

Frequently Asked Questions

Removal of netting from Gippsland Lakes

The Victorian Government has committed to ending commercial netting in the Gippsland Lakes.

On 15th October, a Bill was passed by the Victorian Parliament which makes legislative changes to the Fisheries Act 1995 to:

1. phase-out the Gippsland Lakes Fishery Access Licences (GLFALs) over a two-year period with all GLFALs cancelled by 1 April 2021;
2. allow affected licence holders to surrender their licence before 1 April 2021, with the surrender to take effect on 1 April 2020;
3. specify the compensation to be offered to GLFALs whose licence is surrendered or cancelled and the process for accessing the compensation;
4. provide affected licence holders with a 12-month amnesty from the prohibition on possession of commercial fishing equipment without a fishing licence, following the surrender or cancellation of the licences (whichever is sooner).

Which fishing licences will be affected by the phase-out?

The 10 commercial fishers holding a GLFAL will be affected by this decision.

When will licence holders have to stop fishing?

The Bill phases-out GLFALs over a two-year period, with all affected licences cancelled by 1 April 2021. However, affected licence holders may elect to surrender their licence before then, with the surrender to take effect on 1 April 2020 (i.e. the licence holder ceases fishing on 1 April 2020).

Will licence holders receive compensation?

The ten commercial fishers holding a Gippsland Lakes Fishery Access Licence will receive compensation under the proposed scheme.

How will compensation be calculated?

Compensation for the surrender of a licence by 1 April 2020 will comprise of:

- \$371,000 for the licence – which is the market value of the licence as assessed by the Valuer General; and
- an allowance of \$60,000 for redundant fishing vessel(s) and all commercial fishing equipment (noting that vessels and equipment continue to be the property of the licence holder); and
- compensation for loss of income based on three times the average annual catch value taken under each licence over the five-year period between 1 April 2012 – 31 March 2017. This amount will differ by licence holder as it is based on individual previous catch history.

Licence holders who wish to continue fishing until 1 April 2021 will be offered cancellation compensation in early 2021. The cancellation package will be calculated in accordance with the same metric for surrender. However, the overall amount offered will be reduced by 20%.

How much compensation will each licence holder be paid?

The amount of compensation to be provided to each licence holder will depend on when licence holders decide to exit the fishery and will differ by licence holder as it includes a

component that reflects the individual catch history under each licence. A schedule of individual compensation payments will be sent to licence holders on 2 January 2020.

How was the market value of the licence determined?

An independent valuation of the market value of the licence was obtained from the Valuer General Victoria (VGV) to ensure that licence holders receive fair and equitable compensation for their licence.

The VGV determined that the market value of each licence should be set at \$371,000. It should be noted that this valuation does not include broker transfer fees and commissions.

How was each licence holder's catch history determined?

Data held on the Victorian Fisheries Authorities catch and effort record database will be used to calculate the total amount of catch by species under each licence. The five-year period between 1 April 2012 – 31 March 2017 will be used. This period was adjusted to accommodate requests from fishers to use the period of time prior to the regulated changes to river mouths in 2018.

How is the average price data (per kg) for each fish species to be determined?

The Australian Bureau of Agricultural and Resource Economics and Sciences (ABARES) provided the price data on the various species caught by licence holders. These prices are included in the proposed legislation and will be used to calculate the average annual catch value taken under each licence over the five-year period between 1 April 2012 – 31 March 2017.

By adopting the independent ABARES data, the Victorian community can be confident this is based on sound and broadly-accepted economic and scientific concepts and principles and the latest available information and data.

Who will administer the buy-out?

Administration of the compensation packages will be managed by an independent third party, Rural Finance. Rural Finance has extensive experience in administering buy-outs of this nature and some fishers will already be familiar with their work.

What is the process for accessing compensation?

Rural Finance will write to all affected licence holders in early 2020 regarding the election process to surrender their licence prior to 1 April 2020. The letter will detail the opening and closing period for making an election notice, what information must be included, where the election must be sent and the amount of compensation available to the licence holder.

When will licence holders be compensated?

Licence holders who elect to surrender their licence on or before 1 April 2020 will be compensated on 1 April 2020.

Licence holders who elect to continue fishing until their licences are cancelled on 1 April 2021, will be compensated on 1 April 2021.

How will compensation be treated for taxation purposes

Every person's individual financial circumstances will vary, and license holders should seek

independent advice. Now that the legislation has passed through Parliament, the Australian Taxation Officer (ATO) has published a ruling, which will be sent to licence holders on 2 January 2020.

[Where can licence holders and their families seek assistance?](#)

The Australian Government offers the Rural Financial Counselling Service (RFCS) which provides help for fishing enterprises and related small business owners requiring financial services or referrals to other support services (<http://www.agriculture.gov.au/ag-farmfood/drought/assistance/rural-financial-counselling-service>).

This is a free service with rural financial counsellors. Rural financial counsellors available to assist from the Bairnsdale office include:

- Michael Anderson 0447 035 835, michaela@rfcsvg.com.au;
- Peter Pauwels, 0437 529 055, peterp@rfcsvg.com.au; and
- Wayne Jefferis, 0429 991 956, waynej@rfcsvg.com.au.

We would encourage anyone who has concerns about their health, or the health of someone in the industry, to help the affected person make contact with a rural financial counsellor or doctor.

There are a number of other existing government programs that can assist fishers with mental health, financial counselling and reskilling. Please refer to Attachment 1 for details.

[How will unwanted nets be disposed of?](#)

The amendments establish an amnesty (exemption) from the regulation which prohibits the possession of commercial fishing equipment without a fishing licence, for a 12-month period following the surrender or cancellation of the licences (whichever is sooner).

This will provide licence holders with time to sell their equipment. Following the amnesty, it will be illegal for individuals to be in possession of commercial fishing equipment without a fishing licence. However, the Victorian Fisheries Authority (VFA) will oversee the collection and disposal of all unwanted equipment at no cost to the licence holder.

[Further assistance for licence holders](#)

The VFA has also waived certain cost recovery levies from 1 April 2019, to reduce the annual licence fee of each GLFAL.

The Government has also committed to investing \$1.5 million into the development of a café at Bullock Island, where the Lakes Entrance Fishermen's Cooperative is based. This will help enhance tourism and visitation to the region.

The State Government allocated \$53 million to establish Jobs Victoria in May 2016. Jobs Victoria provide targeted support services for people looking for work and for employers looking for workers. With a network of partners throughout the state, they help jobseekers get job-ready through mentoring, training and development.

Further support services are listed in Attachment 1.

Attachment 1 - Support Services

Financial

Who	What
Department of Agriculture	Rural Financial Counselling Service provides a free service with rural financial counsellors. They can help you: <ul style="list-style-type: none"> •identify your financial and business options •develop an action plan •negotiate with your lenders •apply for Farm Household Allowance.
Department of Human Services – Centrelink	The Department provide access to social, health and other payments and services including: <ul style="list-style-type: none"> • Income support • Payments to help you study or train • Financial information service • Social work services • Temporary financial relief from loan payments

Employment and training

Who	What
Jobs Victoria	Jobs Victoria provides support for businesses & workers facing retrenchment including: <ul style="list-style-type: none"> • Information, tools and resources to help both business and workers • Information and contacts about <ul style="list-style-type: none"> - Re-training and up-skilling - Employment - Creating a new business - Financial counselling - Emotional health and wellbeing support Gippsland Workers in Transition Guide
Department of Education and Training	Skills and job centres based in TAFEs provide expert advice on training and employment opportunities including: <ul style="list-style-type: none"> - careers advice - help with job searching - referral to welfare support and financial advice
	Skills and job centres are for anyone seeking to explore tertiary studies, training, job and career options
	TAFE Gippsland
Gippsland Jobs Hub	Free service to link qualified job seekers with real job opportunities in the local area.

Health and social welfare

Who	What
Local GP or hospital	Local GPs can provide referrals for appropriate support people. Gippsland Lakes community health deliver an extensive range of accessible health services and health promotion activities to the people of East Gippsland.
Department of Health	Emotional health and wellbeing support and links to trusted Australian online and phone supports, resources and treatment options
Department of Health and Human Services	Health services and support across Victoria.
Telephone counselling and health support lines	Telephone counselling services respond to callers with a wide range of concerns and personal emergencies

Wellbeing Support Services

Beyond Blue	Information about issues associated with depression and anxiety. 1300 224 636 or beyondblue.org.au
Black Dog Institute	The Black Dog Institute is dedicated to understanding, preventing and treating mental illness. blackdoginstitute.org.au
Family Relationship Service	Providing families with access to information about family relationship issues. 1800 050 321 or familyrelationships.gov.au
Relationships Australia	Relationships Australia is a leading provider of relationship support services for individuals, families and communities. 1300 364 277 or relationships.org.au
Lifeline	24/7 telephone counselling. 13 11 14 or lifeline.org.au
Head to Health	Australian Government Department of Health website which provides links to trusted phone and online mental health support services. headtohealth.gov.au