



7 June 2016

Katherine Winchester
Chair
National Seafood Industry Alliance
c/o PO Box 1605
Fremantle WA 6959

Dear Ms Winchester,

Thank you for your letter seeking advice on the Australian Labor Party's policies in regard to the seafood industry in Australia.

Labor recognises the significance of Australia's multi-billion dollar seafood industry, being our fifth largest food producing industry, worth more than \$2.2 billion to our economy every year.

The industry has played a key role in national economic development throughout our history. It has generated a large share of Australia's wealth, helped shape our culture and identity, and underpinned the establishment of coastal communities throughout the nation.

In the century ahead of us, our fisheries sector, along with our agriculture and forestry sectors, will retain a major role in creating wealth and jobs in rural and regional Australia, and generating export income as we capitalise on growing global food demand.

Labor's development of our fisheries, agriculture and forestry sectors will be based on 'five pillars' – Financial Capital, Human Capital, Natural Resource Capital, Infrastructure Capital and Research Capital:

- Financial Capital – sufficient affordable funding.
- Human Capital – people with the necessary education and skills.
- Natural Resource Capital – using our limited natural resources in the most productive and sustainable way, including meeting the challenges posed by long-term drought.
- Infrastructure Capital – the infrastructure needed to be competitive and profitable and to fully capitalise on export opportunities.
- Research Capital – a world-class research and development funding model and world-leading research, development and extension.

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These pillars are necessary to secure the profitability, productivity and sustainability of Australia's fisheries sector, and a Shorten Labor Government will work with the seafood industry to achieve this outcome.

In this vein, Labor will ensure a stakeholder representative approach to industry advice and collaboration for the agriculture, fisheries and forestry sectors.

This is in stark contrast to the Abbott-Turnbull Government which dropped the industry from its priorities when it dropped 'fisheries' from the Agriculture portfolio title, and excluded this significant industry from the Agriculture White Paper process.

As we did when we were last in government, Labor will work with State and Territory Governments to improve the effectiveness of national regulatory frameworks, reduce regulatory burdens on business where this delivers a net benefit to the community, and minimise scope for new regulatory burdens through application of best practice regulation impact assessment. Labor considers that reviewing the effectiveness of regulation that affects the food supply chain is a continual process.

A Shorten Labor Government will also consider the outcomes of the current Productivity Commission (PC) inquiry into the regulation of the Australian Marine Fisheries and Aquaculture sectors which is due to report in December 2016.

As you are aware, the Productivity Commission's inquiry will examine duplication in regulation, and the alignment of interests, including the balance between commercial, recreational, Indigenous fishing, conservation and consumer interests. It will also have regard to the role of the Environment Protection and Biodiversity Conservation Act.

Consistent with our commitment to supporting the industry through the fifth pillar, Research Capital, a Shorten Labor Government will invest in our research and development capability so that Australia remains a world leader in innovation and productivity.

Labor's record when we were last in government is clear. Labor supported rural research, development and extension through investments worth approximately \$700 million annually, including to the Rural Research and Development Corporations (RDCs) and programs run by the CSIRO, universities, Cooperative Research Centres (CRCs), the Australian Centre for International Agricultural Research (ACIAR) and other federal Government agencies.

A Shorten Labor Government will maintain and improve a world-leading rural research and development system. Labor will encourage an effective rural extension system, involving the private and public sectors.

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Labor will encourage innovation by food businesses using economy-wide measures where possible (for example, general research and development tax incentives and the intellectual property system) and Labor will support industries to target their research, development and extension investments on strategic needs, taking into account needs of producers, supply chains and end consumers.

Labor's policy is in stark contrast to the Abbott-Turnbull Government, which promised it would spend an extra \$100 million on agricultural research and development prior to the 2013 election, but three years on, it has spent considerably less.

The then Shadow Agriculture Spokesperson, John Cobb, promised to spend an additional \$100 million over three years, telling Fairfax Media on 28 August 2013 that "the extra \$100 million would "come out over three years" and would not require matching funding from industry".

Even with the elevation of Barnaby Joyce to Agriculture Minister, the Abbott-Turnbull Government has spent considerably less than the promised extra \$100 million and has required that the RDCs find matching funding from industry.

Furthermore, the additional \$100 million has been eroded by cuts to the Rural Industries Research and Development Corporation, CRCs and the CSIRO.

Making matters worse, Barnaby Joyce's determination to force RDCs to relocate will cause desperately needed research money to be wasted on the costs of relocation, redundancies and travel.

This is more proof that the Abbott-Turnbull Government is worse than chaotic and dysfunctional, it's also dishonest.

Only Labor will invest in our research and development capability in a way that ensures Australia remains a world leader in innovation and productivity.

With regard to export opportunities, for over 40 years Labor has recognised that trade liberalisation can boost growth, create jobs, forge more competitive industries and give consumers greater choice and lower prices.

In government, Labor pursued policies that opened our economy – and society – to the world, including:

- Pursuing multilateral trade liberalisation.
- Initiating the Asia-Pacific Economic Cooperation (APEC) forum.
- Identifying opportunities for Australia in the region by placing the "Australia in the Asian Century" White Paper at the centre of the national debate and opposing protectionist responses to the Global Financial Crisis.

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Labor's policies, including trade liberalisation, under the Hawke, Keating, Rudd and Gillard Governments, have contributed to a quarter century of continued economic growth.

A Shorten Labor Government will ensure high quality bilateral agreements serve as a stepping stone to stronger multilateral agreements. Labor will support good trade policy and oppose trade policy that sells our nation short.

Labor also recognises the potential benefits for Australia from the Trans-Pacific Partnership (TPP) agreement, including increased market access for our goods and services.

The TPP could be a stepping stone to closer economic engagement across the Asia-Pacific – a goal Labor has pursued from establishing APEC to releasing the *Australia in the Asian Century White Paper*. Labor will scrutinise the text to ensure it lives up to the claims made by the Liberal Government.

Labor will also support Infrastructure Capital for the seafood industry. Labor believes that Australian consumers are entitled to know that the food they are eating is safe and where it is from. We are committed to working with all stakeholders and the States and Territories to improve cooked seafood labelling for Australians.

As you would be aware, the Northern Territory introduced seafood labelling requirements in 2008, which have been widely acknowledged as a success. While any national standard would present additional issues, the NT experience cannot be lightly dismissed.

Surveys undertaken by the Fisheries Research and Development Cooperation have revealed a high level of consumer support for these requirements which have curbed industry complaints about operators "free riding" on the popularity of locally sourced seafood, in particular barramundi.

These same surveys show that seafood labelling has generally been supported by the food services sector in the NT, despite initial scepticism about how its implementation would affect their daily operations.

Evidence given to the Senate Standing Committees on Rural and Regional Affairs and Transport inquiry into seafood labelling by NT restaurant and bar owners revealed that compliance concerns dissipated when it was recognised that seafood labelling provided an opportunity to actively market seafood on menus.

Labor recognises that administrative requirements and compliance costs can pose challenges for small businesses. However, it is clear that seafood labelling is consistent with consumer expectations; Australians want to make informed choices about the food they are consuming.

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Labor will continue to consult with stakeholders about reasonable ways to ensure that Australian consumers have the best information available about the seafood they are eating.

We will ensure that any new requirements do not pose an unnecessary administrative burden on businesses in the food services sector. This can be achieved by learning from the experiences of the NT.

Finally, the Association has also asked about Labor's position on the fuel tax credit scheme. Labor recognises that the fuel tax credit scheme is not a subsidy; it is a rebate paid back to those who are using fuel for purposes not covered by the tax.

The fuel tax credit scheme is used by farmers, the fishing industry, at sea, remote communities and regional tourism providers. It's also used in industry activity conducted on private land in horticulture, broad acre cropping and aquaculture, mining and construction.

A rebate is used because it is the most cost effective and efficient way for the Federal Government to administer the taxation process for fuel. Significantly, both the Treasury and the Productivity Commission do not consider the rebate to be a form of industry assistance.

Thank you again for your letter about the Australian Labor Party's policies in regard to the seafood industry in Australia. A Shorten Labor Government will work with the seafood industry to achieve a profitable and sustainable future, including working together to increase public confidence and faith in our world class fisheries management.

I hope this information is helpful.

Kind regards,

ALP Information Services Unit

Australian Labor Campaign Headquarters

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