

Fishing and Related Industries Compensation (Marine Reserves) Act 1997

V1 - Current at May 2025

The *Fishing and Related Industries Compensation (Marine Reserves) Act 1997* (FRICMA) provides for payment of fair compensation to commercial fishers affected by the establishment of a marine park.

Frequently Asked Questions

1. Are commercial fishers automatically entitled to compensation when a marine park is put in place?

Commercial fishers may be entitled to compensation as a result of a marine park being declared. The process for determining whether compensation is payable is governed by the FRICMA. A key element of FRICMA is that a person is only eligible for compensation if they suffer a loss in the market value of their authorisation as a result of either:

- the reservation of an area of water as a marine park; or
- the implementation of the zoning scheme under the marine park management plan.

These are termed *relevant events* under FRICMA.

2. How will I know when I can apply for compensation?

The Department of Primary Industries and Regional Development (DPIRD) will advise all licensees in fisheries impacted by a marine park and the Western Australian Fishing Industry Council (WAFIC) when it is time to apply for compensation. It will also be advertised in The West Australian newspaper. This will be triggered by the implementation of the zoning scheme.

3. I do not own an authorisation – I lease. Am I eligible to apply for compensation?

No. You must be the **holder of an authorisation** to be eligible to apply for compensation under FRICMA.

4. What is the process taken to claim compensation?

The first step to the compensation process is determining whether a person is entitled to compensation. The second step is determining the amount of compensation payable. If agreement cannot be reached on either being entitled to, or the amount of, compensation

the decision/s may be independently reviewed or made by the State Administrative Tribunal (SAT).

Step 1

The Minister for Fisheries (Minister) must, as soon as practicable after the zoning scheme is gazetted, publish a notice inviting affected persons to apply for compensation.

Step 2

The Minister must determine whether or not the affected person is entitled to compensation, and notify that person of the decision **within 30 days** of receiving an application.

Step 3

If the Minister determines the affected person is entitled to compensation, then the Minister is to commence negotiations with the affected person with a view to settling the amount of compensation payable to the person and setting out the terms of the agreement.

Step 4

If agreement cannot be reached on the amount payable **within 60 days** of the decision on being entitled to compensation is made, the affected person or the Minister may apply to the SAT to determine the amount of compensation payable.

5. How will the Minister determine the market value of my authorisations?

In 2020, the (then) Minister for Fisheries approved a set of principles (Principles Paper) to be used when determining eligibility for compensation and estimating possible change in market value. The “*Principles to be applied when seeking and assessing applications for compensation under the Fishing and Related Industries Compensation (Marine Reserves) Act 1997*” is currently applied when assessing applications for compensation under FRICMA.

In 2024, the Fisheries Research Development Corporation (FRDC) released a report *Review of approached for determining commercial fisheries compensation*. The report looked at previous compensation processes in Western Australia and recommended principles on valuation methodology and how compensation could be considered under different circumstances.

A Compensation Working Group has been established to consider the outcomes of the FRDC report and to provide recommendations on principles and methodologies to inform compensation processes. The outcomes of this working group may inform how the Minister determines market value of an authorisation in the future.

6. Does FRICMA take into account the outcomes of a Voluntary Fisheries Adjustment Scheme (VFAS)?

Yes. FRICMA identifies that the outcomes of a VFAS (under the *Fisheries Adjustment Scheme Act 1987*) is to be considered in determining whether compensation is payable; given a loss in market value due to the marine park could be offset or mitigated by an increase in market value as a result of the voluntary buy out.

7. What happens after I've made my application?

The Minister will write to you advising whether you are entitled to receive compensation. DPIRD will then commence negotiations with you on the Minister's behalf. At that point, you will be asked to provide any information you have in support of your application. Following negotiations with DPIRD, the Minister will enter into an agreement with you with respect to the amount of compensation to be paid.

8. Can I appeal a decision about compensation under FRICMA if I am unsatisfied?

Yes, you can request a review by the SAT if:

- the Minister determines that you are not entitled to compensation; and
- agreement on the amount of compensation to be paid is not reached within 60 days of a person being advised that they are entitled to compensation.

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