

ROCK LOBSTER PROCESSING LICENCES

459. Hon KIM CHANCE to the minister representing the Minister for Fisheries:

I refer to the Minister for Fisheries' intention to make an unlimited number of domestic rock lobster processing licences available from July 2001.

- (1) Will this have the effect of deregulating the domestic rock lobster processing industry in Western Australia?
- (2) What impact will this have on existing processors who are required to meet the additional cost of maintaining export certification?
- (3) Will the new domestic licence processors be required to meet the same standards required of export processors?
- (4) If not, will export accredited processors be placed at a competitive disadvantage on the domestic market relative to the new domestic market processors?
- (5) Was this factor considered in the national competition policy review of the processing sector?
- (6) If not, why not?

Hon M.J. CRIDDLE replied:

- (1)-(6) A review of the legislation relating to rock lobster processing was undertaken as required under the national competition policy review. The review identified the limitation on the number of unrestricted rock lobster processing sectors as a major restriction on competition. In view of this, the minister has advised the Rock Lobster Industry Advisory Committee and the Western Rock Lobster Development Association of his intention to create a new class of restricted rock lobster processing licences for domestic purposes. The minister sought the advice of these industry bodies prior to progressing this proposal. Should these proposed changes in rock lobster licensing be adopted, it will effectively result in the deregulation of the Australian market for western rock lobster processing and marketing, but will retain the current restriction on the number of licences for the processing of western rock lobsters for export.

Holders of these restricted licences for processing products for domestic market sale will be required, by virtue of the Health Act and regulations, to ensure that processing establishments meet public hygiene standards and the products meet Australia's safe foods standards. These domestic and export standards remain whether the current restrictions on competition in the Western Australian rock lobster processing sector continue or cease.