

Submission
No 91

INQUIRY INTO COMMERCIAL FISHING IN NEW SOUTH WALES

Organisation: NSW Fishermens Cooperative Association

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Mr Robert Brown
Chair – NSW Inquiry Commercial Fishing

The NSW Fishermens Co-Operative Association has 14 members all being Fishermen's Co-Operatives within the state from border to border. The Association represents in excess of 600 commercial fishermen all under the Co-Operative banner. NSW Fishermen's Co-Operatives have been incorporated or held office for up to 70 years and has a long held reputation for Industry representation.

The NSW Co-Operative Association is greatly concerned for the future of our members and in turn their members being the NSW Commercial fishing fleet. We are grateful the FRDC funded Socio-Economic Study by UTS as the Cooperatives were of the belief that information underpinning the need for change was grossly inaccurate and as the study shows this position was correct. The Study clearly outlines the true value of the NSW Commercial Fishing industry as a whole and many pertinent points worthy of documenting as per below:

- The Industry worth is \$436,000,000
- The industry supports 3,920 full time jobs
- 94% of NSW coastal residents agree that it 's important to produce our own seafood in NSW
- 72% want to know where their seafood comes from
- 96% believe buying local seafood is better to support their local community
- 78% of recreational fishers prefer local bait
- 78% of residents are concerned that a decline in the industry could lead to a loss of community identity
- 94% of local residents believe the industry is important for their region with 92% believing the commercial fishing industry is good for tourism with locally caught fish and prawns a favourite among tourists

Given the Reform in its current state was based on an Industry value of \$80 million we feel the value of the contributions made by the state fishers is not recognised accurately. \$14 million (\$2 million was Industry contributed) at an \$80 million Industry value is 18% of GVP. Should the subsidy calculation be applied over the accurate value of Industry, \$14 million at a \$436 million Industry value, the subsidy contribution is 3%. As you can see this grossly devalues the DPI contribution claims of higher than average subsidy contributions.

Co-Operatives from Border to Border will struggle through this Reform with some not surviving the downturn in income generating opportunities due to many factors including but not limited to:

- Reduction in throughput as less shareholders are active or weighing in
- Reduced catch due to introduction of catch quota
- Down turn in supplementary service sales – i.e fuel, bait, chandlery items
- Additional costs to operate retail shops due to freight increases to source produce outside of their region
- Reduction in mooring income due to reduced shareholders requiring vessel mooring facilities

The initial reluctance by the government to engage with the industry's biggest representative association was unproductive, however with hard lobbying we were able to prove a direct link between NSW Fishers and the Cooperatives being the catching sector of the commercial fishing industry, resulting in an acceptance that any change in one area would have a direct impact on the other.

This hard to gain recognition enabled the Association to highlight the constraints placed on co-operatives by various "Acts & Contracts". This resulted in our Association receiving a limited reward of financial assistance. This assistance has taken a number of forms which will relieve the added short term pressure of payments to share holders that leave the Industry and a limited relief in Crown Land Lease/License payments to compensate for loss of income in Harbour facilities. Whilst we are grateful for these relief subsidies and all recognise it will be put to great use, it is a short-term relief that does not go far enough for long-term financial survival.

The pressure and strain this process is placing on the Industry as a whole, but more importantly the mental and physical health of the commercial fishing community particularly Co-Ops members is immense. We have all been called in to meet with shareholders, fisher and their family members who are having personal or financial issues due to this government program. Our role has expanded to include monitoring the wellbeing of those in our community with little or no resources and sadly the toll is growing.

At this late stage of the process we ask this committee to recommend that the government review any further implementation of the Stevens recommendation, negotiate with Fishers voluntarily leaving the industry and assess the impact of to organisation's that support those exiting fishers and provide compensation payments. We also seek further support for a period of five years to the individual Co-ops in their endeavor to restructure after changes have been effected.

Yours sincerely,

Phil Hilliard
Vice-Chair
On behalf
NSW Fishermen's Cooperative Association.