8 October 2021

Committee Secretary
Senate Rural and Regional Affairs and Transport References Committee
PO Box 6100
Parliament House
Canberra ACT 2600
Australia
rrat.sen@aph.gov.au

Dear Committee Secretary,

RE: Question on notice from Senator Whish-Wilson about SETFIA Membership

SETFIA appeared in front of the Committee by a virtual link on Thursday September 30 and we thank the Committee for the opportunity. Prior to this, SETFIA had made a written submission to the Inquiry stating that the Association saw quota management as the *least bad* option noting that the South East Trawl Fishery had too many stocks managed under quota and as a consequence management was costly and complex. Also, that over-aggregation of assets within any link (including quota ownership) in the seafood supply chain was potentially uncompetitive and unhealthy.

On several occasions Senator Whish-Wilson commented after my answers with words to the effect of, "you would say that given your position". The Senator requested further information about SETFIA membership we presume suggesting that SETFIA only represents larger quota-only owning entities rather than fishers. We welcome the opportunity to answer the Senator's question about membership and aggregated data about our membership is provided here.

SETFIA is a small organisation with only 29 members (noting that there are only 50 or so vessels in the entire fishery and that generally Australian fisheries are very small by international comparison). We believe that the Association represents 90% of vessels, quota owned and sales in the fishery through voluntary membership. The Senator tabled a SETFIA email to members during the hearing and we confirm that we regularly use e-mail to communicate with members and indeed did so prior to making our written submission. We are therefore confident that the views expressed in the submission are in line with members' expectations.

We have appendiced five graphical perspectives about SETFIA's 29 members and these can be summarised as:

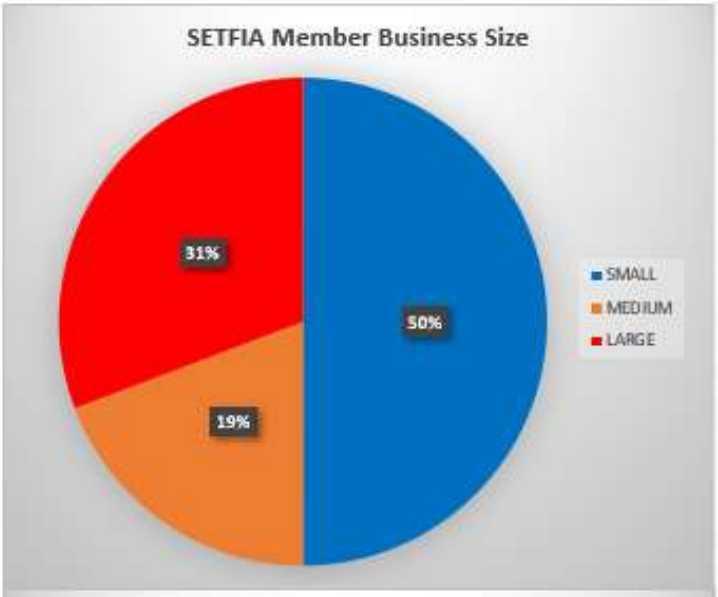
1. By business size; 50% of member businesses are small, 19% medium and 31% large.
2. If the fresh fish supply chain is divided into quota, catching, processing, and selling; 48% are involved in two supply chain links, 21% in one, 10% in three and 21% are fully vertically integrated being involved in all four links.
3. Drilling down into #2 above shows that 22 businesses have some involvement in catching, 21 own quota, 13 sell fish and 11 process fish (noting that this metric allows involvement in one or more links).
4. That 90% of members have businesses incorporated in Australia and only 10% have any (including minority interest) ownership by an offshore parent company.
5. That only a single member is only involved in quota ownership and even this member owns vessels which are leased out (but not operated directly by the member).

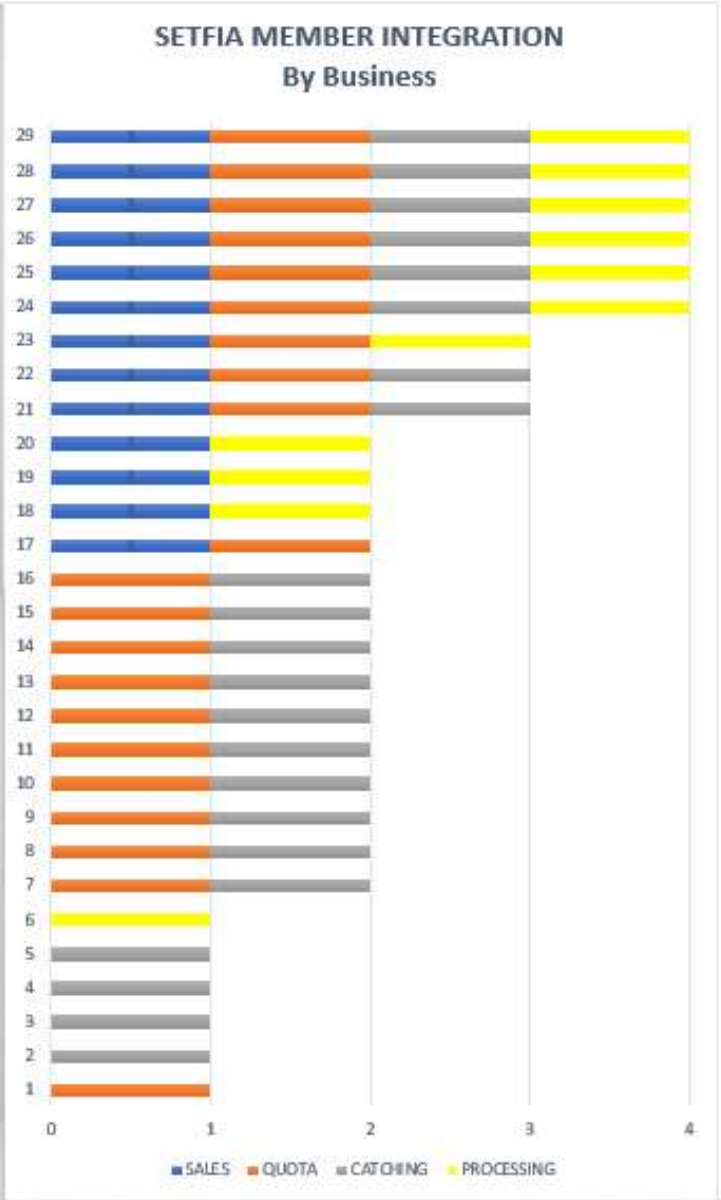
Although members with larger turnover pay more voluntary membership fee, SETFIA's constitution provides that each member receives one equal vote. SETFIA's Board is elected by members and generally represents the geographical spread of the fishery rather than business size or presence in any particular supply chain link.

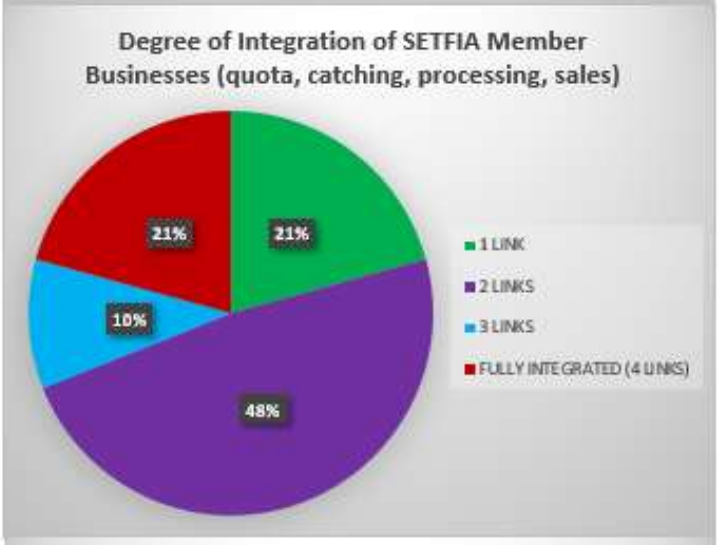
In summary SETFIA is a grass roots organisation with many active fishers the majority of which are family owned small and medium enterprises. SETFIA is based in regional Victoria in Lakes Entrance, the South-East's largest fishing port.

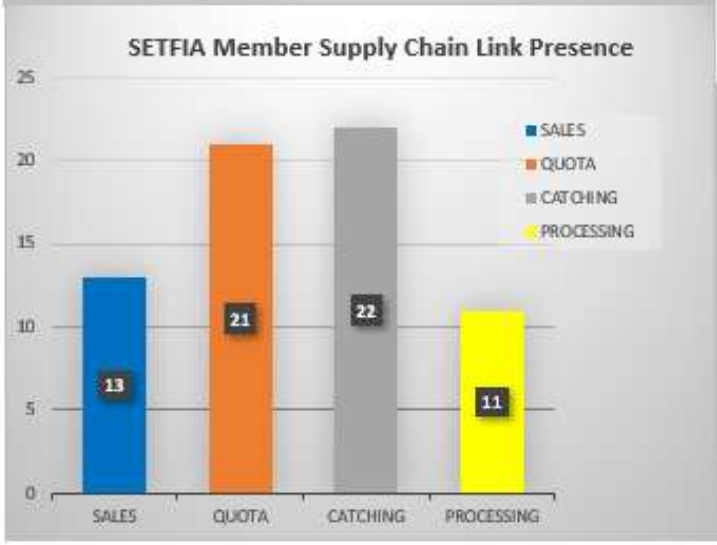
Yours sincerely,

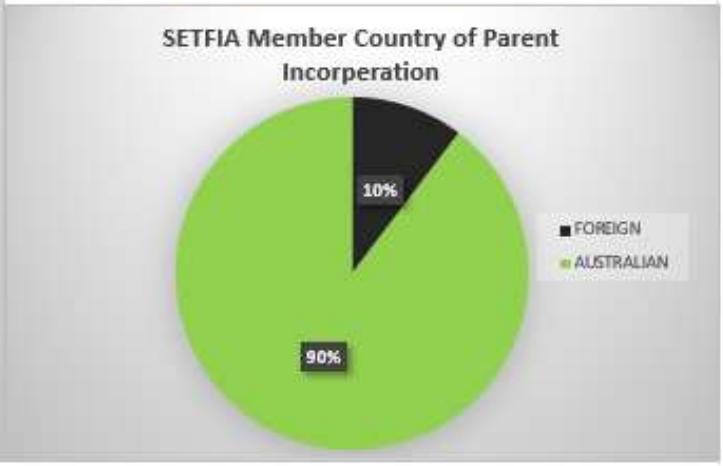
Simon Boag
Executive Officer
South East Trawl Fishing Industry Association


SETFIA Member Business Size
31%
50%
19%
SMALL
MEDIUM
LARGE


SETFIA MEMBER INTEGRATION
By Business
29
28
27
26
25
24
23
22
21
20
19
18
17
16
15
14
13
12
11
10
9
8
7
6
5
4
3
2
1
0
1
2
3
4
SALES
QUOTA
CATCHING
PROCESSING


Degree of Integration of SETFIA Member Businesses (quota, catching, processing, sales)
21%
21%
10%
48%
1 LINK
2 LINKS
3 LINKS
FULLY INTEGRATED (4 LINKS)


SETFIA Member Supply Chain Link Presence
25
20
15
10
5
0
13
21
22
11
SALES
QUOTA
CATCHING
PROCESSING


SETFIA Member Country of Parent Incorperation
10%
90%
FOREIGN
AUSTRALIAN