

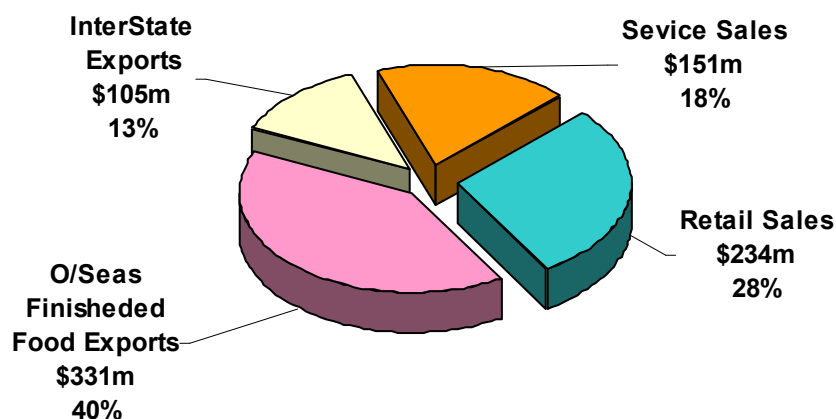


SOUTH AUSTRALIAN SEAFOOD INDUSTRY OVERVIEW 2008-09

To track the advances in the South Australian food industry, the Primary Industries and Resources SA (PIRSA) conduct detailed value chain analyses for each food area. Together this information is used to create a ScoreCard, which measures the commercial value of each of the sectors. In effect, the ScoreCard measures all of the value adding components of food revenue – in the case of Seafood, we measure how the value of seafood increases from the water to the plate. This involves looking at each of the stages of the food chain from production to finished food and through to consumption. This economic analysis enables us to estimate the value of production; exports; imports; inter-State trade; retail sales; and the contribution made by the food services (hospitality and tourism) sector ¹.

In 2008-09 Seafood (including aquaculture) contributed \$820² million to State food revenue. This comprised around 7 per cent of the total food revenue contribution of \$12.4 billion. When seafood imports of \$260 million (from both overseas and interstate) are excluded from the gross seafood revenue estimate, the industry contributed around \$561 million.

Figure 1: SA Seafood 2008-09, Summary - Share of Gross Food Revenue – \$820 million, Value by Component



Source: Scorecard 2009

¹ The Food South Australia Scorecard calculates the value of Food Revenue as the sum of the value of overseas exports (free on board value), interstate exports (at wholesale prices), retail sales and food service sales.

² These are estimates based on information from ABS, industry and PIRSA Departmental sources. Since the release of the 2008-09 ScoreCard, better data for Seafood has been incorporated into the report (i.e SARDI WildCatch Data for 08-09). Contact Rob Esvelt from the PIRSA **ScoreCard** team on 8226 0475 or e-mail Rob.Esvelt@sa.gov.au for further information.

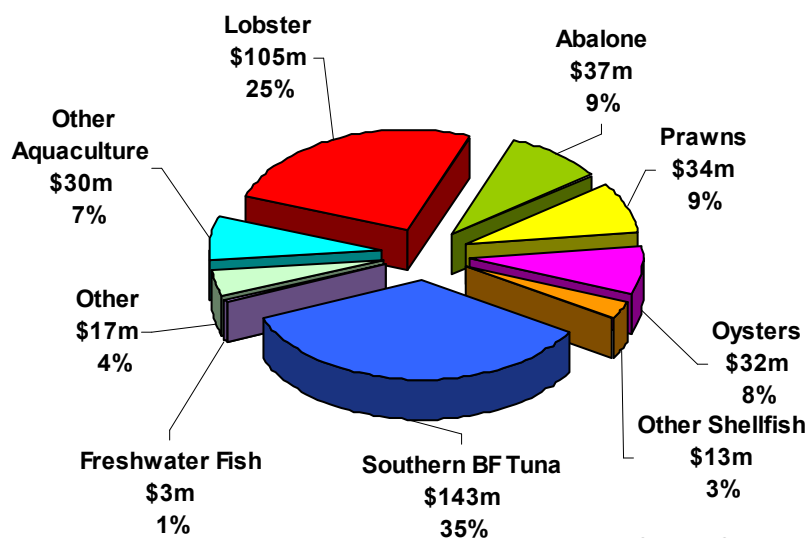


Figure 1 shows that the SA Seafood gross food revenue industry is highly export focused, with \$331 million derived from overseas exports. Interstate exports valued at \$105 million, retail \$234 million and hospitality \$151 million make up the remainder of seafood gross food revenue.

1. Production Value (farm gate)

Analysis of the Seafood industry shows that in 2008-09 the value of production in South Australia was \$414 million (as measured in farm gate prices³). This is a 2% decline from the 2007-08 figure and is mainly due to the 15% decline in bluefin tuna. Figure 2 below shows the 2008-09 farm gate value and share for each of the major products comprising the South Australian Seafood industry. Aquaculture products (including southern blue fin tuna, oysters and other shellfish, barramundi, yellowtail kingfish, marron and yabbies) were valued at \$212 million or just over half the farm gate value of all seafood.

Figure 2: SA Seafood Production Value - \$414 million, Farm Gate Values, Share (%) by major Product, 2008-09 (includes aquaculture)



Source: Scorecard 2009

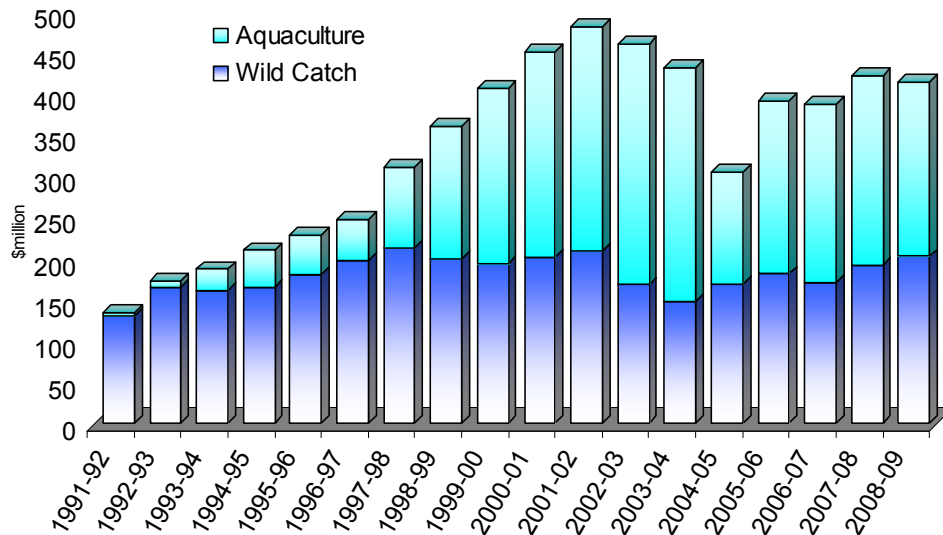
Growth in the value of seafood production (particularly aquaculture) has increased substantially over the past decade.

³ A measure of the value of a commodity at the local level of production (ie. farm gate). Farm value is calculated by multiplying the volume of production by the price received and, therefore, represents the value of production to the farmer or fisher person. This measure can also be used as a benchmark for estimating the additions to the price of a product (and through this, its value) as it moves through the value chain from production to consumption. NB This figure will be revised on receipt of figures released by SARDI in December 2009.



Figure 3, below graphically illustrates this growth, showing how the production value of seafood increased from around \$134 million in 1991-92 to around \$414 million in 2008-09 after peaking at \$480 million in 2001-02.

Figure 3: Growth in the production Value of SA Seafood, 1991-92 to 2008-09, \$414 million



Source: Scorecard 2009

2. Seafood Finished Food - \$502 million

In the Seafood sector, after leaving the wharf or tank, a substantial amount of value adding occurs. In South Australia the finished food value is \$502 million in 2008-09. This value is measured at an intermediary level, before a commodity is either traded or consumed. Finished food may be minimally or highly processed, with their value expressed in wholesale prices, to derive a turnover value. Examples of minimally transformed seafood may include seafood that is cleaned, gutted and filleted and packed for retail, whereas highly processed seafood may include live lobster exports, canned abalone and tuna (defined here as other tuna) and smoked seafood.



3. Net Interstate Exports - \$105 million

Interstate trade provided a net return of around \$105 million. Table 1, below, shows the key SA seafood products (by value) traded interstate.

Table 1: Value and Share of Net Interstate Trade of Seafood

Seafood	Value (\$m)	Contribution to Interstate Trade
Other Tuna	27	26%
Oysters	34	32%
Other Aquaculture	37	35%
Other Shellfish	4	4%
Fresh Fin Fish	3	3%
Total	105	100%

Source: ScoreCard 2009

4. Overseas Seafood Exports - \$331 million

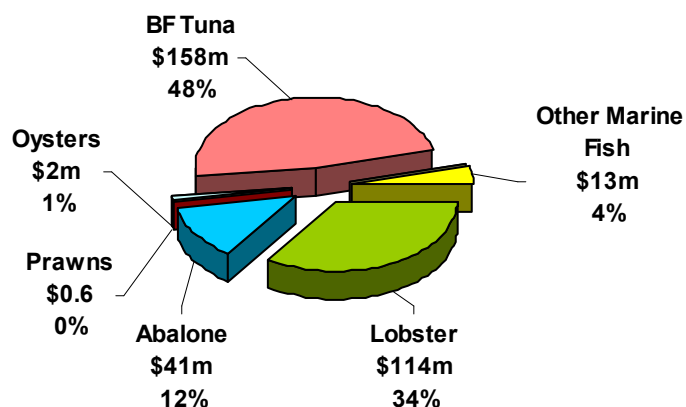
Total Seafood exports from South Australia decreased to \$331 million in 2008-09. The \$8 million (or 2 per cent) decline was due to decrease in southern blue fin tuna. However, the decline was mitigated by the increase in lobster, oyster and other marine fish exports.

Figure 4 shows the value and share of the major seafood overseas exports from South Australia over 2008-09. Blue fin tuna exports valued at \$158 million comprised 48 per cent of all seafood exports. In 2008-09, over 10,000 tonnes of tuna were produced in the Tuna Farms in and around Port Lincoln. Virtually all tuna production was exported. While Japan accounted for approximately 99 per cent of SA Tuna exports, other markets included the USA, Indonesia and France.

Other products exported included lobster (worth \$114 million); abalone (\$41 million), and other marine fish (\$13 million).



Figure 4: South Australian Seafood Finished Food Exports - \$331 million during 2008-09 Value and Share



Source: Scorecard 2009

5. Seafood Consumption – Retail and Food Service - \$385 million

As shown in Figure 1, SA consumption of Seafood contributed \$385 million (47 per cent) of seafood gross revenue. The retail sector comprised the majority of seafood consumption value (\$234 million, 61 per cent) with food service sales estimated to be worth \$151 million. Seafood based products comprised around 5 per cent of total South Australian food consumption.

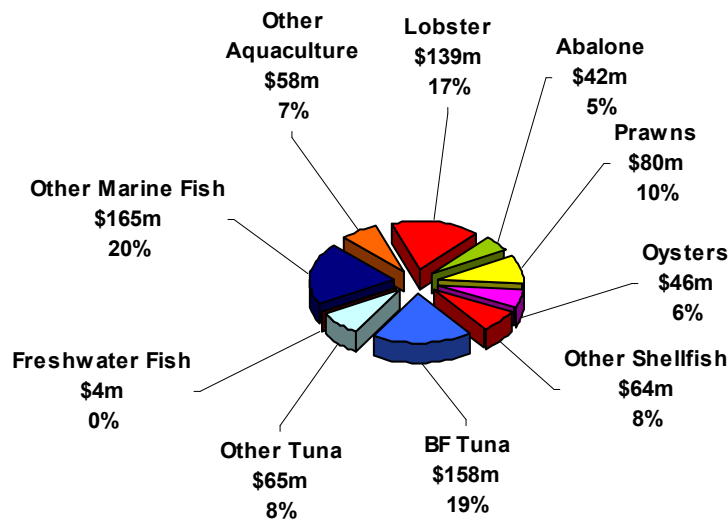
6. Contributions to Gross Revenue - \$820 million

As detailed in the introduction, combining the value of SA exports (interstate and overseas) with the value of consumption through retail and food service gives a measure of how agri-food has contributed to gross revenue along the value-chains. Seafood's contribution to gross revenue in 2008-09 was \$820 million, or around 7 per cent of the total contribution made by food.



Figure 5, below, details the contribution to gross revenue made by each of the major Seafood sectors.

Figure 5: SA Seafood Contribution to Total 2008-09 Gross Food Revenue by Sector, \$820 million



Source: Scorecard 2009

Figure 5 shows that the largest single contribution comes from other marine fish, providing 20 per cent or \$165 million toward Seafood revenue in 2008-09. This is followed by other large seafood sectors of southern blue fin tuna (\$158 million or 19 per cent); southern rock lobster (\$139 million or 17 per cent); and prawns (\$80 million or 10 per cent).