



31 July 2020

Committee Secretariat
Joint Standing Committee on Trade and Investment Growth
PO Box 6021
R1.109 Parliament House
CANBERRA ACT 2600
jsctig@aph.gov.au

Dear Committee Secretariat

Re: Questions on Notice

On behalf of the Queensland Seafood Industry Association (QSIA) please find attached edits to my contributions to the public hearings held by the Joint Standing Committee on Trade and Investment Growth's inquiry into diversifying Australia's trade and investment profile.

I have also included data in response to questions I could not address on the day.

If you have any questions regarding this correspondence please contact me on M: [REDACTED] or E: [REDACTED]

Eric Perez
[REDACTED]

Chief Executive Officer
Queensland Seafood Industry Association

Response to the Joint Standing Committee on Trade and Investment Growth's inquiry into diversifying Australia's trade and investment profile

Response to Proof Transcript

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1. Proof Feedback

No feedback on the draft transcript.

2. COVID-19 Industry Impacts

Impacts on fishing and aquaculture varied across Australia – not every sector impacted in same way or to same extent. Overarching Industry Impacts:

- Export markets, especially China, significantly disrupted.
- Export freight logistics impacted (reduced flights).
- Downturn (~90%) in food service, although some take away doing ok.
- Domestic supply chains and logistics impacted.
- Issues associated with getting crew back to ports for start of fishing season – especially those who use overseas labour.
- Access to provisions for vessels.
- Fuel price drops lowered operating costs.
- Some increase in demand at retail level for Australian domestic fish supply.
- Some retailers/wholesalers changed business models – selling online and delivering.

Source: Fisheries Research and Development Corporation – Representative Organisations Meeting – COVID-19 Update, 10 June 2020.

3. Export Destinations

Queensland commercial fishers export to the following nations as noted below:

- Canada
- China
- Cote d'Ivoire
- Fiji
- Guam
- Hong Kong
- Japan
- Republic of Korea
- Macao
- Malaysia
- Nauru
- New Zealand
- Norfolk Island
- Papua New Guinea
- Singapore
- Solomon Islands
- Spain
- Taiwan
- Thailand
- United State of America
- Vietnam

Source: Seafood Export by Volume by Species –
<http://frdc.com.au/en/services/seafood-trade-data/seafood-import-and-export-by-volume-by-species>

4. Level of Foreign Ownership

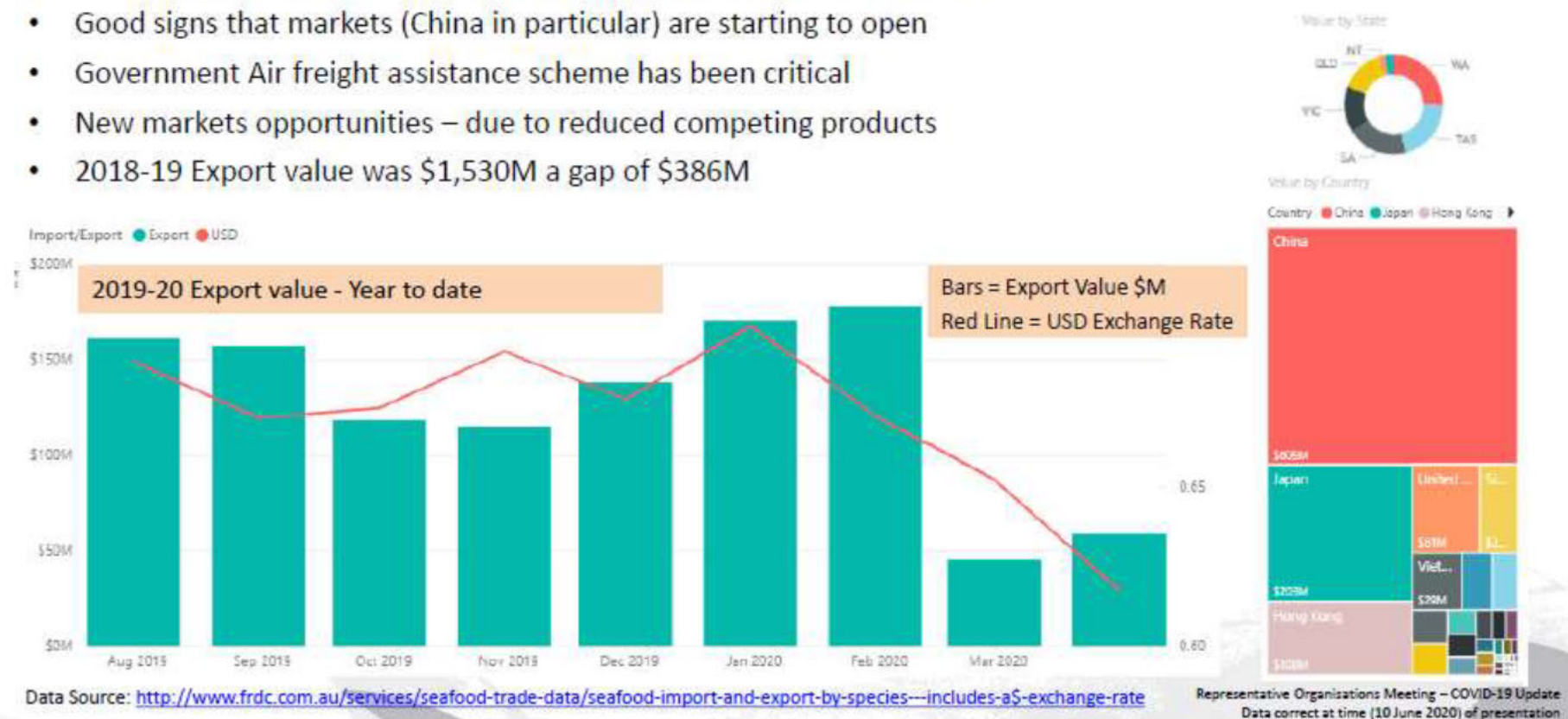
The Association could not source data on the level of foreign investment across Queensland or commercial fisheries nationally.

5. Export Summary

Export summary

Key Points:

- >95% stopped at the start of COVID-19 – significant impact from China
- Good signs that markets (China in particular) are starting to open
- Government Air freight assistance scheme has been critical
- New markets opportunities – due to reduced competing products
- 2018-19 Export value was \$1,530M a gap of \$386M

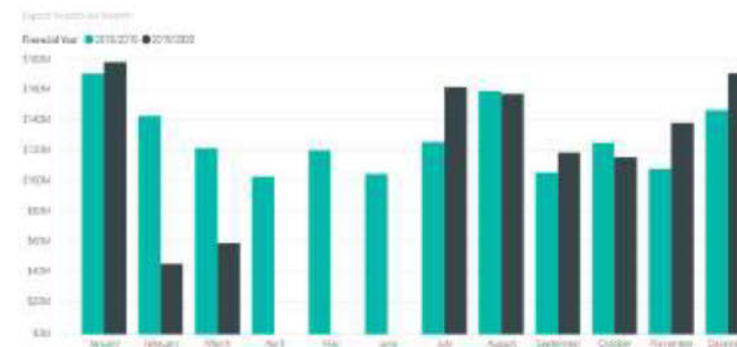


Export summary (contd.)

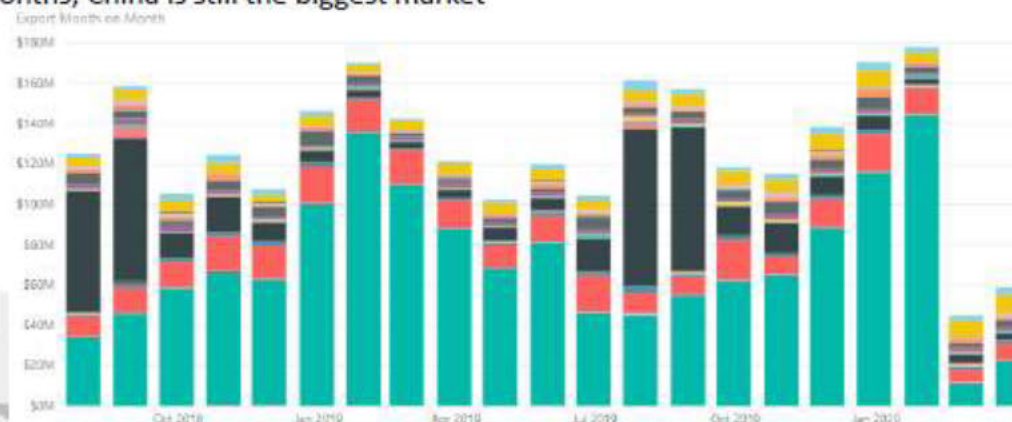
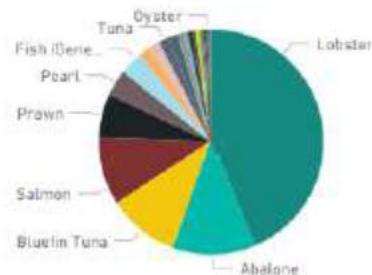


Key Points:

- The biggest export drop – February with March already showing recovery
- 82% of export value in the last 2 FYs came from Rock Lobster, Abalone, Southern Bluefin Tuna, Atlantic Salmon and Prawns
- Both Prawn and Atlantic Salmon YTD exports are already above last year's total in value
- Abalone's average export price per KG this FY is below last year's (\$129 vs \$141) price drop to \$89 in Feb then rebounding to \$146 in March
- Atlantic Salmon unit export price remained stable (~\$20/kg)
- The rest of the commodity YTD export has almost reached last year's total (\$234M vs \$249M)
- Even in COVID-19 affected months, China is still the biggest market



2018-19 to 2019-20 Export value year to date



Representative Organisations Meeting – COVID-19 Update Data correct at time (10 June 2020) of presentation

Case Study: Rock Lobster – Export data

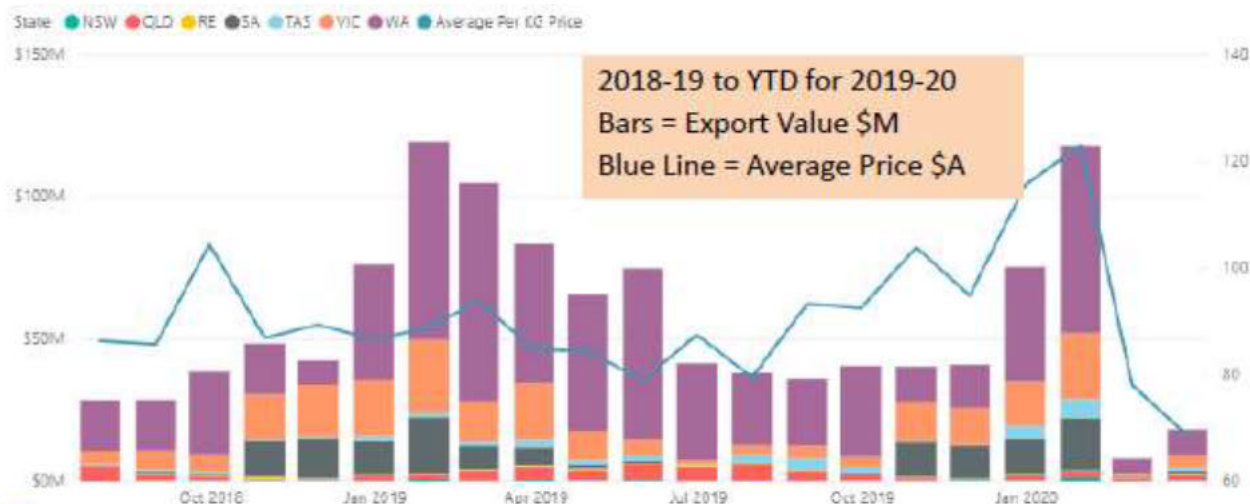


Key Points:

- 2019-20 pre COVID-19 was tracking for record price and value
- China was 92% of the market
- Post COVID-19 – Price fell to \$A 68/kg (Domestic sales)
- Recent data for Tasmania suggesting reasonably consistent prices up to \$A 90/kg
- WA Lobster prices more varied – potentially small vs larger who can access freight assistance.
- Market access has been facilitated by the air freight assistance scheme and lifting of restrictions in China/May day celebrations

Question is how long this will last...

2018-2019	2019-2020
88.03	95.02
\$753M	\$416M
Year Gap = \$337M	



<http://www.frdc.com.au/services/seafood-trade-data/rock-lobster-exports>