



Australian Government

Australian Government response to the
Joint Select Committee on Northern Australia report:
Scaling Up – Inquiry into Opportunities for Expanding
Aquaculture in Northern Australia

June 2017

Preamble

The Australian Government welcomes the opportunity to respond to the report of the Joint Select Committee on Northern Australia titled *Scaling Up: Inquiry into Opportunities for Expanding Aquaculture in Northern Australia*, published in February 2016.

The Report examines the aquaculture industry in Northern Australia and highlights issues such as the obstacles to import production replacement by local producers and areas where the industry is placed to benefit from increased demand for seafood and products derived through aquaculture.

Several of the issues considered in the report are not new and activities, including research, revision of existing legislation and provision of financial and technical support, are already underway to address several of the recommendations identified in the Report.

The Australian Animal Health Laboratory works with veterinary and human health agencies globally to ensure Australia's biosecurity infrastructure remains strong and Australia's multi-billion dollar livestock and aquaculture industries, as well as the general public are protected from emerging infectious disease threats.

Through its Infrastructure Investment Program, the Australian Government is providing significant investment in infrastructure development and improvements across Western Australia and the Northern Territory. At a broad level, the program seeks safety, economic and social improvements for all Australians through the support of local and national infrastructure.

The *Environment Protection and Biodiversity Conservation Act 1999* provides the legal framework to protect and manage nationally and internationally important flora, fauna, ecological communities and heritage places. Based on the guiding principles of ecologically sustainable development, the Act aims to balance the protection of these crucial environmental and cultural values with economic and social needs.

The Commonwealth Marine Reserves, declared in November 2012 and currently under transitional arrangements, are intended to provide biodiversity conservation while allowing for ecologically sustainable use. Potential aquaculture activities in Commonwealth marine reserves are considered when consistent with reserve zoning, management prescriptions and the acceptability of impacts on reserve values.

The Australian Government is keen to support further exploration of opportunities for development in Northern Australia, which ensure the waters and land of Northern Australia remain healthy, abundant with native species and a resource for generations to come.

Recommendation 1

The Committee recommends the establishment of an Australian Pearling Industry Recovery Taskforce to fund a research program focussed on identifying the causative agent of the oyster oedema disease and possible remedial actions to reduce the incidence, and mitigate the impacts of the disease.

Australian Government response

The Australian Government partly agrees to this recommendation.

The Australian Government has invested in research to understand oyster oedema diseases through the Fisheries Research and Development Corporation, which has in turn invested in oyster oedema research through its Pearl Industry Partnership Agreement and the Aquatic Animal Health and Biosecurity Subprogram. The pearling industry also contributes significantly to this work through direct and indirect contributions.

More broadly, there are past and current projects addressing this disease. An example of which is a current project using molecular techniques to identify pathogens that may be associated with the disease, and to develop diagnostic tests to facilitate early detection and management. The project commenced in July 2013 and is due for completion in late 2016.

Further research on oyster oedema could be supported through existing mechanisms, including through the Pearl Producers Association, the Pearling Industry Partnership Agreement and the Aquatic Animal Health and Biosecurity Subprogram, if considered to be a high priority for investment of available resources. Once the cause of oyster oedema is determined further research can be undertaken to identify ways to mitigate the impacts of the disease.

Additionally, the Australian Government recently announced a \$3 million investment in a Future Oysters Cooperative Research Centres Project. The project commenced in July 2016 and aims to improve disease management for Pacific Oyster Mortality Syndrome. Findings may have future applications in managing other oyster-related diseases, like oedema.

Recommendation 2

The Committee recommends that the Department of the Environment, in collaboration with the Queensland Government, fund a program to review and expand the science relating to the environmental impact of aquaculture in areas adjacent to the Great Barrier Reef. The review should include research organisations with recognised expertise in this area including, but not limited to: the Commonwealth Scientific and Industrial Research Organisation, the Australian Institute of Marine Science, and James Cook University.

The research should be an examination of:

- *the capacity of new technologies and management techniques to treat water to a standard that effectively eliminates nutrient discharge into the surrounding ecosystem*
- *the capacity of different ecosystems to absorb and assimilate any residual nutrient discharges; and*
- *the relative environmental impacts of aquaculture farming of different species, and using different farming techniques (e.g. land-based, sea cage, ranching, recirculating systems).*

Australian Government response

The Australian Government notes this recommendation.

Integrating science into decision-making is a key principle of good environmental policy. The research identified in the recommendation will be important prior to any large scale expansion of aquaculture adjacent to the Great Barrier Reef.

The Reef 2050 Plan is based on the best available science and guides the management and protection of the Reef for the next three and a half decades. This Plan was developed following comprehensive consultation with scientists, communities, Traditional Owners, industry and non-government organisations. Implementation of the Plan continues to be informed by advice from two specially established advisory committees. These are the Independent Expert Panel, chaired by the former Chief Scientist Professor Ian Chubb and the Reef Advisory Committee, chaired by the Chairman of the Australian Institute of Marine Science, the Honourable Penelope Wensley.

Any decision to fund a dedicated program to review and expand the science relating to the environmental impact of aquaculture in areas adjacent to the Great Barrier Reef would require reallocation of existing resources. No aquaculture research is currently being undertaken, nor planned to be undertaken by the National Environmental Science Program Tropical Water Quality Hub. This has not been raised as a priority for the Tropical Water Quality Hub through the previous two calls for research priorities.

Recommendation 3

The Committee recommends that the Department of the Environment and the Great Barrier Reef Marine Park Authority support the Queensland Government in determining the need for and the positioning of special aquaculture development zones. These zones should be identified using criteria, considering:

- *the capacity of new technological developments to address nutrient discharge*
- *the ability of nearby waterways to assimilate nutrient discharges to ensure that extra nutrients do not reach the Great Barrier Reef; and*
- *economic considerations including access to necessary infrastructure and labour force, and the biological suitability of sites for targeted aquaculture species.*

Australian Government response

The Australian Government notes this recommendation and recognises the establishment of aquaculture development zones on land and in state waters is a matter for state and territory governments. The Australian Government supports the development of aquaculture industries.

Under the Reef 2050 Plan, the Australian and Queensland governments work closely and jointly to deliver the best possible outcomes for the future protection and management of the Great Barrier Reef. This relationship is formalised through the Great Barrier Reef Intergovernmental Agreement and reflects the shared vision as outlined in the Reef 2050 Plan. The Great Barrier Reef Ministerial Forum, which includes Australian and Queensland government ministers, facilitates and oversees implementation of the objectives of the Agreement.

Recommendation 4

The Committee recommends that the Great Barrier Reef Marine Park Authority, in accordance with the planned actions outlined in its Regulatory Plan 2014-2015, revoke the Great Barrier Reef Marine Park (Aquaculture) Regulations 2000 (Cwlth).

Australian Government response

The Australian Government agrees to this recommendation.

The Australian Government is in the process of revoking the *Great Barrier Reef Marine Park (Aquaculture) Regulations 2000*.

Recommendation 5

The Committee recommends that the Department of the Environment ensures the framework for developing offsets in the Great Barrier Reef is comprehensive, transparent and accessible for potential aquaculture investors. The framework should allow potential investors to accurately estimate:

- *the quantity of offsets required*
- *the cost of the required offsets; and*
- *how the offsets will be implemented.*

Australian Government response

The Australian Government agrees to this recommendation.

The Great Barrier Reef Marine Park Authority, Department of the Environment and Energy and the Queensland Government are working collaboratively to develop offset guidance specific to the Great Barrier Reef World Heritage Area. Work is underway through the Reef Trust and the National Environmental Science Program Tropical Water Quality Hub to develop an offsets calculator for proponents seeking to deliver offsets through the Reef Trust. Policy and research efforts will ensure that there is a high degree of transparency and consistency in the science underpinning the use of such tools.

Recommendation 6

The Committee recommends that the Queensland Government conduct a survey of crocodile egg numbers in Northern Queensland to determine the sustainability of crocodile egg harvesting.

Australian Government response

The Australian Government notes this recommendation.

Saltwater crocodiles are protected internationally under the *Convention on International Trade in Endangered Species of Wild Fauna and Flora* (CITES). To access international markets, any harvest of crocodiles and eggs must be assessed as ecologically sustainable under the *Environment Protection and Biodiversity Conservation Act 1999*.

The Queensland Government has a Saltwater Crocodile Wildlife Trade Management Plan to December 2017 approved under the *Environment Protection and Biodiversity Conservation Act 1999*. The plan allows for the export of crocodile products from Queensland for commercial purposes. The plan provides that juvenile crocodiles (hatchlings) and eggs are sourced from interstate to supply the crocodile farms in Queensland.

Recommendation 7

The Committee recommends that the Fisheries Research and Development Corporation should consider introducing a 'northern node' as an avenue for providing funding research relevant to Northern Australia.

Australian Government response

The Australian Government notes this recommendation.

The Australian Government has regional structures in place to provide funding for research and guiding investment in Northern Australia through the Fisheries Research and Development Corporation. The Corporation supports a network of Research Advisory Committees, including one in the Northern Territory. The Corporation supports sector specific development in northern Australia through Industry Partnership Agreements such as the Australian Prawn Farmers' Association, the Australian Barramundi Farmers' Association and the Pearling Industry Partnership Agreement. The sectors, through the Industry Partnership Agreements have provided their support to invest a portion of the Corporation's funds in a future northern cooperative research centre to address cross sector barriers to aquaculture development.

The Corporation has established subprograms and advisory groups such as the Aquatic Animal Health and Biosecurity Subprogram, the Indigenous Fishing Subprogram and the New and Emerging Aquaculture Opportunities Subprogram to provide appropriate avenues to direct research funds to deliver cross sector Research Development and Extension relevant to Northern Australia.

A National Fishing and Aquaculture Research Development and Extension Strategy was developed by the Australian Government, state and Northern Territory governments, CSIRO and various rural research and development corporations. The Agriculture Senior Official Committee has oversight of the Strategy. It sets the future direction to improve the focus, efficiency and effectiveness of research development and extension to support Australia's fishing and aquaculture industry.

The Northern Research Partnership has been established between several government research agencies steering fisheries and aquaculture research in northern Australia. It targets cross-jurisdictional research needs drawing expertise from northern based research organisations and universities, and will assist in the implementation of the National Fishing and Aquaculture Research Development and Extension Strategy.

The Department of Agriculture and Water Resources is developing a National Aquaculture Strategy that will identify common priorities for both industry and government in Northern Australia and actions that can be undertaken to achieve those priorities. These priorities are stand-alone actions that will involve both the Australian Government and state and territory governments. The Strategy is due to be released in late 2016.

Recommendation 8

The Committee recommends that the Australian Government provide funding assistance for developing road and port infrastructure to service the Kimberley Aquaculture Development Zone and Project Sea Dragon subject to establishing a positive cost-benefit analysis.

Australian Government response

The Australian Government notes this recommendation.

The Australian Government is committed to improving the safety and productivity of Australia's road network. Through the Infrastructure Investment Program, the Australian Government is investing significant funds over the forward estimates period to 2019–20 to build infrastructure in Western Australia and the Northern Territory.

Under the Infrastructure Investment Program, all funding available to Western Australia and the Northern Territory has been allocated to specific key projects as agreed with the respective state and territory governments.

Funding for any new projects, such as the development of road and port infrastructure to service the Kimberley Aquaculture Development Zone, could be considered in the future with the necessary support of the Western Australian Government and, potentially, the Shire of Broome.

The Australian Government has granted major project facilitation status to Project Sea Dragon and will continue to work with the Northern Territory Government to improve land transport infrastructure in the Northern Territory to support current and future demand. This includes a commitment under the Northern Australia Roads Program to upgrade the Keep River Road.

Recommendation 9

The Committee strongly recommends that the Australian Government provide funding assistance for the establishment of a pest and disease diagnosis facility in Northern Queensland.

Australian Government response

The Australian Government notes this recommendation.

The Australian Government agrees effective disease management in aquaculture systems is critically reliant on rapid diagnosis and availability of local specialist knowledge.

Through the CSIRO Australian Animal Health Laboratory, the Australian Government provides national diagnostic service for exotic and emerging disease diagnosis. The Australian Animal Health Laboratory's fish diseases laboratory provides diagnostic services nationally, including for north Queensland. In 2015–16 the Australian Government provided \$7,928,000 for its operating costs.

The Queensland Government is responsible for managing aquatic animal health within its borders, including the provision of aquatic animal disease diagnostic services. The Queensland Government closed the Oonoonba Veterinary Laboratory in Townsville in early 2013 and consolidated animal health laboratory services to the Biosecurity Sciences Laboratory facilities in Brisbane.

There may be scope for government assistance for diagnostic capability in northern Queensland through the Agricultural Competitiveness White Paper, supporting commitments in the Developing Northern Australia White Paper. Support for a diagnostic facility in northern Queensland would be contingent upon the Queensland Government or another organisation being the principal funder and operator of facilities.

Recommendation 10

The Committee recommends that the Australian Government, through COAG, remove the exemption from country of origin labelling requirements under Standard 1.2.11 of the Australia New Zealand Food Standards Code for cooked or pre-prepared seafood sold by the food services industry.

Australian Government response

The Australian Government notes this recommendation.

Country of origin labelling provisions will be removed from the Australia New Zealand Food Standards Code with effect from 1 July 2018, consistent with the 29 August 2016 decision by Australia and New Zealand Ministerial Forum on Food Regulation.

The Forum's decision follows the introduction of a new food labelling Information Standard under the Australian Consumer Law. The new Information Standard commenced on 1 July 2016 with a two year transition period, and will become mandatory for food labelled after 30 June 2018.

The new Information Standard is part of a package of reforms agreed by Commonwealth, state and territory ministers through the Legislative and Governance Forum on Consumer Affairs on 31 March 2016. Extending mandatory country of origin labelling to the food services sector was outside the scope of these reforms.

While the new Information Standard introduces clearer labels for foods of most importance to consumers, it maintains the overall scope of mandatory country of origin labelling. Cooked or pre-prepared seafood sold by the food services industry continues to be exempt from these requirements. However, businesses can adopt the new labels required by the Information Standard on a voluntary basis to highlight the Australian origin of their seafood.

On 28 November 2016, the then Minister for Industry, Innovation and Science, the Hon Greg Hunt MP, proposed that a working group of stakeholders be formed to consider the issue of country of origin labelling for seafood sold in the food services sector. The working group will be chaired by the Assistant Minister for Industry, Innovation and Science, the Hon Craig Laundry MP, and is expected to report to Parliament within 12 months.

The Australian Government is committed to ensuring that consumers continue to have access to sufficient information to make informed choices about the foods they purchase. Any reforms to country of origin labelling need to strike a balance between providing comprehensive information to consumers and minimising the regulatory burden for businesses, particularly small businesses that predominate in the food industry.

Recommendation 11

The Committee recommends that the Department of Industry reports within 12 months on the feasibility of introducing country of origin labelling for aquaculture products such as pearls and crocodile teeth.

The Australian Government notes this recommendation.

Existing protections in the national Australian Consumer Law prohibit misleading and deceptive conduct and false or misleading representations, including representations about the origin of goods. The Australian Consumer Law is enforced by state and territory consumer regulators and the Australian Competition and Consumer Commission.

