

# NATIONAL SEAFOOD INDUSTRY ALLIANCE

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RRDC Inquiry Coordinator  
Productivity Commission  
LB2 Collins Street East  
MELBOURNE VIC 3000

## Re: Rural Research and Development Corporations – Public Inquiry

Thank you for the opportunity to provide a submission on the review of rural research and development corporations. The National Seafood Industry Alliance (NSIA), comprising membership of state and territory seafood industry councils to represent industry at a national level, offers our broad comments below, focussing only with the Fisheries Research and Development Corporation (FRDC). I note that some of our members have already made individual submissions.

### The FRDC – its scope and benefit

NSIA considers that as fisheries are a community owned resource supporting a broad range of stakeholders (commercial, recreational, customary and conservation) there is a significant 'public good' component associated with fisheries research activities and outcomes, particularly when the objectives of the research relate to improving natural resource management and sustainability. Due to the common property nature of the fisheries, the FRDC is unique in its charter. Accordingly, we consider that there is a clear rationale for the continuation of public investment in the FRDC, and that this is an entirely appropriate use of public funds, especially given that the FRDC is the primary source of Commonwealth investment in fisheries research, development and extension.

From a commercial perspective, the FRDC has played a significant role in supporting research projects that have delivered tangible returns to our industry of improving productivity and profitability. Specific examples have been provided in NSIA's individual member submissions.

It is worth noting that contrary to that of other Commonwealth funded research agencies, the FRDC engages in strategic fisheries research which does not limit itself to delivering discrete benefits to individual fisheries and is far broader in application across our industry more generally. For example, FRDC investment in fish names has been critical to the Food Standards Code, reducing fish substitution and generating confidence in international trade. Australia is the only country in the world with such a standard.

### MEMBERS OF NATIONAL SEAFOOD ALLIANCE



NSIA is of the view that in the context of the FRDC, there is an appropriate balance between projects that provide benefits to specific industries versus broader public interests.

## **Funding**

NSIA believes that the level of public investment in the FRDC should be commensurate with the return to the community. Due to the common property nature of fisheries and the necessity for an integrated manner of management, the FRDC has a higher level of public good remit than other RDC's and on that basis we consider that current levels of public funding to the FRDC should increase.

We note that industry contributes to the FRDC through state and territory governments and has consistently contributed more to the FRDC than the Commonwealth, reaching 169% of matchable contributions in 2008-09. NSIA believes that the Government should recognise this additional effort and lift its matching contribution to 0.5% of GVP, consistent with the matching cap set for other rural industries.

The Government should also match a recreational contribution to the FRDC. Currently, the recreational sector receives a benefit from FRDC funded projects but makes no direct contribution as to date that contribution has not been matched by government.

Our industry is dominated by small businesses, and it is unlikely that they would have the capacity to fund the FRDC without government contributions.

## **Scope for improvement**

While NSIA is of the view that the FRDC is generally efficient and effective in meeting its statutory objectives, there is scope for some improvement. Although the FRDC operates under a decision-making framework for project selection that is generally responsive to stakeholders, it is hampered by the fact that it must correspond with eight separate state and territory jurisdictions. We consider that efficiencies would be gained and better extension of results achieved if the consultation framework was instead based on three bioregional fishery areas with three corresponding regional offices.

## **Conclusion**

NSIA considers that the FRDC makes a significant contribution to fisheries management and development in Australia. While there may be some scope for improvement in its model, as we have identified above, it is integral that the FRDC is maintained as a separate entity, recognising the unique characteristics of fisheries and the importance of research, development and extension in this sector and the subsequent benefits delivered to the general community.

Yours sincerely



Anna Cronin  
**CHAIR**