all work hard for industry, always endeavouring to do the best job they can.

Dean Lisson responded saying he finds it very frustrating to have criticism levelled at the TAC Board which could have been promptly resolved if a phone call had been made to him by the proponent of this and other motions. There is great deal of TAC Ltd business that is

conducted at Board meetings and at AbFAC meetings and if members are unsure of what has been resolved at these meetings, then they should contact Dean (C.E.O.) or Board members to obtain further detail.

Dean pointed out that many of the issues raised in the motions for this meeting have already been dealt with in detail at other forums.

Dean then addressed individual areas raised in this motion and discussion. Regarding *funding of TAC Ltd* ó we have gone to a more stable funding base via a compulsory levy and this as a massive step forward in terms of ongoing security of funding. An annual budget is devised by the Board and presented at the AGM for member approval. The Board works diligently to keep expenditure at a minimum whilst providing a high level of service to members. Regarding *strategic plan* ó the development of a strategic plan will take substantial time and revenue, but is something the Board has already agreed to do at a previous Board meeting. Regarding *Performance Management of TAC staff* ó this is already addressed through the employment contracts (and in the case of the Chief Executive via a formal "Statement of Duties" document) and both staff are subjected to an annual performance evaluation by a sub committee of the Board. Regarding *Meeting procedures* - there are always some last minute issues which need to be included on agendas. This is unfortunate and does diminish to some extent the time available for other matters ó the Board is considering placing a time limit on discussion at future meetings to ensure that issues are dealt with in a more time efficient manner. Regarding *Sub-council meetings* ó this issue was addressed in the most recent newsletter. Regarding *AbFAC* ó this issue was also addressed in the recent newsletter.

10 members requested a poll vote.

***Put the motion:***

***For: 983***

***Against: 562***

***Motion passed***

7. General Business

**Allowing abalone to come into the state under permit - raised by Ken Hoskin**

Allen Hansen spoke about this concern - he is not taking any risks in bringing this abalone in to the State ó he has the most to lose in the industry. No abalone from affected area is brought in, and no effluent is pumped out to sea. Query as to how the abalone are imported ó Allen explained that they are heat rumbled prior to coming in, then flown in to Smithton. The scientists have confirmed that this is ok, and continue to issue the permit.

Request that Allen should confirm with the scientists that the heat treatment does in fact kill the virus.

**Quota authorisation – raised by Rob Royle**

There has been a change to the system used to authorise abalone quota to dive licenses and this was discussed at the TAC AGM. Instead of the cardboard certificates, there is now a form to authorise quota. Rob outlined the system as proposed, and expressed a view that it may now be easier to fraudulently sell these quota units. He also expressed concern that the authorisation form can now be faxed, and therefore is possibly open to fraud.

Dean asked Rob whether he had contacted the Department with his concerns and had he got a response ó confirmed that he had, and felt that we now have something which may be less secure.

Dean advised that with any new system there may be teething problems and that DPIW had indicated a strong desire to work with industry if there were any improvements that could be made ó he encouraged quota owners to relay their concerns to DPIW or directly to him.

Dean undertook for the Board to review this situation and asked Rob to forward his communication to the TAC Office.

### **Amendments to LMRMA – raised by Rob Royle**

Concern with some amendments which have recently gone through. Rob was contacted by Shadow Fisheries Minister the day before this legislation was passed. This legislation allows the Minister to issue special quota licences to get the Furneaux units caught; however he expressed a view that it may give the Minister the power to issue licences for other purposes. Rob has sought some informal advice from others ó Chauncey Hammond and David Fitzpatrick.

Dean responded, advising that he was contacted by DPIW in late September re this amendment and attended a briefing meeting with Neil Stump from TFIC and Craig Midgley and Gary Leonard from DPIW.

As is normal practise, Dean then sought independent legal advice on this proposed amendment and then forwarded the advice to the TAC Board. Dean was then contacted by a number of politicians from both Houses of Parliament regarding this matter. Dean advised that he was satisfied that the amendments did not diminish any rights that are currently enshrined in the LMRMA or the Abalone Deed or Abalone Management Plan after detailed discussions with Craig Midgley and Bill Ayliffe and that this legislation was not going to adversely affect our rights. Dean advised that the DPIW had sought advice from the Office of the Solicitor-General and quoted excerpts from this advice to the meeting (note ó advice was paraphrased by Craig Midgeley).

Rob replied, saying he raised this as an issue and didn't want to get into a big discussion on it ó however, he didn't think we could necessarily rely on the advice from an officer of the Department; they are not working for us.

Dean suggested that if members have major concerns with the amendments then we could seek further legal advice from a Queen's Counsel.

Member queried ó why seek further legal advice, if we don't listen to the advice we get in the first place. Why seek advice from Roger Gillard, QC, when we already have advice from Bill Ayliffe?

Dean recommended we seek further advice and confirmation from Bill Ayliffe on this issue. Meeting agreed with this proposed action.

**Victorian abalone cartel** ó large fines for Victorian group of quota holders, for forming a cartel. Price fixing ó be aware that this is being watched closely by the ACCC.

**Letter from Chris Egan** ó Dean read a letter received by Chris Egan from a Calmex abalone buyer based in the US.

Ralph Caccavo spoke in response to this letter ó saying that there is much disunity in the processing sector; we have tried to call meetings etc, but cannot get enough processors to attend.

Member queried is it possible to have a list of good paying and poor paying processors on our website?

Member spoke of the importance of the canning industry ó the market is declining at the moment, and we don't know where the bottom is.

Query from a member - Can we expect the Chinese market to continue to buy Australian abalone when the virus is here? The buyers certainly know about the virus, however they also know that Tasmania is disease free.

Comment from a processor that there are no human health concerns re consumption of AGV infected product.

Meeting Closed 3:35pm.