



**WRL 2020 Annual General Meeting
Minutes**

Geraldton Clay Target Club, Off Flores Road, Geraldton
10.00 a.m. on Thursday, 15 October 2020

Attendees:

MFL Holders

Clay Bass	Harry Money
Jim Butcher	Terry Mouchemore
John Cole	Terry Parish
Linda Cole	Robert Pascoe
Debbie Frater	Matt Rutter
Sam Koncurrat	Brian Sloper
Basil Lenzo	Leith Teakle
Gavin Lovedee	

WRL Board of Directors

Terry Lissiman (Chair)	Peter Bailey
Fedele Camarda (Deputy Chair)	Clinton Moss
Brad Arnup	Justin Pirrottina

Guests

Murray Criddle, WAFIC Chair	Darryl Hockey, WAFIC CEO
-----------------------------	--------------------------

Apologies

Greg Cole	Peter Mouchemore
Roger King	James Paratore
Ron Horsman	Luke Parish

Staff

Matt Taylor (CEO)	Nicola Hutchinson
Paige Pallister (Minute Secretary)	Natalia Perez Haedo
Katherine Chow	

1. Open meeting and record attendance/apologies

- The Chair welcomed everyone to the 2020 AGM and declared the meeting open at 10.01am.
- The Chair noted that there was a quorum.
- The Chair and attendees noted the apologies.

2. Draft Minutes of 2019 AGM - motion to endorse as a true and accurate record

- The Chair called for any comments on the 2019 AGM Minutes.
- No changes were requested.

- The motion to endorse the 2019 AGM Minutes as a true and accurate record was **moved** by Sam Koncurrat and **seconded** by John Coles and declared **carried**.

3. Chair's report – Mr Terry Lissiman

- The Chair noted his report can be found in the WRL Annual Report. Refer to Attachment A for a copy of the report.
- The Chair then spoke to the ever-increasing risks to the industry and urged the industry to show a united front to minimise the effects of current and future risks.
- The Chair noted the importance of increasing industry's social licence.
- Finally, the Chair encouraged all Members to engage with WRL to allow the industry to achieve a sustainable and prosperous future.
- Mr Mouchemore asked if the risks to the industry have increased since Minister Kelly's nationalisation policy. The Chair noted that the risk environment has increased and become more significant due to increased political risk (despite the improved relationship with government) and market disruptions. WRL is looking to minimise those risks through the evolution (based on industry feedback) and implementation of the Strategy for Security, Independence and Community Connection.
- The motion to endorse the Chair's report was **moved** by Terry Mouchemore and **seconded** by Clay Bass and declared **carried**.

4. Audited financial report for the year ended 30 June 2020 – Mr Fedele Camarda, Chair of Finance and Audit Committee

- Mr Camarda noted that the audited 2019/2020 financial accounts had been prepared by Giglia & Associates and were presented to members prior to the meeting, with a copy made available at the meeting.
- Mr Camarda gave an overview of the financial reports and accounts. Refer to Attachment B for a copy of the report.
- Mr Mouchemore asked if WRL partnered with the processors when undertaking market research. It was noted that the four main processors sit on the TACC Committee, with the Committee reviewing the market report produced by WRL's economists, MEY model report and survey. The economists will begin to work more closely with the processors.
- In response to a question, it was noted that the processors do not financially contribute to the WRL IPA understanding the markets program.
- Mr Rutter noted that GFC is fully invested in the TACC Committee process, functions and directions WRL give and contribute a lot of time through the annual TACC deliberation cycle.
- Mr Mouchemore asked why there is a need for a research program if GFC already have that information. It was noted that the functions and investments of the TACC Committee and individual businesses are vastly different from each other.
- The motion that the 2019/2020 financial accounts be accepted was **moved** by Terry Mouchemore **seconded** by Justin Pirrottina and declared **carried**.

5. Appointment of Auditor – Giglia & Associates

- The motion to appoint Giglia & Associates as WRL's auditor for the 2020/2021 financial year was **moved** by Clay Bass, and **seconded** by John and declared **carried**.

6. Declaration of WRL Board of Directors

- The Chair read a letter (Attachment C) from Mr Phil Giglia, Independent Auditor announcing the successful candidates for the Northern Zone election were Mr Bruce Cockman and Mr Matthew Fong and for the Southern Zone election were Mr Fedele Camarda and Mr Roger King.
- The Chair congratulated Messrs Cockman, Fong, Camarda and King on their appointments to the WRL Board of Directors.
- The Chair made special thanks to the outgoing directors, Messrs Peter Bailey, Robbie Glass and Nino Paratore.
- The Chair declared the Board composition for 2020/2021 being:

Northern Zone
Bruce Cockman
Matthew Fong
Terry Lissiman
Justin Pirrottina

Southern Zone
Brad Arnup
Fedele Camarda
Roger King
Clinton Moss

7. Close of formal AGM proceeding

- The Chair then called for any questions from members.
- There being no further business on the agenda the Chair closed the AGM at 10.39am.

Confirmed as true and accurate record.

SIGNED

.....

Chair

Date

Attachment A – Chair’s report

The appointment of the Hon Peter Tinley AM MLA as Minister for Fisheries in December 2019 was warmly received by industry and relations with the WA Government rapidly and significantly improved as the Minister sought to genuinely engage and support industry.

One month after Minister Tinley’s appointment, COVID-19 broke out in China in the lead up to their peak seafood demand and consumption period of Chinese New Year. Within days the airfreight importing of live lobster to China had ceased. Western rock lobster’s reliance on China as our lucrative premium export market meant that all commercial fishing for western rock lobster also ceased within days. This unprecedented non-fishing period lasted for two and a half months which unfortunately coincided with the industry’s historical peak catching period.

WRL was able to use its good relationship with the supportive new Minister and long-established strong working relationship with the Department of Primary Industries and Regional Development (DPIRD) to support a WRL led COVID-19 response process resulting in recommendations that would assist with industry’s primary concerns of business certainty, maintaining cashflow, managing quota and preserving value. Ultimately our Members voted in support of the recommendations of which all were approved by Minister Tinley.

I would like to praise the leadership of the industry for working collaboratively like never before for the common good of the industry. This involved the WRL Board, TACC Committee, processors, fishers, investors and associated businesses.

With the COVID-19 response package agreed and implemented, WRL once again looked to the future and resumed developing a Strategy for Security, Independence and Community Connection for the Western Rock Lobster Industry. This comprehensive strategy seeks to deliver industry’s highest priority objectives of resource access security, independent funding for WRL, a research network to maintain growth and competitiveness, and ensuring we meet our social license to operate.

I would like to thank the WRL Board for all their efforts and leadership through what has been another very challenging year. I would particularly like to thank retiring Director Peter Bailey for all his dedication, professionalism and honest input over many years.

There will be many challenges ahead and I urge all our Members to be involved and work together to ensure a sophisticated, sustainable and shared future for generations to come.

Attachment B – Audited financial report for the year ended 30 June 2020

Good morning everyone, on behalf of the Western Rock Lobster (WRL) Board of Directors, it is my pleasure to provide an overview of the Council's financial report to our members. Mr Phil Giglia of Giglia & Associates conducted an independent audit of the Financial Statements for the year ended 30 June 2020 in accordance with the Australian Auditing Standards and has found everything to be in order.

I am pleased to report WRL has maintained its growth and I submit these Financial Statements with confidence that WRL continues to be a financially sound organisation. We finished the financial year in great shape and remain optimistic about the future of our industry.

For the moment I will mention some of the highlights for 2019/2020 financial year.

OPERATING RESULTS

The net financial result for the financial year ended 30 June 2020 reflects a deficit of \$95,660. This is mainly due to the 2020 season industry levy invoice of \$196,800 being issued to DPIRD slightly later than normal and after the financial year ended. Therefore, this amount will be reflected in the 2021 financials together with the next year's industry levy funds. During the last financial year, WRL received \$59,000 additional income from Government subsidies for the economic downturn associated with COVID-19, and this is reflected in the financial report as 'Government subsidies' and 'Capital Government subsidies'.

The expenses from continuing operation of \$1,003,000 were almost \$190,000 (16%) lower than the prior year. This is predominantly attributable to keeping the operating costs and personnel cost down which includes some directors who did not wish to claim their board fees.

The consolidated balance sheet details WRL's assets and liabilities. The 2019/2020 financial year closed with Members' funds of \$1,300,000. This is a strong financial foundation for WRL to deliver future strategic initiatives and provided capacity for an elevated role of Executive Officer and creation of a new position of Program Officer enabling WRL to deliver better representation and services.

INDUSTRY LEVY

Over the past twelve months, WRL has invested Industry Levy funds into a diverse range of key activities.

In June 2020, WRL undertook an MSC certification surveillance audit and voluntary pre-assessment against the elements of the new standards for which the fishery may be vulnerable to conditions. The pre-assessment was commissioned to understand any future requirements and whether there was benefit in moving to the new standards ahead of schedule.

The levy funds were also expended to engage the services of expert consultant Dr Peter Rogers to provide advice on ARMA legislation amendments as to how they relate or impact on the western rock lobster fishery; engagement of Quinn Emanuel trial lawyers for expert legal advice on the most appropriate mechanism for industry members to directly fund WRL for representation without constraint rather than the existing conditional government funding through WAFIC; and Russell Barnett from Australian Venture Consultants was also engaged to produce the Secure fishery resource access rights in Western Australia – Policy position paper 2020.

WRL continues to invest in the priority components of our Communications Strategy. This year WRL has transitioned to new customer relationship management software to improve our Membership database management and our online communications including email blasts and newsletters to allow for more effective and engaging communications.

WRL has also funded part of the production of Aussie Lobster Men, a reality television series following lobster fishing boats, providing viewers with new knowledge of the western rock lobster industry, including how the industry functions and is managed. This production is broadcast both nationally and internationally.

WRL also funded the production of photos and videos that illustrate the operation, people and history of the industry for a long-term social media campaign as well as contributed funds to the Seafood Industry Australia Easter advertising campaign, which highlighted and promoted the consumption of Australian seafood.

WRL continue to expend these levy funds for the benefit of the whole industry on initiatives such as MSC certification, industry promotion and occupational health and safety (OHS).

INDUSTRY PARTNERSHIP AGREEMENT (IPA)

For the second consecutive year, the Industry Partnership Agreement (IPA) with the Fisheries Research and Development Corporation (FRDC) stalled as WRL focussed all resources on responding to a significant threat to industry. The most recent being COVID-19. The main reason for creating the new position of Program Officer is to increase WRL's capacity for representation and services while also being able to maintain core business such as the IPA, MSC certification and SeSAFE when inevitable future threats confront industry.

That said, progress over the last financial year has been made with some projects. This includes the Research, Development and Extension (RD&E) project, which was signed in 2014. The project is now complete and a new proposal of \$600,000 has been submitted to FRDC which will allow WRL to continue to develop and manage processes for open communication and timely and valuable access to the science and management of the western rock lobster industry.

The Understanding the Markets program has undertaken fisher surveys and developed an initial maximum economic yield model for the industry that will be valuable in setting future TACCs to maximise the profit of the industry. The program has also produced an annual market report that is used to gain insight into the markets for western rock lobster, the status of competitors and market related issues of interest to industry.

Under the IPA program, WRL has also sponsored the 12th International Conference and Workshop – Lobster Biology and Management (ICWL) (which has been postponed due to COVID-19). It is expected that 150-200 participants from around 20 different countries will attend to discuss and compare their work on lobster ecology, physiology, and management protocols.

STRATEGIC INITIATIVES

Over the last financial year WRL has invested significant resources, both internally and in expert advice, to develop a Draft Strategy for Security, Independence and Community Connection for the Western Rock Lobster Industry. The development of this Strategy will continue to be well resourced as it seeks to deliver industry's highest priority objectives of resource access security, independent funding, research network and increased local supply.

CONCLUSION

I hope the report provides you with a greater understanding of the key financial activities the WRL undertook for the year. While the year ahead will remain challenging, I believe WRL is well placed to continue to advance its strategic objectives and capitalise on future opportunities.

I want to thank the Phil Giglia, our Independent Auditor and WRL staff and for their work on the finances during the year.

Thank you again for your time this morning.

Attachment C – letter from Mr Phil Giglia, Independent Auditor



GIGLIA &
ASSOCIATES

F L Giglia

Chartered Accountants
Registered Tax Agents

Address : 52 Knutsford Street
Fremantle WA 6160

Postal
Address : PO Box 1473
Fremantle WA 6959

Tel. : 9335 5933
Fax : 9335 3922
E-mail : phil@giglia.com.au

13 October 2020

Western Rock Lobster Council Inc.
28 Mews Road
Fremantle, WA 6160

ELECTION OF NORTHERN ZONE AND SOUTHERN ZONE DIRECTORS

Dear Members

Ballot papers were counted at 10.00 a.m. on Tuesday 13 October 2020. WRL's independent Auditor and Returning Officer Mr Phil Giglia opened all replied paid envelopes and validated each ballot paper before scrutineering the recording of every vote by the WRL Executives.

The election was decided by the number of votes received at the close of voting. Mr Giglia declared the result of the election with the announcement of the elected Directors to be made at the 2020 AGM on 15 October 2020.

The result of the **Northern Zone** ballot was the election of **Bruce Cockman and Matthew Fong** and **Southern Zone** ballot was the election of **Fedele Camarda and Roger King** to the Board of Western Rock Lobster Council Inc effective from the close of the AGM on 13 October 2020.

Yours sincerely

Phil Giglia
Auditor