



## Australian Southern Rocklobster Industry

### Positive Feedback from China

#### HOT SPOTS

- ⚡ Potential exists to further capitalise on market presence
- ⚡ Outstanding feedback on quality
- ⚡ Need for traceability, branding, promotion & partnerships

*Various presentation styles at Industry profiling events conducted in China – September 2005*



**A delegation of four Southern Rocklobster Limited (SRL) Board Members, led by Chairman Roger Cotton, has recently returned from China. The purpose of the visit was to investigate opportunities for the establishment of a long-term market development capacity on behalf of the industry.**

The delegation's visit was funded through the Australia China Agriculture Cooperation Agreement (ACACA) program administered through the Federal Department for Agriculture, Fisheries and Forestry.

David Johnston, SRL Board Member, committee member of the Victorian Rock Lobster Association and Victorian Western Zone licence holder, was a member of the delegation and commented that the visit to China, although not his first, was a learning experience and one from which the Australian Southern Rocklobster Industry could derive a number of positives.

"We spent time in Beijing, Shanghai and Guangzhou during our two week visit and hosted industry profiling events in each of these locations, the feedback we received was very constructive and extremely encouraging," said Mr Johnston.

"The activities provided an opportunity for us to profile our industry to Chinese seafood buyers, top-end chefs and Government representatives."

In addition, the delegation also visited a number of the key wet markets around the country to meet with the key seafood buyers and see first hand how the product is handled throughout the supply chain and gain an understanding of the marketplace. As part of this process, prices through the entire chain were documented.

Although Southern Rocklobster was prominent in the market place, the significant volume of the tropical species was apparent. The need to work with countries such as New Zealand, who catch the same lobster, was tabled during discussions with buyers and officials.

"From talking with the buyers it was evident that an initiative such as the Clean Green program with its product quality standards and branding potential definitely has a role to play in expanding the market opportunity for our live product," commented Mr Johnston.

"I think that this visit will assist in establishing the partnerships required for the Australian Southern Rocklobster Industry to further capitalise on its market presence in China, and also highlighted areas in which effort could be concentrated in order to build awareness of our first class product," he said.

# Tassie Catch Sampling Technology

## HOT SPOTS

- ❑ New equipment streamlines catch sampling in Tasmania
- ❑ Equipment being used in areas regarded as 'data poor'
- ❑ Equipment provides low-cost method for data collection

The Tasmanian Aquaculture and Fisheries Institute (TAFI) have been collecting length and sex information from the Tasmanian rocklobster fishery for a number of years with assistance from industry. Now with new equipment, and continued industry support, TAFI has streamlined the process and is obtaining data from areas previously regarded as data poor.



Mr Shane Fava, Senior Technical Officer with the TAFI Wild Fisheries Program – Crustacean Section said, "The new gear consists of a set of digital callipers connected to a small data storage unit with a capacity to record up to 5000 entries."

"Once an animal's length has been measured, the device has three options to assign a sex to the animal; male, female and berried female. This is done by the press of a button," said Mr Fava.

The 12 data loggers are currently being used in areas around Tasmania from which there has been very little lobster information recorded due to a lack of potting in the area, low catches or an inability to regularly access the area due to inclement weather conditions. The efficiency of the new sampling gear allows researchers and fishers alike to build up a considerable data set from only a small number of trips to an area.

"Once the unit is full, it is sent back to us for downloading and interpretation. This data provides us with the sex and size data we need to make judgements

concerning lobster stocks around the State," commented Mr Fava.

"The units provide an extra data source as opposed to our traditional methods of either placing a researcher on a commercial vessel to tag and measure lobsters or even potting from our own research vessel," Mr Fava said.

"A number of fishermen based on both King Island and the mainland have been using the loggers in the waters surrounding King Island for several months and have been able to provide us with much needed raw data from this area," he said.

The loggers are used in both the crab and lobster fisheries, and reduce the need to have a researcher present. This provides a low-cost method for the collection of size-structure data to be used in stock assessments and is a critical input in conjunction with catch and effort data from compulsory paper logbooks.

For further information please contact the Tasmanian Aquaculture and Fisheries Institute on (03) 6227 7277.



Fishermen on board the 'Nautilus' during a conventional tagging trip around southern King Island – March 2005.

## Clean Green Update

Following on from the recent success of Southern Rocklobster Limited's Clean Green program at the 2005 World Environment Day Awards, the program has continued to receive accolades for its comprehensive approach to addressing the issues currently faced by industry.

Most recently the program received a certificate of merit in the 2005 - 2006 National Landcare Awards under the Australian Government's Coastcare Community Award. September 2005 also saw Clean Green named as a finalist in the Australian Seafood Industry Awards Environment category presented at the Seafood Directions conference in Sydney.

Clean Green Program Manager, Matthew Muggleton, said that the commendations received by Clean Green at the national level provide further evidence of the program's credibility, in addition to the independent audit process undertaken by certified fishers.

"I'm pleased that the Clean Green program continues to gain recognition at such a prominent level. It really is something for fishers who have participated in the program to get excited about and it highlights the proactive approach our industry has adopted to overcome these important issues," Mr Muggleton said.



Matthew Muggleton (left) and Roger Edwards, of Southern Rocklobster Limited, pictured with event sponsor, Sue Schmidt of Westpac Business Bank, following the award presentation.

The value of demonstrating industry's endeavour to minimise any environmental impacts has been further emphasised following the recent closure of the pilchard fishery around Port Lincoln in South Australia. Extreme action by Government such as this highlights the importance in being able to demonstrate industry's commitment to actively minimising environmental impacts.

In addition to the environmental component of the Clean Green program receiving recognition, other important aspects such as occupational health and safety are also attracting attention.

The program has been named as finalist in the National Safety Council of Australia's Awards of Excellence, with the winner to be announced at a gala dinner in Sydney. The program is also in the running to receive an award for excellence in occupational health and safety under the South

## HOT SPOTS

- ❑ Landcare acknowledges Clean Green
- ❑ Clean Green finalist in national OHS&W award
- ❑ Clean Green in Victoria - 2006

Australian Government's Safe Work Awards 2005 – to be announced in November 2005.

In other Clean Green news, the 14 boats which participated in the program on King Island have now completed the independent audit process, all meeting or exceeding the standard with fishers to receive final certification in the coming weeks. Courses are to be conducted in early October for the South Australian Northern Zone with training workshops on Kangaroo Island and in Port Lincoln.

Mid October will see Clean Green return to Tasmania with training to be conducted in Hobart - participants for this course have already been finalised.

"It's envisaged that the training will be made available to fishers in Victoria some time in 2006, with work already underway on the development of training materials specific to operators within that fishery," Mr Muggleton said.

For further information on the Clean Green program, contact Southern Rocklobster Limited on 1300 853 880.

# SARDI Completes 2nd Southern Zone May Fishing Trial Assessment

A second biological assessment of the May fishing trial (2004 Season) has been completed by the South Australian Research & Development Institute (SARDI) Aquatic Sciences Division in the Southern Zone Rocklobster Fishery.

## HOT SPOTS

- ❑ Second May fishing trial completed
- ❑ Participation rates high
- ❑ Total of 16.5 tonnes of TAC landed

Setting pots during the May trial



Dr Adrian Linnane, Rocklobster Sub-Program Leader for SARDI Aquatic Sciences, noted that as for 2003, fishermen participating in the latest trial were limited to fishing for existing quota allocations by holding back quota – no new quota allocations were made for the trial.

“Generally, participation in the trial was good with a total of 27 licence holders landing 16.5 tonnes of their allowable catch,” said Dr Linnane.

“The information gathered from fishers who participated in the trial showed that the proportion of catch taken in deeper waters generally increased as the season progressed.”

The trial revealed that Catch Per Unit Effort (CPUE) was at its lowest in October at 1.63kg per pot lift with a maximum of 2.18kg per pot lift taken in January. The CPUE for May was 1.86kg per pot lift.

CPUE was also at its greatest in depths above 90m reaching up to 4.37kg per pot lift in January.

“Our findings showed that catches of both octopus and dead lobsters were highest in November, and lowest in May,” he said.

The data collected on female lobsters is summarised as follows:

- The proportion of females in the catch was lowest in May (40%) and highest in November (62%)
- 35% of the female catch in October consisted of spawning females. This declined to 2% in December
- No spawning females were observed from March to May

“The results from the 2004 season trial compared well with those from 2003, and results from the 2005 season should confirm and consolidate overall findings,” concluded Dr Linnane.

# Compliance for the Future



Workmen installing the surveillance equipment at the port of Robe, South Australia.

## HOT SPOTS

- ❑ Surveillance to cover the port, landing & weighing activity
- ❑ Surveillance 24hrs a day, 7 days a week
- ❑ Aims to improve compliance cost effectiveness

Over the past few years, the South Australian Southern Zone Fishery Management Committee (FMC) in conjunction with Primary Industries & Resources SA (PIRSA) Fisheries has been evaluating innovation in compliance arrangements for the fishery.

Mr Roger Edwards, Extension Officer for the fishery said, “The purpose of the work is to ensure effective protection of stock while delivering programs cost effectively.”

Trials already implemented within the fishery include the use of electronic scales and 24 hour prior reporting which has also been in place since the introduction of May fishing trials during the last two seasons.

“The industry members, through their involvement on the FMC, have also been pursuing efficiency gains through the testing of new technology such as video surveillance,” said Mr Edwards.

The Southern Zone FMC has initiated a video surveillance trial to be established in the port of Robe this season. Cameras will be located to provide vision covering the port, landing and weighing activity 24 hours a day, 7 days a week.

“The industry members of the FMC are attracted to such an approach as technology costs are likely to decline in the future compared to compliance arrangements involving labour costs which generally



increase over time,” continued Mr Edwards.

The purpose of the trial is to assess the contribution video can make to the overall compliance program and determine the set-up and operating costs for implementation in all ports.

“It’s planned that information from the video trial will be made available in each port over the course of the season in order for the fishers to gain a feel for how the system might work,” said Mr Edwards.

Indications are that the trial will cost around \$40,000 to set-up and operate.



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Roger Cotton  
Independent Chair

# Cotton's Comment: Industry to Overcome Double Trouble

The Southern Rocklobster Limited (SRL) Board's recent market research project undertaken in China (September 2005) has, for me, rammed home two serious structural flaws in our industry. The first relates to market price and the impact of competition through the chain.

The second point relates to the capacity of the industry, in the absence of any large corporations with venture capital to invest, to raise the substantial capital that is required to successfully fund long term investments in industry development – in particular market development. SRL has made a start at raising funds to kick start the pilot international market development program but more is needed.

The resources committed to the program are insignificant when we consider the marketing spend that various companies



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The industry comprises around 700 licence holders who catch an average of 6 tonnes per season and effectively take the price on offer at the jetty. This competition creates downward price pressure at the beach. The lobster is sold to about 30 major processors who compete with each other into the same market, selling to a limited number of importers. This competition also creates downward price pressure. Whilst in China we identified that the product is then sold to numerous wholesaler/distributors who also compete with each other to supply the end market, again creating downward price pressure.

There is no doubt that the key market drivers are all instrumental in affecting downward price pressure. The challenge I believe this industry needs to tackle immediately, and head on, is to effectively gain control of supply through some form of coordinated action, and use supply management to reverse negative market forces into upward price pressure.

This is a daunting and challenging task, but as we were advised in China, if we want to improve market efficiency we and New Zealand need to readjust our strategies. SRL, at the Board level, will be moving to immediately assess the industry's options on this critical issue which is clearly impacting on your bottom line.

dedicate to support other ultra premium products. For example the citrus industry with its "single import desk" marketing program in the USA, devotes approximately 10% of the market return to the marketing support program.

The recently completed market research has shown that market opportunities exist throughout the world in the Super Premium Fine Dining (SPFD) segment. Our work in China has identified this segment is also emerging there with non-traditional dishes being served at top end restaurants such as "My Humble House" in Beijing and the Atrium and Laris in Shanghai.

To effectively develop these opportunities our industry, without doubt, requires dedicated, substantial and sustainable marketing funds. This needs to be tackled at the whole of industry level and I am strongly in favour of the SRL Board assessing our options.

In closing, we are delighted to be co-hosting the 4th National Rocklobster Congress with member organisation TRLFA in Hobart from the 11th - 13th October. The Congress is set to be a watershed for the national lobster industry and I am sure the rapid progress made by your industry will present as a leadership model nationally. I look forward to catching up with you then and am happy to talk with you about our learning thus far.