

# Chair summary

## 56<sup>th</sup> SRL Board Meeting

### 1 April 2020

#### Marketing Levy

Michael Blake, Australian Rock Lobster Exporters Association, has been in discussion with our member associations regarding the establishment of an industry levy for marketing.

He has received a positive response to this initiative with:

- The TRLFA passing a vote to implement a levy in principle.
- Positive responses received at the Victorian Port meetings.
- SARLAC Board have agreed in principle to the levy
- SA Northern Zone voted in favour of the levy at its AGM.

The Board discussed this initiative noting that there were options for the structure and formation of the levy framework including:

- A compulsory statutory levy (which is more complicated to initiate and involves a formal Government process), and
- A voluntary levy (which reduces the cost of administration but will bring about difficulties with non-contributors and potential financial risk if commitments are not met).

SRL will further investigate these options in the near future, noting that now is not an opportune time to consider a levy given the financial constraints industry is experiencing under COVID-19,

#### The Trans-Tasman Lobster Congress

The Board agreed to postpone the Trans-Tasman Congress due to be held in South Australia in 2021. This decision was taken as a result of numerous other conference postponements under COVID-19 restrictions. The postponement for a year will alleviate potential scheduling conflicts with the World Fisheries Congress, International Conference & Workshop on Lobster Biology and Seafood Directions, all of which are slated to be being held in 2021.

#### Finance

The Financial Reports showed that Company was solvent and there are reasonable grounds to believe that the Company was able to pay its debts as and when they become due and payable.

Under COVID-19 SRL was no different to any other organisation and it was important to maintain its cash position.

#### Research Projects

There were no new projects to consider,

The Board discussed the term of the current FRDC IPA and noted its completion at 30 June 2020. FRDC advice following the Forrest Review was that IPAs will continue to be supported.

*(Subsequent to the Board meeting FRDC has approved a 6mth extension of the current IPA)*

The Board noted dialogue with traceability solution company *SourceCertain* regarding a tagging solution for Southern rock lobsters following learnings in the Sense-T / Pathways2Market project which had been completed by Luke Mirowski at Utas. The traceability system being proposed uses non-destructive testing of trace elements in lobster flesh to determine provenance.

## **Sector Updates**

### SARLAC (North)

Roger Rowe provided the following summary of activity in the Northern Zone:

- Fishing was robust until January 24, when industry was notified that SALCO/Fiordland would not be buying fish as a result of cancelled customer orders.
- Industry experiencing loss of labour to other industries during the shutdown.

The Board noted correspondence received from the SANZRLFA regarding their withdrawal of membership from SARLAC effective February 2021.

### VRLA (East & West)

Markus Nolle provided the following summary of activity in the Victoria:

- Completed port visits during February as part of TACC setting. TACC remained unchanged. TACs will remain at 40t in the Eastern Zone and 246t in the Western Zone.
- Quota rolls over at the end of June. 70-80% of the quota has been caught. Provisions are in place for a full rollover of any uncaught quota.
- Issues regarding investors withholding quota from willing fisheries are present in the Eastern Zone.
- Ian Knuckey has been leading a project regarding impacts of seismic on trawl shots. Interim results showing vast reductions in catch rates post seismic testing.

### TRLFA

John Sansom provided the following summary of activity in Tasmania:

- Uncaught quota from last season has been rolled over and licence fees have also been waived.
- Whilst there was no seafood industry specific packaged announced, there is an expectation that there will be one announced in the future.
- The freight assistance package is welcomed by the TRLFA and TSIC who lobbied for it to be implemented.

- Some issues arising with non-fishing investors withholding their quota from those willing to fish in anticipation of beach price rises.
- Port Meetings were conducted during March.
- Tasmania is experiencing similar problems to the other states with low demand, low prices and freight issues.
- East Coast Catch Cap zone has had the cap reduced by 15 tonnes for the commercial fishery to make up for continued recreational overcatch.

### ARLEA

Michael Blake and John Brady provided the following summary of activity in the export sector:

- Signs of improvement in the Chinese market with shipments going over and stabilising indicating a beach price of up to \$55.
- Exporters remain Chinese market will improve further during May around the May Day public holiday.
- Exporters generally in favour of not rolling over quota and finding a place for this year's product at a viable price.
- There was a meeting in Mt Gambier with Tony Pasin MP with a group of exporters regarding Covid-19 impact measures.
- US is a new major competitor with a trade deal announced with China specifically referencing lobsters.

### **FRDC update**

Josh Fielding provided the following summary of the activity at the FRDC:

- The FRDC is running processes of gathering intel and sharing with industry.
- Working with STAG and understanding the impacts that Covid-19 might have on the FRDC.
- Ron Boswell resigned as the FRDC Chair earlier this year. Colin Buxton acted as interim chair prior to the appointment of John Williams.

Professor Colin Buxton - SRL Chair  
June 2020