



Hon Warren Entsch MP
Chair
Joint Select Committee on Northern Australia
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27 April 2015

Dear Chair

Submission by the Australian Barramundi Farmers Association (ABFA) on the Inquiry into Opportunities for Expanding the Aquaculture Industry in Northern Australia

The ABFA welcomes the opportunity to provide a submission to the Joint Select Committee on Northern Australia and supports the focus of the inquiry to examine opportunities for expanding the aquaculture industry in Northern Australia.

By way of background, the ABFA is the peak body that represents the interests of the vast majority (by number and volume - over 90%) of the commercial production of Australian farmed *Lates calcarifer*, referred to in Australia as Barramundi. The ABFA has members in each of the northern jurisdictions (Qld, NT and WA - which provides the bulk of production) as well as members in SA and Victoria. Current annual production is around 5,550t valued at approximately \$60M. Most of this product is sold as whole fish on ice (mainly 3kg+ fish with a smaller volume of plate sized fish) plus a small amount of live fish. Currently it is estimated that 20,000t of barramundi is consumed in Australia, the bulk of which is imported ($\approx 13,000$ t), Australian farmed providing ($\approx 5,500$ t) and Australian wild harvest ($\approx 1,500$ t).

This means that there is significant potential to increase domestic production of barramundi to meet the existing demand, plus opportunity to further develop domestic and possibly international markets for sustainably produced Australian farmed barramundi. However, without building the market to match growth it could impact existing operations.

For this growth and expansion to take place there are a number of prerequisites required. These are outlined below;

Having an acceptable broader regulatory framework that allows and encourages, not inhibits, sustainable aquaculture development

Currently a major limiter is the regulatory framework that restricts sustainable aquaculture development opportunities, particularly where there are cross jurisdictional and/or cross agency considerations.

Addressing multi-agency policy or legislative requirements, which often have contrary objectives, means that aquaculture development often does not take place. For example, on Queensland's east coast there has not been a new major venture in over a decade due to multi-agency/multi-jurisdictional issues and inconsistencies.

An ideal scenario to allow new development (i.e. expansion or greenfield ventures) would be to have a one stop shop that has clear guidelines for development, which are based on sound science and operational and commercial reality. Identification of appropriate areas (developed in close consultation with industry) that are development ready would simplify and improve those processes.

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In areas where there are existing blockages, such as east coast Queensland, processes would need to be put in place that are sustainable development friendly.

Providing appropriate infrastructure and logistics

Unless there is appropriate infrastructure in place (or being developed), growth will be limited. This includes adequate and reliable all weather roads (and possibly other transport options), power and water - these are critical to any aquaculture venture.

In addition, there is a requirement to ensure adequate access to hatcheries, feed, ice, veterinary services, accommodation and telecommunications (high speed internet and telephone).

Labour and skills

Most regional and remote areas have skills and labour shortages and both of these are critical to sustainable and profitable aquaculture ventures.

Staffing includes not just labourers, but also adequately skilled technical and operational staff. As in any business there is a need for those who are well equipped in management and leadership.

Any increase in production will also require an increase in seafood marketing capacity.

There must be a consideration of how best to utilise and upskill Australian based labour, but also to have sufficient labour market flexibility to engage overseas workers to ensure that adequate labour forces can be maintained for any new operation (or existing businesses if there is a flow of labour out of those operations).

Developing and technology and production methodology

To address some of the labour and cost issues, the development of new and innovative technologies and production methodologies will be required, which will also ensure operational efficiencies, more resilient stock that can be harvested more easily, grow faster and better utilise feed etc.

This will require a commitment and support to improve efficiency, husbandry, and genetics, as well as overall support for commercial focussed RD&E and its adoption.

Other matters

Marketing - any projected growth in production must be accompanied by and be conditional on developing existing and new markets, domestically and internationally, for current and proposed products and species. It should not be the intention of this new northern development to lead to the demise of existing functional operations.

The adoption of Country of Origin Labelling (CoOL) for seafood as outlined in the recent recommendation¹ from the *'Rural and Regional Affairs and Transport References Committee - Current requirements for labelling of seafood and seafood products'*, would provide an additional opportunity for growth of Aquaculture in northern Australia, particularly in the food service sector.

Biosecurity - is a major concern for Australian producers and any development would need to be undertaken and supported by strong national and local biosecurity regulations to prevent entry of pest or diseases from any international sources. Australia's relatively lower disease risk is one of Australia's competitive edges, relative to many of the near neighbouring aquaculture operations.

¹ Recommendation 1 - 3.63 The committee recommends that the exemption regarding country of origin labelling under Standard 1.2.11 of the Australia New Zealand Food Standards Code for cooked or pre-prepared seafood sold by the food services sector be removed, subject to a transition period of no more than 12 months.

The ABFA would welcome the opportunity to provide additional information to the Committee if that was necessary. Please feel free to contact me if you have any queries.

Yours sincerely

Chris Calogeras
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Australian Barramundi Farmers Association