Attn: Christine McDonald

Committee Secretary
Senate Standing Committees on Environment and Communications
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Canberra ACT 2600
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Dear Senator Urquhart

As the peak body representing the interests of wild capture fishers, marine farmers and seafood processors in Tasmania the Tasmanian Seafood Industry Council (TSIC) is pleased to make a submission to the Senate Standing Committee on Environment and Communications inquiry into the regulation of the fin-fish aquaculture industry in Tasmania.

When referring to fin-fish aquaculture in Tasmania there are currently only two species which are farmed Atlantic salmon (Salmo salar) and Ocean trout (Oncorhynchus mykiss). The farming of Atlantic salmon began in Tasmania in the mid-1980s with a first harvest of 56 tonnes in 1986-87. In 2013-14 the industry produced in excess of 43,000 tonnes of Atlantic salmon and Ocean trout with a GVP of $625.9m. In 2010 the sector became the highest value seafood sector in Australia surpassing wild caught rock lobster.

As with any intensive farming activity there are issues and challenges that must be addressed on a daily basis. As the industry has expanded issues such as the impact on water quality and water way health, interactions with threatened, endangered and protected species, the adequacy of planning provisions and the regulation of farming activities have come under greater scrutiny from the wider community.

While TSIC supports the continued expansion of finfish farming in Tasmania we acknowledge that ongoing adaptive management of farming operations is required to ensure that the potential for any negative impacts on the wider marine environment are mitigated. It is also essential that the monitoring of the marine environment both adjacent to where marine farming activities are being conducted, and in the wider marine environment meets world's best practice. Data from the monitoring programs needs to be available not only to regulators but to other stakeholders and should be made available to suitably qualified independent third parties for validation.

TSIC is of the view where it is demonstrated that farming activities are having an unacceptable negative impact on the activities of other stakeholders who have access to Tasmanians marine resources and /

or unacceptable impacts on the broader marine environment farming practices should be altered so to ameliorate these impacts.

If required TSIC will be pleased to provided further information to the inquiry at upcoming public hearings in Hobart.

Yours sincerely
Neil Stump
CHIEF EXECUTIVE TSIC

Submission to the Senate Standing Committee on Environment and Communications with respect to the regulation of the fin-fish aquaculture industry in Tasmania

on behalf of the

Tasmanian Seafood Industry Council (TSIC)

June 2015

Industry Overview

The Tasmanian salmonid industry:

- Produced in excess of 43,000 tonnes of Atlantic salmon and Ocean trout in 2013-2014.
- Is the largest single seafood sector in Australia by value with a GVP in 2013-14 of $625.9m.
- Using a conservative economic multiplier generates approximately $1.877 billion of economic activity in the Tasmanian economy.
- Provides direct employment for 1,365 FTEs and 1,838 indirect FTEs. The majority of the employment is in rural and regional areas of Tasmania including Devonport, Strahan (Macquarie Harbour), the Huon and D'Entrecasteaux Channel, the Tasman Peninsula and Triabunna.
- The sector is larger than all other marine farming and wild capture fishers sectors in Tasmanian combined both in terms of GVP and volume.

Industry Structure

From a beginning which saw a number of smaller entities involved in the developmental stages of the industry farming and value adding operations there has been a consolidation of the industry into four main companies, Tassal Group Ltd, Huon Aquaculture Group, Petuna Pty Ltd, and Van Diemen Aquaculture Pty Ltd of which Petuna Pty Ltd is a major shareholder. These companies are vertically integrated and also provide product for a number of businesses who value add for niche markets.

Key principles underpinning ongoing community support of the Tasmanian salmon industry

To continue to grow, and indeed survive the industry acknowledges it must continue to establish and maintain community acceptance, or a social licence. In order to maintain the support of not only the Tasmanian Government but also the wider Tasmanian community the industry recognises the need;

- To continually demonstrate that the industry uses the best available science to underpin all its operations. With the current value of its research portfolio being in excess of $5m.
- To continue to demonstrate that the industry adheres to the regulations set by the Tasmanian and Federal Governments in relation to their operations. In addition all companies recognise the need to adopt globally recognised best marine farming management practices to guide industry operations and to underpin the sustainable growth of the industry. To this end Tassal has applied for and achieved full accreditation by the Aquaculture Stewardship Council (ASC). The certification applies to all aspects of their operations. Tassal is he first company to be certified by ASC globally and the certification is endorsed by the WWF. Huon Aquaculture has achieved Global G.A.P integrated farm assurance certification which applies to its farming and hatchery operations and has BRC Global Standard for Food Safety certification which applies to its processing facilities at Parramatta Creek. Petuna have gained Best Aquaculture Practice (BAP) certification from the Global Aquaculture Alliance for their marine farming operations in Macquarie Harbour. Van Diemen Aquaculture of which Petuna is a major shareholder has also gained BAP certification for its marine farming operations at Rowella on the Tamar River.
- To continually engage with other stakeholders and the wider community to insure that community concerns are addressed and that the industry continues to demonstrate that their operational practices are environmentally and socially acceptable. To this end the industry fully engaged in the *Your Marine Values* project conducted by the Institute of Marine and Antarctic

Studies (IMAS). The project supported by funding from the FRDC used risk-based tools to support consultation, planning and adaptive management for aquaculture and other multiple-uses of the coastal waters of southern Tasmania. To achieve this aim the project team through consultation with key stakeholders identified key marine values (components of marine systems which communities, industries and government hold to be important) for integration into decision-support tools. The project also identified how the status of these values are being monitored and protected by regulation and the adaptive adoption of best practice.

- From an operational perspective the industry recognises the need to demonstrate their commitment to the principles contained below on an ongoing basis;
    - Operational excellence
    - Optimal animal welfare and high husbandry standards
    - Ensuring the sustainable use and sustainable management of Tasmania's marine resources
- However it must be recognised that despite the continued demonstrated improvement in management and operating practices there will always be opposition to finfish farming by some members of the Tasmanian community.

TSIC Response to the Terms of Reference

A.) The adequacy and availability of data on waterway health

To monitor the health of the waterways in which farming operations are carried out the industry uses the *EU Water Framework Directive for Marine and Coast* as its bible. The framework is acknowledged as setting world's best practice guidelines in relation to the monitoring and assessment of waterway health. Metrics collected include dissolved nitrogen and phosphorus levels, turbidity, lipids and dissolved oxygen fluxes.

In 2009 the Broadscale Environmental Monitoring Program (BEMP) was introduced to specifically monitor the health of the wider marine environment in the Huon Estuary and the D'Entrecasteaux Channel. The program has two components. A water quality component which monitors nutrients, dissolved oxygen and phytoplankton, and a sediment component which monitors sediment chemistry and invertebrate communities. The program is not only a valuable tool for the salmon industry but also provides valuable data that can be used to inform the work of other stakeholders including those involved in coastal management.

The methodology and approach contained in the BEMP has been used to guide the development of the Macquarie Harbour Environmental Monitoring Plan (MHEMP). The plan has been modified to take into consideration the specific environmental conditions, hydrodynamics and unique marine ecosystems found in the harbour.

In response to stakeholders concerns regarding the proposed expansion of marine farming operations in the more exposed coastal areas of the lower D'Entrecasteaux Channel and in Storm Bay the industry has provided significant financial and in-kind support for a project funded co funded by FRDC to assess interactions between finfish aquaculture and reef systems in SE Tasmania.

Data collected as part of the licence conditions imposed on finfish a farmers are quite prescriptive in relation to quality control and quality assurance. Both IMAS and CSIRO have played a key role in validating the evaluating data sets collected by industry as part of the environmental monitoring requirements stipulated in their licences.

B.) The impact on waterway health, including to threatened and endangered species

There is an acknowledgement by industry that there are impacts on waterway health from marine farming activities. The extent of the impact is affected by a number of factors including the scale of production and the capacity of the receiving environment to assimilate the impacts. For each marine farming operation site specific factors will also contribute to the nature and scale of the impacts.

The impacts from farming operations can be categorised under two headings, impacts on the benthos and impacts on water quality. Impacts can occur at two spatial scales near field and broadscale. In any consideration of the impacts of marine farming it must be recognised that as with any farming activity there will be an impact at least the local, near field level. What also must be taken into consideration is that it not in the best interests of marine farmers to alter the environment to an extent that marine farming activities are compromised.

In relation to salmon farming activities licencing conditions stipulate an allowable zone of impact (35m) from the boundary of the lease area. Impacts on the benthos to 35m from the boundary of the lease ate therefore allowable and importantly reversible.

In response to interactions with threatened, endangered and protected species the industry has, and continues to develop and refine mitigation strategies to minimise the impacts on a number of marine species. These include;

- Australian and New Zealand fur seals: Interactions with seals and how to manage the interactions with seals has been an ongoing issue since the developmental phase of the industry. Industry has spent considerable time and effort in understanding seal behaviour so that net systems can be modified to minimise interactions with the seals and to avoid additional stress on the fish that is caused when a seal gains access to a pen, not to mention fish mortalities. The industry reports out to the regulator and to the wider community on interactions with seals. Data on recent interactions with seals and ongoing mitigation initiatives can be found in the Tassal *Sustainability Report 2014* and on the Huon Aquaculture website at http://dashboard.huonaqua.com.au/seal interactions.
- The Maugean Skate: Found to date only in Port Davey and in Macquarie Harbour concerns regarding the potential impacts on the skate from farming activities have led to the commissioning of an FRDC funded project that is looking at the ecology, movement, behaviour, diet and population structure of the skate. The preliminary findings indicate that the skate population is considerably larger than initial estimates. The skates would appear to spend the majority of their time in shallow water <15 meters and there is limited evidence that they spend time in waters where the majority of the salmon farms are situated.
- Whales and Dolphins: With the increasing sighting of a numbers of whale species in waters adjacent to where farming activities occur the likelihood of interactions will increase. Wildlife interaction plans that include mitigation strategies have been developed. Standard operating

procedures have been developed with a focus on minimising the potential for any adverse impacts for interactions that may occur.

C.) The adequacy of current environmental planning and regulatory mechanisms

The industry is required to comply with the provisions contained in nearly 70 Federal and State Acts. In addition the industry also activity participates in a number of voluntary programs.

The regulatory framework that has been develop to manage finfish farming activities in Tasmania is one of the most comprehensive and stringent frameworks developed globally. Despite criticism by opponents of salmon farming the requirements in relation to environmental planning contained in the Marine Farming Planning Act 1995 and the requirement for marine farming development plans which are stipulated in the Act are highly regarded internationally. At a workshop on environmental planning held in conjunction with the World Aquaculture Conference Adelaide 2014 there was acknowledgement from all participants that the system developed in Tasmania could be used as blueprint in other jurisdictions.

As noted in the key principles section of the introduction of the TSIC submission independent third party certification of all activities associated with the production of Atlantic salmon is becoming increasingly important. Independent third party accreditation provides for an annual review of the activities of the four companies that is publically available.

D) The interaction of state and federal laws and regulation

As highlighted above the industry must comply with the provisions contained in nearly 70 individual pieces of legislation.

There has been an increasing focus on how the industry operates as it continues to expand. Industry acknowledges and accepts and supports the need for government agencies to enforce compliance with appropriate regulations.

Also, as stated above the Marine Farming Planning Act 1995 is the principle regulatory tool that guides the sustainable development and ongoing management of salmon farming in Tasmania. The specific objectives of the legislation are to;

- Integrate marine farming activities with other marine users
- Minimise any adverse impacts
- Take account of land uses
- Take account of the community's right to have an interest in those activities.

The Marine Farming Planning Review Panel, an expertise and ability based panel was set up under the Act specifically to considers draft plans and draft amendments to plans and makes recommendations to the Minister. After a recent review of numerous committees and statutory bodies the Tasmanian State Government reaffirmed the need for an expertise based body to provide independent advice to the Minister on marine farm planning issues. The salmon industry has actively supported the need to retain the Panel.

From an industry perspective it is important that regulation of the industry is underpinned by a regulatory framework that is efficient, predictable, accountable and adaptive. TSIC supports this approach. As more data and information becomes available that assists all stakeholders gain a more evidenced based understanding of the impacts of farming activities the management framework can be changed so the management of the industry improves. However, it is also essential that the regulatory burden on industry is not increased simply to address all the concerns of other interest groups particularly where there concerns are clearly demonstrated to be unfounded.

E) Economic impacts and the employment profile of the industry

These have been addressed in our Industry overview.