Recreational Property Rights – 
The Coolangatta Recreational Fisheries Commission??

• Frank Prokop - Executive Director; Mark Pagano – Principal Policy Officer, Recfishwest
• Peak recreational body in Western Australia.
• Previous government experience in Commercial and Recreational Fisheries Management; NSW and WA
• Past Recfish Australia President.
Recreational fisheries management in Australia really only 15 years old except freshwater.
In Australia, marine stocks traditionally allocated to commercial sector, with leftovers to recreational/community.
Government processes extremely paternalistic!
Stewardship responsibility – Legislative protection for the community

• Most *Acts* have a provision to optimise the community return from the resource.
• Australian government paid $220 million to fix up grossly over-exploited commercial fisheries –
• Then exempted spatial solutions for other sectors?? Still allow dumping not against quota!!!!!!!
Resource Sharing/Reallocation Issues are emotional, controversial and difficult.

• Recreational costs and benefits are being increasingly recognised, including the ‘Net present value of votes’.
• A variety of solutions are being tried, many are reactionary and perception driven.
• The poor understanding of property rights and stewardship responsibility of government adds to confusion.
Compensation – The dirty word in management

- Legislation often describes commercial compensation provisions. Rarely tested especially in Australia.
- Marine parks seen by Greens as compensation for impact of fishing.
- No protection for recreational sector!
- Rock lobster theme park.
Integrated management requires recognition of rights and responsibility

- Commercial fisheries property rights usually formally recognised.
- Recreational property rights only recognised at collective level and frequently undermined by MSY and commercial cost recovery drivers.
- Allocation of property rights before allocation of proportional catch shares is – INDEFENSIBLE!!!!!!
- But the norm.
Ongoing management – 4 scenarios.

1. THE FANTASY
- Commercials and recreationals both under exploit their share.
- Yeah – right….
- But should get either proportional benefit or agree to take improved CPUE (commercial) or catch expectation (recreational)
- Process to increase and decrease catch levels MUST be equally defined.
Scenario 2 – The usual

- Both sectors over exploit
- Pain should be shared by previously agreed mechanism. Should be proportional to impact – e.g. Shark Bay.
- Should not be automatically equally applied.
- Without explicit catch shares for the recreational sector (objectively assessed) AND good data about recreational catch this is VERY difficult.
- Therefore slippery slope continues.
Scenario 3 – Those recreational bastards

- Commercials stick to allocation but recreationals take more –
  1. Either through natural population growth or
  2. Improved technology
- “Market mechanisms” mantra. Short (lease) or long term (buy share) solutions need to be defined up front.
- But is this a ‘resource rent’ from the community for a privatised good???
Commercials: Show me the money.

- Government can use public money to fix up its mistakes, rather than to achieve a resource sharing outcome. Latent effort goes first!
- Government not necessarily accountable for $ spent, the process and any outcome.
- Management solutions to management problems.
- Market distortion if recreationals (represented by government) forced to buy back share.
Scenario 4: Commercials over exploit

- Impact on recreationals often under stated or ignored.
- No formal mechanisms for adjustment.
- No vesting of formal property rights anywhere.
- Government acts as ‘agent’ for community stewardship often with little reference to community.
- What are we trading and where does it go?
The two headed coin!!

- Recreational sector is expected to buy out commercial sector so that expanding/more efficient recreational effort doesn’t overexploit.
- Recreational sector also has to buy out commercial effort when expanding commercial catch affects recreational catch.
- Leads to political solutions outside of fisheries management. Recreationals WILL win for inshore fin fish species!
The need for a ‘Body corporate’

- Government not capable of acting as an ‘independent’ agent of the community when managing the resource for commercial cost effectiveness.
- Just ask indigenous people around the world.
- So why is recreational fishing different?
A body corporate

- Follow the ‘Treaty of Waitangi Fisheries Commission’ which allowed for the concentration of diffuse property rights into a largely self managed system.
- Required explicit recognition that previous management and allocation processes were inequitable.
- Cost the government a huge amount but recognised previous inequities.
Coolangatta Recreational Fisheries Commission

- Could be administered by representatives of recreational fishing groups, but with no pecuniary interests by those groups. Also other experts.
- Could allow negotiations and a ‘free and open’ market for the trading of short term and long term rights.
- Makes the diffuse right explicit and puts onus for responsible management on the sector itself.
- Allows government to sit at arm’s length from the ‘market’.
Conclusions

- Previous management does not reflect the community nature of the resource.
- Recreational sector disadvantaged by history and lack of explicit property rights.
- Market distorted when recreational sector MUST participate.
- Government cannot be the manager and the agent for one group.
Conclusions (2)

• The establishment of a body corporate will allow an objective market and trading that provides social and economic benefits as well as biological ones.
• Allows different expectations to be catered for.
• Must be at arm’s length from government and existing representative bodies.
• No I do NOT want the job.