

FISHING INDUSTRY CRISIS

946. Hon MURRAY CRIDDLE to the Minister for Agriculture, Forestry and Fisheries:

What role does the Government intend to play in the current crisis in the fishing industry, in particular the rock lobster industry, bearing in mind the current problems with severe acute respiratory syndrome and the amount of unsold stock on hand in Australia?

Hon KIM CHANCE replied:

I thank Hon Murray Criddle for some notice of the question. It seems that I do not have a prepared answer. However, following on from a quite extensive answer that I provided on the same subject last week, I inform the member that I have been meeting with the rock lobster processors. I am due to meet with the Western Rock Lobster Council, and I have met with a number of fishermen and fishing industry group representatives. I am taking legal advice on the question of whether some form of price discipline could be legally maintained under the Trade Practices Act, and I expect to have that information soon. Once I have that information, I will share it with the rock lobster exporters and try to work towards imposing that discipline, because I believe that a lack of discipline has probably accounted for the current price levels being about half of what they could have been sustained at. In Australian dollars, I believe that a beach price of about \$21 could have been sustained, notwithstanding the issues of SARS and the clearly demonstrated fall in restaurant trade vis-a-vis supermarket trade in north Asia, which has clearly driven the price decline.

I am happy to keep the member informed as some of those issues come together. I am not currently contemplating any closure to or other such modification of the season. At this stage that is not a priority of mine. I have real doubts about whether seasonal closure could have the desired effect of stabilising prices, and I have been happy to advise people of that view. I believe price discipline is necessary. However, we must be aware of our legal obligations, because it is almost impossible to influence export prices without having a corresponding effect on domestic prices. At that point, of course, the Australian Competition and Consumer Commission will take a close interest in what we are doing.