



A REPORT BY THE OFFICE OF THE TASMANIAN GREENS MPs

February 2013

DISCLAIMER

This report discusses the findings from a qualitative survey conducted by the Office of the Tasmanian Greens MPs of 33 small business operators in Tasmania.

The survey was undertaken to get a snap shot of the perspective of small businesses on the proposed fishing venture of the super trawler, commonly referred to as the FV Margiris or Abel Tasman.

Small businesses were selected to be surveyed based on their reliance on the sustainability of the ocean resources for the ongoing viability and profitability of their businesses. In short, they are stakeholders in the common resources of our oceans and fisheries management should consider them.

The survey was undertaken in-house by the Tasmanian Greens MPs' offices in August 2012. It is not a conclusive report but attempts to provide an insight into Tasmania's "blue economy" so as to highlight the importance of ensuring that resource management decisions are based on the wealth of all Tasmanians not just for the profit of a few.

The Tasmanian Greens MPs emphasise that this report and findings are not statistically conclusive and we would encourage and support further research into this area.

We thank all participants for the time they gave to this survey.

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Introduction

In August 2012 the Tasmanian Greens sent out a questionnaire to small businesses¹ around Tasmania seeking their perspective on the potential operation of the super trawler, commonly known as the *FV Margiris* or *Abel Tasman*, in Australian waters.

Small businesses were selected based on their reliance of the resources generated from the biodiversity of our oceans. The wealth generated by marine resources is often referred to as the blue economy.

The immediate and enormous public response rejecting the super trawler indicated that Tasmanians did not want the super trawler to operate. 3738 people in Tasmania signed the petition to stop the super trawler and 95,455 people in Australia signed a petition to stop it.

Some of the supporters of the super trawler claimed that the public response was purely emotional.² However, this qualitative survey provides a snapshot of a perspective from Tasmanians who understand that ocean resources must be sensibly and sustainably managed so as to ensure that small businesses can profit from them for the long-term.

The *FV Margiris* was proposed to be operated by a joint venture between Seafish Tasmania and Seafish Tasmania Pelagic, a fully owned subsidiary of Parlevliet & Van der Plas BV, which is Dutch fishing company owned by the Parlevliet and the Van der Plas families.³ Seafish Tasmania Pelagic is the company that owns the *FV Margiris*.

Seafish Tasmania is based in Triabunna, Tasmania and has operated purse seiners and mid-water trawlers in the Small Pelagic Fishery catching jack mackerel and redbait for some years. In 2012, Seafish Tasmania was assigned 17,800 tonnes of catch quotas by the Australian Fisheries Management Authority under the Small Pelagic Fishery Statutory Management Plan.

The super trawler would be fishing redbait, jack mackerel and blue mackerel. These species are referred to as part of the small pelagic fishery. They are important species in the food chain as they are baitfish for a wide range of predator species, including bottlenose dolphins, Australian fur seals and other marine mammals.

The small pelagic fishery is low value. A kilogram can be sold for about \$1AUS. This means that a lot of fish have to be caught for an operation to be profitable. Australia needs to consider whether the profits to be made from this venture are worth risking the food chain that feeds the more valuable fish species.

¹ For statistical purposes, the ABS defines small business as an actively trading business with 0-19 employees. Small businesses make up over 95 per cent of businesses in Tasmania and employ around 46% of the workforce.

² Colbeck in The Australian, *Labor moves to halt super trawler fishing in Australian waters*, 2012
<http://www.theaustralian.com.au/national-affairs/labor-moves-to-halt-super-trawler-fishing-in-australian-waters/story-fn59niix-1226471622187> and

Kearney, B (2012) *Opposition to the Margiris 'super trawler' not evidence based*
<http://theconversation.edu.au/opposition-to-the-margiris-super-trawler-not-evidence-based-8839>

³ For more information on this global operation and the subsidies provided to the company behind the super trawler please see the report by Greenpeace

<http://www.greenpeace.org/australia/en/mediacentre/media-releases/oceans/Super-trawler-subsidies-revealed/>

Although in Australia our fish stocks are doing better than most, globally, our fishing stocks are under severe stress with more than 50% fully exploited and another 30% overexploited. That means that 80% of our fishing stock has been fished to their limits. The ability of a fishery to recover from overfishing depends on whether the ecosystem's conditions are suitable for the recovery. With the increasing pollution and acidification of our oceans the ecosystems are not in their best shape to support recovery.

Overfishing is often reflected in price. To cite one example, the bluefin tuna has been so overfished worldwide that in Japan and other countries where sushi is cherished, a single fish sells for \$100,000. As Callum Roberts, author of *The Unnatural History of the Sea*, writes:

"The last of these regal fish are today pursued more relentlessly than ever. . . . The fish are now so valuable that it pays to employ planes and helicopters to scan the ocean, guiding boats in for the kill when fish are spotted. This isn't fishing any more -- it is the extermination of a species."

The super trawler and her sister ships have already contributed to the overexploitation of fish stocks in West Africa and the South Pacific. The South Pacific jack mackerel fishery, a favourite of this super trawler and the European Pelagic Freezer-Trawler Association (PFA), made headlines this year when fish populations plummeted by ninety percent. Off West Africa almost all the PFA's target species are now fully exploited or overexploited, prompting the Senegalese government to expel all PFA vessels from their waters.

Overfishing doesn't just happen in under-regulated, developing countries. According to the European Union's own estimates, three quarters of the continents' fish stocks are overfished.⁴ Not enough fish in their own seas meant that the end up in the seas of other countries, like those in Africa and now they're trying to come to Australia.

"Perversely, underpinning the overcapacity are massive EU subsidies, totally more than €1 billion \$1.24bn) a year."⁵

Parlevliet & Van der Plas BV (the owners of Seafish Tasmania Pelagic) belong to the Pelagic Freezer-trawler Association in the European Union and according to the European Commission they are one of the favoured sons, receiving direct and indirect subsidies of more than €55 million in the past two decades.⁶

Tasmania's Blue Economy

The Australian Government defines the blue economy as one in which our ocean ecosystems bring economic and social benefits that are efficient, equitable and sustainable.⁷

The blue economy is vital in Australia as our oceans directly support jobs in commercial and recreational/charter fishing and indirectly support thousands of business and communities along our coastline.

⁴ Ritter, D (2012) *Super-Trawlers are feeding on EU fishing subsidies*, *The Australian*
<http://www.theaustralian.com.au/national-affairs/opinion/super-trawlers-are-feeding-on-eu-fishing-subsidies/story-e6frgd0x-1226479819843>

⁵ *ibid*

⁶ *Ibid*

⁷ Australian Government (2012) *Rio+20 and the blue economy factsheet*
<http://www.environment.gov.au/rio/pubs/rio-factsheet-4.pdf>

Marine tourism and recreational activities directly contribute over \$11 billion per year to the Australian economy. Total economic activity in the marine environment has been found to contribute over \$44 billion per year, or more than 4 per cent of Australia's GDP.⁸

In Tasmania, marine industries employed 10 000 persons in 2002-03, which is four percent of national marine industry employment. Marine tourism was the largest employer in tourism in Tasmania in 2002-03, accounting for 55.6 per cent of total marine industry employment.⁹

The Tasmanian seafood industry is the most valuable seafood industry in Australia with a combined beach/farm gate value in 2009-10 of \$563.8 million. The total volume of production for the period was 41,837 tonnes.¹⁰

Exact employment figures for the seafood industry are difficult to obtain, however it is estimated that at least 2,500 people are directly employed in the Tasmanian seafood industry.¹¹

Beyond the dollar symbol, the biodiversity of our oceans is invaluable for the enjoyment of all Tasmanians. It is also an important source of high quality protein for Tasmanian families and a part of the coastal culture and heritage.

⁸ibid

⁹The Economic Contribution of Australia's Marine Industries, The Allen Consulting Group
<http://www.environment.gov.au/coasts/mbp/publications/general/pubs/marine-economic.pdf>

¹⁰ TSIC data from Australian Fisheries Statistics 2010 – ABARES 2011
http://www.tsic.org.au/files/Industry_Profile/Industry_Profile_Overview.pdf

¹¹ TSIC data from Australian Fisheries Statistics 2010 – ABARES 2011
http://www.tsic.org.au/files/Industry_Profile/Industry_Profile_Overview.pdf

Discussion

The majority of small businesses surveyed by the Tasmanian Greens did not support the FV Margiris being granted a license to fish in Australian waters. The reasons given were varied and often interlinked. The answers provided by businesses provide a snapshot into Tasmania's blue economy.

The reason that received the strongest response (50% of respondents) is that the businesses were concerned that the operation of the super trawler would risk the ongoing sustainability of the shared marine resources. That is, the super trawler would net more than their fair share.

As is detailed further below, the reasons highlight that whilst participants considered that the operation of the super trawler might generate short-term jobs it would risk *displacing* long-term jobs and the wealth currently generated by Tasmania's small businesses through the blue economy.

Of the 16 businesses surveyed that provided their gross annual incomes we know that:

- Gross annual incomes ranged from \$80,000 to \$5 million;
- Combined annual turnover of the fifteen small businesses was \$22, 565, 000; and
- Combined jobs generated are 70.5.

The profits generated by these small businesses largely stays within the Tasmania's local economy.

Respondents expressed the value they derive, both personally and professionally, from having healthy oceans with a sustainable marine resource. Whilst this information was not directly sought by the Tasmanian Greens questionnaire it was considered important to include in this report due to the weight it was given by respondents.

Respondents spoke about how they cherish Tasmania's abundant pristine coastline and enviable opportunities for recreational fishing, spectacular diving and tourism. Being against the operation of the super trawler was about standing up to protect a way of life that is unique.

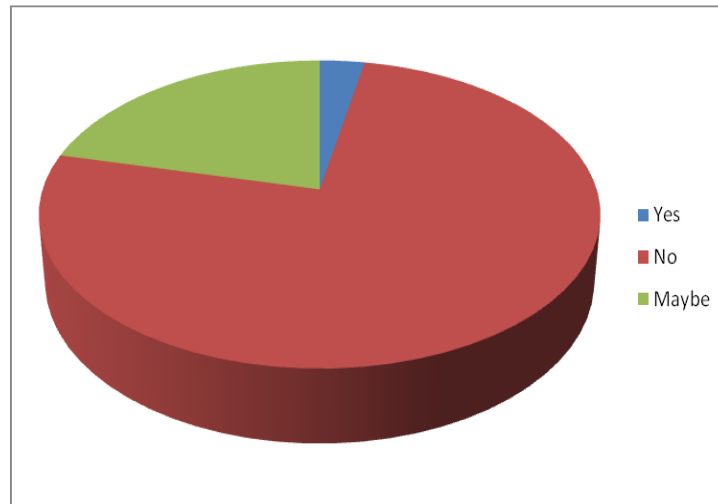
Super Trawler bad for Local Economy

25 out of the 33 respondents did not think the super trawler would be good for the local economy: that's 75 per cent.

Figure 1

SURVEY QUESTION:

Do you believe the *FV Margiris* will benefit the Tasmanian local economy?



The businesses that did think that the super trawler might benefit the local economy thought that it would bring short-term benefits such as those generated through fuelling, the purchase of supplies and the extra job creation, such as factory processing on board the Abel Tasman.

The reasons for why respondents broadly considered that the super trawler would negatively impact on the local economy are varied (see Graph 2 below).

Whilst 75 per cent of respondents thought it would impact on the local economy it is worth noting that 27 per cent did not think it would impact on their own businesses. Whilst the survey size is too small to be conclusive, this is an interesting indicator of how negative sentiments and lack of confidence can be generated within local economies.

Reasons why businesses don't support the Super Trawler

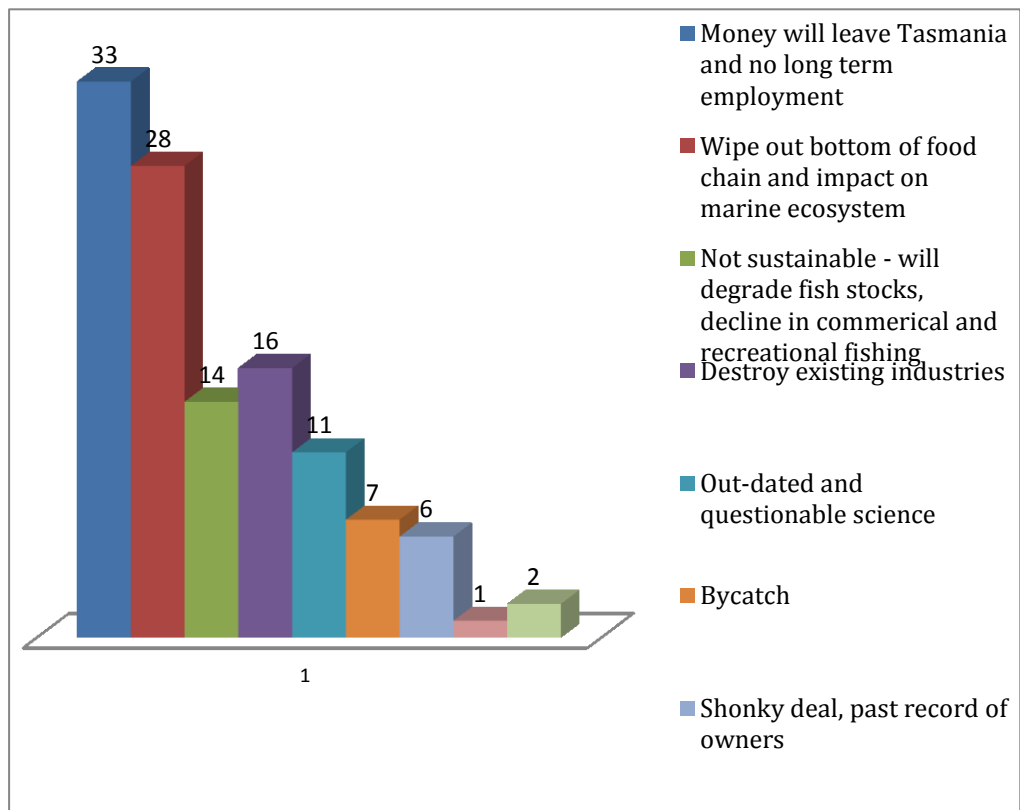
As can be seen in the graph below, the two reasons that received the highest number of responses were that the super trawler would:

- take wealth out of Tasmania; and
- wipe out the bottom of the food chain, impacting on the marine ecosystem.

Figure 2

SURVEY QUESTION:

Why do you think the *FV Margiris* won't benefit the Tasmanian Local economy?



Sustainable resource use equals long term jobs

Businesses that depend on the ocean resources understand the importance of sustainability. They know that the marine ecology is balanced in a way that has to be carefully managed. When the marine ecosystem has been undermined in the past, the viability of business has been put at risk.

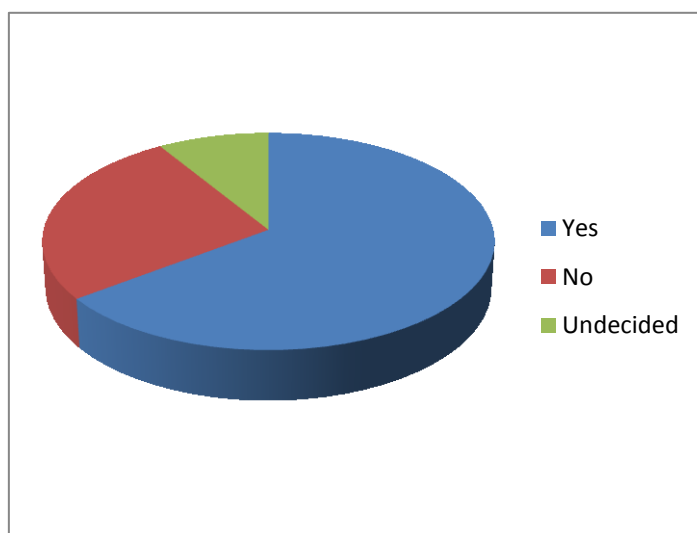
The small businesses surveyed in Tasmania respect and understand the concept of sustainability because they operate for the long-term:

- The average years of operation of 31 of the 33 businesses surveyed was 24 years;
- The total years of operation of the 31 of the 33 businesses surveyed is **747 years**; and
- The number of employees of 16 of the small businesses is 70.5.

Figure 3:

SURVEY QUESTION:

Do you believe the trawler will impact on your business?



As can be seen in the graph to the left, more than half of the small businesses surveyed stated that they super trawler would impact on their business.

The super trawler offered short-term contracts to only around 45 Tasmanians. The profits generated would have left the state and the operation could potentially undermine the future years of operation of, or expansion by, many other small businesses in Tasmania.

31 of the small businesses surveyed generate 175.5 full time jobs.

If the operations of the super trawler did cause localised depletion or harm threatened species through by-catch or ruin the image of Tasmania then it would threaten the jobs that **already exist** in tourism, recreational and commercial fishing.

A value that goes further than the Dollar

All those surveyed came from businesses that rely on healthy oceans for the long term viability of their businesses. Many of the small businesses spoke about how Australia needs an approach to fisheries management that recognises that healthy oceans are not just for profit making but also support a way of life, our traditions and pastimes.

The oceans have provided a common larder for thousands of years and up until recent times have provided a sustainable supply of high quality protein to families throughout Tasmania and the world. Overfishing is not necessary and is counterproductive to ensuring that everyone can get a decent feed.

Although the small businesses surveyed clearly operate for their own self-interest they recognise that their economic goals are part of a broader economy that supports many different industries. Although intensive fishing practices, such as trawling, might generate large profits quickly they often do so at the cost of the long-term wealth for the local communities where they fish.

Unlike factory vessels that can change flags and names at a whim, local communities cannot just pick up and move when the resources run out.

The ocean landscape and its bounty has allowed generation after generation of Tasmanians to build meaning into their places of living, work and play. Fishing has given them a great sense of history, and this sense of history has given families shared memories, values and loyalties.

This sense of history gives Tasmanians a measure that has shaped them and their community. It is this measure that gives their community a sense of pride. A pride in showing tourists the best fishing spots, albatross, whales or seals.

Conclusion

The Tasmanian Greens objected to the operation of the super trawler when it was first publicly announced in late May 2012. Since that time, the Greens have spoken with many stakeholders, have held public forums, attended rallies, asked questions and tabled motions in state and federal parliament, made Freedom of Information requests and taken every opportunity to get information out into the public arena.¹²

Whilst we support new businesses and industries we do so on the condition that they add value to what we've already got. New industry should generate more and better jobs not just displace ones that already exist. Businesses that rely on a shared resource, like the oceans, should be part of a broader economy that helps to generate wealth for everyone and not just profit for a few.

The definition of sustainability is simple in this context: if fish are no longer available to be caught or are increasingly hard to catch then resources have not been managed appropriately. Many respondents to the survey quoted past fishing practices and collapses of many fisheries. They understand from past experience that science is often incomplete and we need to take a precautionary approach.

The Greens respect sound science and due process. We also recognise that past experiences - both in Australian and internationally – should help inform our position. We believe and stand for a sustainable ocean resource that can be shared as a common larder and playground to all the varied businesses that rely on it.

¹² See our website for more information on the actions that we've taken
<http://mps.tas.greens.org.au/index.php?s=super+trawler>

Appendix 1: Questionnaire: Tasmanian Greens Small Business and Local Economy Impact Analysis

33 small businesses from around Tasmania participated in the survey. Businesses were selected by the Tasmanian Greens because their business directly relies in healthy, sustainable oceans and thus would be directly or indirectly impacted by the operation of the Abel Tasman (formerly known as the *FV Margiris*).

Businesses included those from Tasmania's tourism sector including charters, diving instructors as well as those businesses that supply marine goods and services including marine chandlery, boats and fishing tackle.

Listed below are the questions that were asked to each business. Answers given have been tabulated.

1. Do you feel that you have a good understanding of the issues surrounding the *FV Margiris*

| Yes | No | Moderate |
|-----|----|----------|
| 21 | 6 | 6 |

2. Do you support the *FV Margiris* in being granted a license to fish in Commonwealth waters

| Yes | No | Maybe |
|-----|----|-------|
| 2 | 29 | 2 |

3. Do you believe the *FV Margiris* will benefit the Tasmanian local economy?

| Yes | No | Maybe |
|-----|----|-------|
| 1 | 25 | 7 |

4. How do you think the *FV Margiris* will benefit the Tasmanian local economy?*

| | |
|----------------------------------|---|
| short-term benefits | 4 |
| Require fuel and other supplies | 3 |
| Unskilled job creation | 3 |
| It will if locals are running it | 1 |
| If processing in Devonport | 1 |
| Benefit 1 or 2 individuals | 1 |

* This was an open-ended question and we collated their responses giving one value to specific points that they mentioned. Some respondents did not think that the trawler would benefit the local economy in any way, for this reason there are less than 33 responses.

5. Why do you think the *FV Margiris* won't benefit the Tasmanian Local economy?*

| | |
|---|----|
| Money will leave Tasmania and no long-term employment | 33 |
| Wipe out bottom of food chain, negatively impact on marine eco-system including by-catch, unsustainable, long term losses as will degrade fish stocks | 28 |
| Not sustainable – will degrade fish stocks, decline in commercial and recreational fishing | 14 |
| Destroy existing industries | 16 |
| Out-dated and questionable science | 11 |
| Bycatch | 7 |
| Shonky deals, past record of owners and <i>FV Margiris</i> | 6 |

| | |
|--|---|
| Negatively affect Tasmania's natural image | 1 |
| Other | 2 |

*This was an open-ended question and we collated their responses giving one value to specific points that they mentioned. For this reason, there are more than 33 responses in this table.

6. Do you believe the trawler will impact on your business?

| | | |
|-----|----|-----------|
| Yes | No | Undecided |
| 21 | 9 | 3 |

7. Do you believe the trawler will impact on your community

| | |
|-----|----|
| Yes | No |
| 29 | 4 |

8. How do you believe the trawler will impact on your community*

| | |
|---|----|
| Recreational fishermen, long liners and tuna fishermen affected | 10 |
| Local fishing economy keeps money in our communities. If impacted then have domino effect on local business including sale of petrol, bait, hotels, caravan parks, cafes, alcohol and snack foods | 9 |
| People are upset. Negativity and uncertainty in the community. Worries that quality of life will decline | 7 |
| Short term gain for long term loss | 6 |
| Whilst it won't happen immediately there will be a huge impact on tourism and diving charters with decline of wildlife and fish | 5 |

*This was an open-ended question and we collated their responses giving one value to specific points that they mentioned. For this reason, there are more than 33 responses in this table.

9. Are you or your family involved in recreational fishing?

| | |
|-----|----|
| Yes | No |
| 30 | 3 |

10. Do you know anyone else (family, friends, work colleagues) involved in recreational fishing who hold concerns regarding the trawler?

| | |
|-----|----|
| Yes | No |
| 31 | 2 |

11. How many employees are in your business?*

| | |
|--|-------|
| Total employees (31) businesses – tourism (10), supply of good and services to fishing industry (19) and fresh fish (2). | 175.5 |
| Average number of employees | 5 |

*due to reasons of confidentiality we have combined total employees of the 31 – out of 33 businesses – who answered this question.

12. How many years have you been in operation?*

| | |
|---|-------------|
| Total number of years of operation of 30 businesses | 287.5 years |
| Average years of operation for each business | 17.9 years |

* due to reasons of confidentiality we have combined total number of years and averaged them out of the 30 – out of 33 businesses – who answered this question.

13. What is the gross annual income of your business?*

| | |
|-------------------------------|----------------|
| Gross income of 30 businesses | \$22, 565, 000 |
| Average gross income | \$1, 410,312 |

* due to reasons of confidentiality we have combined total number of years and averaged them out of the 30 – out of 33 businesses – who answered this question.

Appendix 2: Questionnaire Participants*

1. Sea Green Dive, Launceston
2. Tasmanian Fishing and Boating News, Launceston
3. Eagle Hawk Dive Centre, Eagle Hawk Neck
4. Hillcrest Tourist Park, St Helens
5. Blue Waters Sports Charters, St Helens
6. Got Ya Bait and Tackle, Launceston
7. Mako Fishing Charters, Sea and Seal Adventure Tourism, Sat Group Pty, Ltd, SSAT Diving Marine, Georgetown
8. Bigfin Sports Fishing, Devonport
9. Coastal Marine, Somerset
10. Robayne Marine Products, Moonah
11. Island Marine, Hobart
12. Tasmanian Marine Industry, Kingston
13. Fishing Gear, Launceston
14. Ultimate Fishing Outdoors, Ulverstone
15. The Boat Shack, Devonport
16. Kyeema Sea Foods, Legana/Launceston
17. Tamar Marine, Launceston
18. CH Smith and Co, Launceston
19. Tasman Adventure Cruises, Eagle Hawk Neck
20. Drive Auto motive and Marine Services, Devonport
21. Scandia Deep Sea Charters, Orford
22. Port Sorell Marine, Shearwater
23. Sting Lures, Kings Meadows
24. Professional Charters, St Helens

***All those listed have agreed to have their business name published**