

Minister for Primary Industries and Water
Minister for Energy and Emissions Reduction
Minister for Resources
Minister for Trade
Minister for Veterans' Affairs



Level 5, 4 Salamanca Place HOBART TAS 7000 Australia
GPO Box 123 HOBART TAS 7001 Australia
Phone: +61 3 6165 7678
Email: guy.barnett@dpac.tas.gov.au

Mr Duncan Spender
Chief Executive Officer
Oysters Tasmania
Email: ceo@oysterstasmania.org

30 March 2022

Dear Mr Spender

Thank you for your letter of 10 March 2022, and for the opportunity to meet with yourself and Andrew Gregson. I look forward to working with you over the coming years as we progress activities under the ShellMAP Partnership Agreement and initiatives such as the 'Wine and Oysters in the House' event that has helped to showcase the exceptional shellfish produce we have in Tasmania.

As noted in your letter, the last two years living with COVID have required adaptation to a new environment for many fresh food producers. The Government has provided significant financial relief to the shellfish farming sector, with all lease and licence fees waived for the 2020-21 licence period, and a \$350 000 ShellMAP levy subsidy for the 2021-22 licence period. The Department of State Growth has also provided significant small business grants to seafood sector businesses impacted by COVID.

Recognising the combined impact on the industry of COVID following the emergence of the Pacific oyster mortality syndrome (POMS), the Government has provided considerable relief to the industry through levy and fee subsidies and waivers, amounting to well over \$3 million over the last six years. This is in addition to the contributions this Government makes to the ongoing operation of the ShellMAP program, operation of the Analytical Services Tasmania laboratory, and funding provided to Oysters Tasmania and the Institute for Marine and Antarctic Studies (IMAS) for shellfish project delivery.

In uncertain times, product safety and integrity is even more important. This season has seen impacts of the Vibrio issues in South Australia, and the flood impacts in NSW, being reflected across the entire Australian shellfish market. The ShellMAP program provides certainty and market access to all involved, and the program is a cost of business in the sector, in this case to ensure market access and the health and safety of consumers.

In looking at national markets, it is also relevant to consider the co-contribution model for shellfish quality assurance programs in other States. I believe that what we have in Tasmania, with a 50:50

government and grower co-contribution, is fair and reasonable – it reflects the appropriate balance between private good and public good outcomes.

From what I understand, based on the information your respective members have provided through statutory production reporting, total production levels and revenue do not appear to have been adversely affected in this last season. Indeed, anecdotally, growers have mentioned increased market opportunities because of growing areas being closed in other States.

I seek to consider all requests for levy relief on the circumstances facing the industry at the time of request. At this current time, I cannot see that there is a justifiable case for ShellMAP levy relief. To assist growers with managing cash flow, I have approved a payment plan option for the levy to be paid in three separate instalments.

I note that the ShellMAP program is committed to seeking efficiencies in program delivery. The Department would welcome further engagement with you and Oysters Tasmania to tackle some long-standing challenges such as the levy distribution model and co-ordination of marine biotoxin testing.

I look forward to continuing to work with you and to understand opportunities for growing the value and size of Tasmania's shellfish sector. We have exceptional opportunities for shellfish production in Tasmania, including native oysters.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Guy Barnett', written in a cursive style.

Hon Guy Barnett MP
Minister for Primary Industries and Water