



31 July 2020

The Hon Ivan Dean MLC
Chair – Parliamentary Standing Committee of Public Accounts
Inquiry into the Government’s financial response to the COVID-19 pandemic

Dear Ivan,

Thank you for the opportunity to provide a submission to the Legislative Council Inquiry into the Government’s financial response to the COVID-19 pandemic.

Please find short response on behalf of the Tasmanian Seafood Industry Council attached to this letter.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'J. Harrington', with a long, sweeping flourish extending to the right.

Julian Harrington
Chief Executive





Tasmanian Seafood Industry Council

Submission to the

PARLIAMENTARY STANDING COMMITTEE
OF PUBLIC ACCOUNTS

Inquiry into the Government's financial response to the COVID-19 pandemic

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Introduction

About TSIC

The Tasmanian Seafood Industry Council (TSIC) is the peak body for the Tasmanian seafood industry. TSIC represents the interests of approximately 500 wild catch fishers, 70 marine farm businesses and 60 seafood processing businesses. These members produce \$1.182 billion GVP value per annum, directly employ 3,410 FTEs and indirectly employ 5,393 FTEs, and contribute \$597 million to household income¹.

TSIC work closely with all State seafood sector Associations and representatives.

The impact of Covid-19 on Tasmanian seafood

The following timeline provides a brief overview of how Covid-19 impacted the Tasmanian seafood industry:

23 January 2020	The Chinese Government implement lockdown in Wuhan and Hubei
24 January 2020	Rock lobster exports halt as Covid-19 shuts down Lunar New Year (key sale period for rock lobster and abalone)
25 January 2020	First Covid-19 case in Australia
30 January 2020	Loss of abalone exports to China
14 February 2020	Seafood export to China recommences but at very low volumes.
19 March 2020	All non-essential travelers to Tasmania go into mandatory 14-day isolation. Shuts tourism sector and local food service impacts
23 March 2020	Australian social distancing measures come into place – effectively shutting down food service outlets nationwide. Huge impact on seafood sales
1 April 2020	Seafood exports to China pick up with Federal Government International Flight Assistance Mechanism in place.
21 April 2020	Virgin Australia enters voluntary administration raising concerns about future freight logistics capacity.
May –June	Exports continue to China but at lower volumes. Closure of exports for short time after Chinese Government announce testing of seafood for Covid-19. Domestic restaurant demand increases meaning seafood orders and sales increase but still well down.
July 2020	Second wave in Victoria, NSW and Qld brings significant reduction in seafood orders and sales.

From this information, it should be evident that both export and domestic sales of most Tasmanian seafood product has been significantly impacted by Covid-19 and for an extended period of time. At the time of writing this submission, the sector continues to be impacted.

¹ Australian Fisheries and Aquaculture Industry 2017/18: Economic Contributions Estimates Report, BDO EconSearch.



Inquiry Terms of Reference

TSIC acknowledges the inquiry Terms of Reference as follows:

1. the timeliness and efficacy of the Government's economic response including stimulus funding and targeted financial support programs/payments;
2. health expenditure with specific reference to preparation and response to the COVID-19 pandemic;
3. the impact, progress and outcome of the Government's economic recovery plan for Tasmania; and
4. any other matter incidental thereto.

The TSIC response will focus on ToR 1, with specific reference to support to the Tasmanian seafood industry.

The timeliness and efficacy of the Government's economic response including stimulus funding and targeted financial support programs / payments

Direct seafood support

29 January

Media Release link [here](#).

To support the Tasmania's rock lobster industry, the Government enabled Tasmanian rock lobster quota to be rolled over into the next year quota to support fishers impacted by local restrictions on movement in China, associated with the coronavirus outbreak. This meant fishers who had not caught the permitted amount due to the sudden market changes will be able to add this shortfall to the amount they can catch next quota year, which started on 1 March 2020.

17 March

Media Release link [here](#).

After allowing for annual fees and levies to be paid by installment in, rock lobster, giant crab and fin fisheries, and for abalone divers, the government announced that these fees will now be waived for 12 months at a cost of \$3.7 million.



26 March

Media Release link [here](#).

The Tasmanian government announced that agriculture jobs and food production and supply are essential services. This allowed the continued operation of seafood during the increasing Covid-19 lockdowns.

27 March

Media Release link [here](#).

As part of the Government's \$985 million stimulus package, they delivered an additional \$1.8 million for our fisheries sector that supports thousands of jobs across the state, especially in our regional areas. Specific measures included:

- \$604,000 for fee relief for a range of wild fisheries licence fees, including commercial dive, scallops and fishing vessels;
- \$427,000 for licence and rental fees relief for shellfish farming;
- \$770,000 for ShellMAP Program Fee Relief.

27 March

Government confirmed that already paid fees and levies would be refunded, allowing vital cashflow to seafood businesses.

Summary

This direct seafood industry support provided by the Tasmanian government was delivered in a very timely manner, and in an efficient and effective manner. The measures implemented provided direct cash support through the retainment of cash in the pocket of small businesses.

Other support for seafood businesses

The Tasmanian government also implemented a range of other stimulus and support measures which were eligible to seafood businesses. These included:

- \$2,500 small business emergency grants
- \$15,000 small business hardship grants
- \$4,000 small business hardship grants
- Interest free loan schemes
- Waiving of payroll tax

These initiative provided the opportunity for further support to seafood businesses. Reports from members suggest that in general, each scheme was relatively straight forward to apply, and there was a timely, efficient and effective approval process and distribution of funds to successful applicant.



It must be noted there were some timeliness and assessment issues with the \$15,000 small business financial hardship grant scheme. These were brought to the attention of the Government by TSIC and appropriate action and discussions ensured.

TSIC would also like to commend the government and the recent announcement of an additional Small Business Sustainability and Recovery Grant Scheme. This competitive process has learnt from some issues around the financial hardship grant scheme.

Conclusion

The Tasmanian Seafood Industry Council commends the Tasmanian government for the timely and appropriate support measures provided to the Tasmanian seafood industry during the covid-19 pandemic.

TSIC further commends the Tasmanian government for protecting the Tasmanian community from the threat of Covid-19. The current Covid status of Tasmania is testament to the government's success.

