

Richard Peter Billington

12TH March 2021

Vulnerable Supply Chains study team
Productivity Commission
Level 2, 4 National Circuit, Barton
ACT 2600

Research Manager - Marcelo Muñoz

Dear Marcelo and Team,

Re: Vulnerable Supply Chains

I have register / subscribed to the call out for contributions to assist in the recognition of vulnerable supply chains across Australia.

As you can see I am a Western Australian and as such am well versed in what we (WA) have and have not got.

No intention to make you all cry, but WA does seem to be the poor relations when it comes to Government Infrastructure and support and encouragement with any industry other than mining.

The Vulnerable Supply / Food Chain that I wish to present my deep concerns with, are not just confined to WA, but are indeed an Australian wide deficiency that real must be addressed.

It is not a singular food or supply item, but an entire Industry.

CANNING INDUSTRY

My concern is with the Canning Industry (or lack there off) in Australia.

Australian has very little "Australian Owned" canneries left from what was once a world leader.

All the operational Canneries in Australia are owned by Simplot or Heize, both of which are HQ out of the USA.

There are NO fish canneries in the WHOLE of Australia, apart from a few gourmet style canners such as "Jim Mendolia" in WA.

All of Australia's capability in this area has either closed or been off shored to places like Thailand.

Australia needs a Canning Industry that is owned and operated by, AUSTRALIAN's in AUSTRALIA.

Also this industry needs to be diversified across all states and regional areas, to enable and guarantee supply in a crisis such as a pandemic.

This is only one of many aspects of Australia's manufacture sector that is just non-existent or in which our participation and capability has been compromised due to the adoption of the mantra "**let the market place rule**", regardless of the effect on "**in the best interests and security of Australia**".

I have carried out my own review of the Canning Industry in Australia which I would like to submit as my means of conveying to the Vulnerable Supply Chains Study Team as evidence of my concern and the obvious reality that in this area of the Food Supply Chain we, AUSTRALIA is vulnerable.

Please see 17 page document attached "Canning Industry in Australia"

In my endeavours to perhaps get some support or encouragement with my submission to the team, I wrote to:

WA Minister for Regional Development; Agriculture and Food; Ports
Minister Assisting the Minister for State Development, Jobs and Trade

I would like to provide a copy of that correspondence:

Honourable Alannah MacTiernan MLC

Minister for Regional Development; Agriculture and Food; Ports
Minister Assisting the Minister for State Development, Jobs and Trade

Dear Alannah,

Re: Vulnerable Supply Chains study team -Productivity Commission

The Productivity Commission has been called on to provide a report on Australia's most vulnerable areas of our supply chain.

I am intending to submit my views on the food supply sector that is vulnerable in normal times let alone in a crisis situation when all logistics are interrupted or stopped completely.

The sector I am referring to is the CANNERY INDUSTRY.

The whole of Australia is not in a very stable place in this food sector with only the remnants of what was once a massive industry in Australia's past. Those remaining Cannery capabilities in Victoria, NSW and Queensland are all but 100% foreign owned.

Outside of these three states Australia has again all but 100% no Canneries or Canning capability.

In WA there are only two small seafood Canneries. One in Albany and one in Fremantle.

So my questions is are we looking at this situation in any way and if so how does one get into the discussion.

Also if there presently is no concern and / or intent to develop a Cannery Industry even just on a small basis to contribute to security of food supply in WA, then can we please start the discussion.

To make my submission to the Productivity Commission with input from your department it would be appreciated and have an impact that Australia needs Government leadership, direction and support in getting this sector up off its knees.

Perhaps if there is already a branch of your department dealing in this area and / or a discussion group, could I please be introduced into this initiative,

Thank you and regards,

Richard Billington

The response I received was not really at the level of interest and concern that I thought and hoped would be forth coming, so I also provide a copy the reply that I received:

Hi Richard,

Thank you for your correspondence to Minister MacTiernan on the subject of cannery operations in Western Australia and the recently announced Productivity Commissions report on vulnerable supply chains.

Our Food Industry Development team is aware of two canning operations, with a possible third one being suggested by a contact at Curtin University. Many more have operated in the past.

These are Mendolia Seafood's <https://www.mendoliaseafoods.com.au/> and Great Southern Truffles <https://greatsoutherntruffles.com.au/>. Leeuwin Star was the potential third business. You had also mentioned Albany Seafood's but our understanding is that they are not canning in Albany, rather using a different process for their seafood packaging.

If you, or a business you support, are looking to invest in a canning operation, then the Department's Investment team may be able to offer support. The Department's Investment team promotes and facilitates investment into Western Australia's agriculture, agro tech, fisheries and food industries by supporting businesses and investors, engaging with industry and collaborating across government for the benefit of the state.

Further information on the support offered and how to contact the team can be found at: <https://www.agric.wa.gov.au/investment/investment-services>

Our current round of grant and funding opportunities, services, incentives, events and support has recently closed. In terms of upcoming funding opportunities, the \$16.7m Food & Beverage Fund (FAB) announced in August 2020 will run until June 2024. The FAB Fund provides investment grants and professional services vouchers. Round 2 of the Value Add Investment Grants will likely open in 2022.

To keep up to date please check in regularly on our webpage:

<https://www.agric.wa.gov.au/agribusinessfunds>

While we are very supportive of the submission process, the Department does not provide input into individual's submissions to the Productivity Commission. You may also be interested in the ABARES 2020 Analysis of Australia's food security and the COVID-19 pandemic <https://www.agriculture.gov.au/abares/products/insights/australian-food-security-and-COVID-19>. The key finding of this analysis is that Australia does not have a food security problem as it one of the most food secure nations in the world. I hope this provides some reassurance to you.

Kind regards,

The reason for providing the above two pieces of correspondence is to high light, how detached and unfocussed people in these Government Departments can be and are.

The responder did everything but actually addresses my concerns for the NON EXISTANT CANNING INDUSTRY IN AUSTRALIA, and just churned through all the generic protocols and departmental promoting diatribe of itself and how helpful they or the Government may be if you start a business.

My suggestion that Governments need to start discussing this issue and helping to set a plan in place that directly assists and leads the development of the CRITICAL INDUSTRY, was clearly not even noticed.

This a great example of the situation with almost every issue within any Australian industry and particular with skills and labour shortages, the answer from all forms of Government is just through money out in the form of rewards and enticements and let the people sort it all out.

That approach never changes anything in the overall wash up, as when the boom is over and things settle back there is no change to the original problem. The classic is Apprenticeship Training across Australia, after all the incentives and fee cutting measures, etc., there has not been a change in the growth and stability of adequate numbers of qualified tradespersons for 40 years.

Australia has not only got a critical need to Establish or Re-establish a secure source of food but at the same time foster the resurrection of many other forms and areas of manufacturing .

Australia's need for a CANNING INDUSTRY cannot be left to **“market forces”** because that is why we have none.

It is in the NATIONAL INTEREST that Australia and each individual state and territory needs CANNING CAPABILITIES.

The Federal Government must establish a plan/ means of this being achieved, whether it be based on Government ownership, big business driven or a combination of both, it must be recognised and made a critical priority.

I hope my contribution to this study is of some help to the team and I thank you for the opportunity to be involved.

Yours faithfully,

Richard Peter Billington