

In this submission, I will point out the negative impact tradable individual quota has caused during my time in the fishery.

- Quota is a proven effective sustainable tool for managing a fishery.
- TRADABLE QUOTA has enabled investor/companies to become very wealthy.
- Unregulated trade in quota ownership has enabled quota consolidation.
- Harvesters have been priced out by investors purchasing quota.
- Investors lease quota to harvester based around high export (Chinese) prices.
- Australian consumers are unable to compete with Chinese export prices (pre covid, 95% of Australian lobster were exported to China).
- Consolidation of quota enables an Australian fishery to be owned internationally (large amounts of consolidated quota has already been sold to international companies. Also, as recently published in 'The Australian' newspaper, Huang Xiangmo's, Yuhu Group, has been able to consolidate quota and has become 'one of the largest fishing quota holders in Australia', as stated on its Hong Kong website. This ownership structure deprives Australians of local seafood and jobs.
- Quota investor companies own processing businesses.
- Quota investor companies have contractually demanded the leased catch and harvesters own quota catch be sold to them regardless of competitive markets (monopolies).

- Quota investor companies prioritise lease to larger harvester operations for maximum returns, leaving small businesses unable to survive.
- Regional industries suffer (hospitality, tourism, transport, processing, retail, bait and fuel suppliers, engineers, etc) along with job opportunities/training for young workers.
- Increasing lease prices to harvesters result in cost cutting fishing practices (fishing closer to port, cheaper ineffective bait) and unsafe work practices. This also results in poorer catch rates and provides fishery research with data not representative of the fishery.
- Chinese demand/prices increase during our winter, resulting in selective harvesting fishing practices and a potential decline in biomass (eg. Victorian lobster winter fishery is male lobster take only. Select harvesting of breeding males will decrease biomass).

Recommendations to fix the current unsustainable quota structure require regulation/policy change. Some fisheries have acted productively and implemented regulations around investor cap ownership, although we still have 95% of Australian lobster exported to China. I believe quota needs to be used solely as a sustainability tool, not tradable. Government fishery management should control quota allocation to business owner/operator harvesters. A buy back would be a very costly exercise for the government but could be incorporated into an industry cost recovery structure repayment.

Regards,