

QUESTION ON NOTICE
No. 1388
Asked on Thursday, 2 November 2006

MS MALE asked the Minister for Primary Industries and Fisheries (MR MULHERIN)-

QUESTION:

What is the Department of Primary Industries and Fisheries doing to assist our leather producers to secure new high value markets?

ANSWER:

The Department of Primary Industries and Fisheries (DPI&F) has been involved in a project aimed at identifying new export markets for skins and leather from emerging animal industries including camel, crocodile, emu and goat. To date, this project has resulted in success for the crocodile industry in accessing high value export markets.

Saltwater crocodile skin and leather is considered by the global leather industry as the "Rolls Royce" of leathers and is used mainly in the manufacture of high value leather accessories such as handbags, purses, wallets and belts.

To emphasize this point, the current market price for first grade saltwater crocodile skin is around US\$11/cm. This makes the average 38 cm size first grade saltwater crocodile skin worth approximately A\$550.

DPI&F has worked in partnership with the Queensland crocodile industry to assist the industry capture opportunities in high value export markets for skins and leather products.

Recently, DPI&F identified interest from one of the world's premier European fashion houses to source a supply of salt water crocodile skins to introduce into the production of their leather fashion accessories.

To further pursue this opportunity, DPI&F worked closely with the crocodile industry to facilitate a visit by a delegation of senior representatives of this fashion house to Queensland earlier this year.

DPI&F arranged a week long itinerary of visits for the delegation to five commercial farming operations in Queensland. These visits enabled the visiting delegates to learn more about the industry including the production systems used on the farms. The visits also provided the opportunity for the delegates to establish the trading terms which will enable them to do business with the crocodile industry in the future.

This visit facilitated by DPI&F has resulted in an initial order to be placed by this fashion group with two crocodile producers. The visit also enabled business relationships to be established between this fashion group and the Queensland industry.

DPI&F is currently facilitating further business negotiations with both groups with the view to foster on-going business between them. The potential for direct investment by this fashion group into the Queensland crocodile industry will also be explored by DPI&F with both groups.