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Minister Dugald Saunders MP, Minister for Agriculture and Western NSW
Minister James Griffin MP, Minister for Environment and Heritage
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Dear Ministers

**Re: Delivering results under the Marine Estate Management Strategy –
The Economic Contribution of the NSW Marine Estate report**

The Marine Estate Management Authority has endorsed *The Economic Contribution of the NSW Marine Estate* report (Attachment A). This report is a first for NSW and I recommend a joint Ministerial release of the report as it provides a valuable opportunity to demonstrate the significant economic importance of the NSW marine estate and to showcase the NSW Government's quadruple bottom-line approach to sustainable and equitable management of the NSW marine estate.

The Marine Estate Economic Valuation project is one of a suite of economic initiatives being implemented under the NSW Government's 10-year [Marine Estate Management Strategy](#) (2018–2028), the centrepiece of the NSW marine estate reforms program. The development of this report is in accordance with the NSW Government's approach for a coordinated, holistic and evidence-based approach to the management of the NSW marine estate.

Based on international best practice in [ocean accounting](#), the Marine Estate Economic Valuation project aims to develop a consistent and robust valuation model that can be applied across multiple sectors and repeated through time. It also establishes critical baseline economic data to fill key knowledge gaps and to help monitor the economic health of the marine estate, guiding sustainable economic development.

The Marine Estate Economic Valuation project encompasses market and non-market value, with work falling into three distinct but overlapping stages as follows:

- **Stage one – market-based value** – estimates the economic contribution of the marine estate to the NSW Gross State Product (GSP) and employment (this report)
- **Stage two – natural capital accounting** – Based on the [System of Environmental Economic Accounting \(SEEA\) framework](#) for natural capital accounting, this future stage will assess the relationships between the economy and the environment, including the contribution of natural assets, stocks and flows of ecosystem services to the economy
- **Stage three – social and cultural value** – this proposed future stage will estimate marine estate ecosystem service benefits and where appropriate, monetise the social and cultural values they provide.

This report's primary focus was to estimate the economic contribution of marine-based industries to the economy of NSW and was led by consultants Deloitte Access Economics. The key findings are as follows:

1. **It's big** – In 2018-19 the marine estate contributed \$15.4 billion in value added (2.7% of NSW economy) and approximately 108,000 FTE jobs (2.5% of total NSW employment) with an estimated 87% of those industries dependent on a healthy marine estate.
2. **It's diverse** – while tourism is the largest industry connected to the marine estate (\$6.9 billion in value added) there are 15 other industries that have annual value added of at least \$30 million (and 26 industries in total).
3. **It's valuable to regional areas** – while Sydney has the largest income from marine estate industries, at a regional level, the Far South Coast, Kiama and Shoalhaven regions have the largest marine estate derived incomes per capita.
4. **Benefits extend beyond coastal regions** – the NSW marine estate generates indirect value added and employment for industries in inland regions through supply chains of businesses that directly interact with the marine estate.

A draft joint Ministerial media release has been prepared to assist Ministers' offices (Attachment B) as well as a Communications Plan (Attachment C).

If there are any queries about these projects, please contact Ms Sarah Fairfull, Director Aboriginal Fishing and Marine and Coastal Environments, NSW Department of Primary Industries – Fisheries on mobile: 0419 185 534 or email: sarah.fairfull@dpi.nsw.gov.au.

Yours sincerely



Dr Russell Reichelt AO FTSE
Chair
Marine Estate Management Authority

04 August 2022

Attached:

- A. The Economic Contribution of the NSW Marine Estate - report
- B. The Economic Contribution of the NSW Marine Estate - draft media release
- C. The Economic Contribution of the NSW Marine Estate - communication plan