

## **Australian Barramundi Farmers Association (ABFA) comments on the Queensland Competition Authority (QCA) Aquaculture Review of Regulation.**

The ABFA welcomes this review but has general concerns that unless the focus is clearly on addressing current regulatory issues its findings will do little to assist the current participants, or engender interest from new proponents in the Queensland aquaculture industry.

The ABFA supports a review whose outcomes focuses on;

'identifying impediments to the development of aquaculture, ... to recommend an improved regulatory framework which will promote economic development while observing appropriate environmental standards'. For this to take place the ABFA encourages the reviewers to focus on the principles put forward by the Agriculture, Resources and Environment Committee (AREC), i.e.;

- explore the use of a single, dedicated piece of legislation
- reduce the regulatory burden on industry
- seek to promote economic development while balancing environmental protections.

There is some apprehension that, as more agencies, authorities and universities become involved (with their own particular interests), the review may drift away from its original objective and actually lead to increased regulatory activity coming into force.

The view of the ABFA is that the regulatory framework around this industry is excessive developed through a cumulative process by multiple layers of bureaucracy. The way it is currently structured does not allow industry to be competitively viable in a sustainable manner, and all aspects of the regulatory regime should be assessed as to;

1. do the existing controls provide **real** value at an environmental level?
2. do the controls limit the ability of industry participants to operate with the flexibility required to have an efficient, profitable and sustainable business?

Unless a regulatory control can definitely show that it enhances, or maintains, the environment and does not have a discernible negative impact on the operations of fish farmers, the regulation should be removed.

Members of the ABFA support appropriate controls to protect the environment as their businesses rely on a clean and healthy environment. However we also seek, as part of the review process, that there is greater focus on a triple bottom line (TBL) approach. This is to ensure that the economic and social impacts are also considered as much as the current narrow environmental focus.

ABFA members seek to operate in such a way as to minimise environmental impacts from their operations, but at the same time provide valuable fish protein within the Australian regulatory framework. Importantly, producing fish in Australia does not, and should not, shift our food

production obligation to overseas jurisdictions that often do not have the same well managed aquaculture operations as we do in Australia. The National Health and Medical Research Council Draft Australian Dietary Guidelines (Dec 2011) highlight the need for Australians to increase consumption of seafood to meet health and nutrition needs. Projections indicate that Australia will be unable to meet future seafood demand from the combined total of current wild catch production, aquaculture and seafood imports. It is therefore essential Australia continues to achieve sustainable production growth through careful management and development of our aquaculture resources.

Adequate intake of seafood is essential for the health of Australians and our efficient, well managed and sustainably grown product is critical for the nation's health and longer term food security. ABFA members feel they have achieved an effective balance between economic gains, community need and ecosystem conservation.

We also ask the review to consider the uncompetitive nature of the current regulatory arrangements for the aquaculture industry in Queensland, specifically when compared to other food (including protein) production sectors, but also the general business environment. The current regulatory arrangements see the production of fish, through licensed and authorised Aquaculture operations, having to compete with other food producers who do not have the same regulatory burden placed on them, even though they have discharges into the same environment. The aquaculture industry often has to bear the costs to 'clean' other's water before use in their operation, as well as bear the burden of its own production. From an efficiency, food production, and return per hectare of land use - fish farming often provides a far greater return to the community in terms of protein production and value per hectare, when compared to other industries. The ABFA does not wish to restrict the operations of other authorised operators, only to be treated in the same way.

The ABFA believes that many current regulatory measures are not science based, or are applied without recognition of the very low risk that fish farming has on the environment. Peer reviewed research shows that the impacts of pond based aquaculture in Australia is generally undetectable and is readily assimilated into the near environment. After 30 odd years of operation in Queensland there is no discernible impact on the receiving environment. This shows that the precautionary principle is not being applied as it should be.

It is estimated that discharges from aquaculture adjacent to the GBRMP are less than 0.1% of the total suspended solids, Total N and Total P discharged into the region. The focus on continual improvement in discharge performance (from an incredibly efficient and small base) is a poor use of resources, which could be targeted on other areas to get better environmental, social and economic benefits. The attention on achieving 'zero net discharge' for aquaculture also provides little environmental benefit, is stifling development, and is a distraction from the broader discharge issues which come from many diffuse sources.

The time is now right to review and simplify the regulatory framework. There is a real chance to develop an innovative framework that has strong industry input, support, ongoing involvement, and flexibility, and achieves real productivity outcomes without any discernible environmental impacts.

The cost of complying with the current regulatory framework and multiple jurisdiction approach can lead to unprofitable operations and is a genuine disincentive for industry growth.

Some specific comments relating to the key review considerations are provided below. I would be happy to discuss these matters further if that would assist.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Chris Calogeras', with a long horizontal flourish extending to the right.

Chris Calogeras  
Executive Officer  
Australian Barramundi Farmers Association  
24 March 2014

Item	Issue	ABFA Comment
1	The commercial appetite for aquaculture development in Queensland.	<ul style="list-style-type: none"> <li>- The primary focus for the ABFA is reducing the burden for exiting operators so that an environment that is conducive to growth and expansion is in place.</li> <li>- The ABFA supports aquaculture development, so long as the existing regulatory framework and associated burden is addressed.</li> <li>- The ABFA does not want concerns over possible expansion to the industry inhibiting the current situation being addressed.</li> <li>- Don't support farming of new non indigenous species.</li> </ul>
2	Appropriate environmental standards for Queensland aquaculture, based on recognised industry practice and potential for environmental harm.	<ul style="list-style-type: none"> <li>- Standards should be in line with the draft Operational Policy developed by the ABFA, APFA and the EHP in 2013. This should form the basis for any future policy or legislation.</li> <li>- The notion of 'zero net discharge' should be discontinued and a more realistic approach, similar to other food production systems adopted.</li> <li>- The concept of continual improvement, when the base starting point relating to discharges is so low in the current industry, is counterproductive and should be shelved.</li> </ul>
3	Broad principles to be applied in developing a regulatory structure.	<ul style="list-style-type: none"> <li>- The view of the ABFA is that the regulatory framework around this industry is excessive, and is the result of a cumulative process from multiple layers of bureaucracy.</li> <li>- All aspects of the regulatory regime should be assessed as to determine; <ul style="list-style-type: none"> <li>• do the existing controls provide real value at an environmental level?</li> <li>• do the controls limit the ability of industry participants to operate with the flexibility required to have an efficient, profitable and sustainable business?</li> </ul> </li> <li>- Unless a regulatory control can definitely show that it enhances or maintains the environment and does not have a discernible negative impact on the operations of fish farmers, the regulation should be removed.</li> </ul>
4	The value of a single piece of legislation to streamline the regulation of aquaculture, as is used in South Australia.	<ul style="list-style-type: none"> <li>- Subject to addressing the issues raised by the ABFA, particularly overlapping jurisdictional responsibilities, the ABFA support the concept of a single piece of legislation.</li> <li>- Without addressing the issue of GBRMPA veto powers over any changes to the regulatory framework, it will not provide any real value to industry.</li> </ul>
5	The application of the precautionary principle to aquaculture regulation.	<ul style="list-style-type: none"> <li>- The ABFA agrees with the general tenet put by Dr Peterson of the Productivity Commission, that 'arbitrary invocation and misapplication of the precautionary principle can be costly and shouldn't be used instead of a framework of good regulatory practice'.</li> <li>- A lack of scientific certainty shouldn't lead to decisions or lack of decisions that cause substantial</li> </ul>

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		<p>economic and social costs.</p> <ul style="list-style-type: none"> <li>- In the early stages of development, or when data is deficient, the use of the principle may have some merit, but with over 30 year's of aquaculture activity in the region with no identified problem, the principle should not be evoked.</li> </ul>
6	The concept of overlays, similar to the zones created for marine aquaculture in South Australia and Tasmania.	<ul style="list-style-type: none"> <li>- Supported in principle, so long as the industry is consulted and areas are appropriate - not just convenient.</li> </ul>
7	A changed distribution of responsibilities between Queensland and Commonwealth regulators.	<ul style="list-style-type: none"> <li>- The ABFA strongly supports the redistribution of responsibilities to the State for all Queensland waters (i.e. inland, estuaries and out to three nautical miles seaward of the territorial sea baseline).</li> <li>- In any areas of overlap with other authorities, such as the GBRMPA, State law takes precedence.</li> <li>- GBRMPA veto powers to any changes to aquaculture policy be removed in all State waters.</li> </ul>
8	Environmental offsets to allow greater regulatory certainty for developments in the Great Barrier Reef (GBR) region.	<ul style="list-style-type: none"> <li>- The original conversation with respect to this review was around setting up a new reduced regulatory framework. However zero net discharge and offsets are now appearing in every document that is being generated through this process. Far from reducing burden it appears there will just be another added, which will not encourage industry development, but stifle it further.</li> <li>- The ABFA is particularly concerned with the major focus of the review on offsets. It may be seen by regulators as a simple accounting approach to dealing with complex systems, but to industry it is just another ill thought out environmental tax - like the Carbon Tax. The ABFA concerns relating to offsets include; <ul style="list-style-type: none"> <li>o no clear indication of what it will mean to industry</li> <li>o only one small sector of those 'inputting' into the GBRMP (aquaculture) seem to be impacted</li> <li>o what is being offset</li> <li>o how is it measured (net, gross, background etc)</li> <li>o what impacts are being offset</li> <li>o who's impacts are included</li> <li>o why have 150% offsets</li> <li>o is such a system well understood in a varied and dynamic system like north Queensland</li> </ul> </li> </ul>

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		<ul style="list-style-type: none"> <li>○ who manages it</li> <li>○ what accounting system is used</li> <li>○ what is the environmental capacity at regional levels etc etc</li> </ul> <p>– If an offset approach is taken, operators in the aquaculture industry should be exempt, or provided with no cost offsets.</p> <p>– The establishment of a Reef Trust will only encourage a 'business' from government, agencies and authorities to identify 'impacts' to generate a direct or indirect economic benefit to them.</p>
9	The potential for cage aquaculture in Queensland.	<p>– Focus should be on addressing the current issues.</p> <p>– The ABFA does not at this stage see the need to push this production method in waters adjacent to Queensland, particularly adjacent to the GBRMPA.</p> <p>– There are concerns a focus on Sea Cage production will shift focus from existing issues.</p>
10	Suitable locations for aquaculture.	<p>– Aquaculture can take place if the economic, social and ecological environment is appropriate for development. For this to take place there is a need for;</p> <ul style="list-style-type: none"> <li>○ appropriate land and/or water available at a reasonable cost</li> <li>○ an appropriate regulatory framework in place</li> <li>○ adequate and reasonably priced energy available</li> <li>○ available and competitively priced labour</li> <li>○ adequate infrastructure and reliable logistics in place</li> <li>○ market for product</li> <li>○ an environment where businesses can operate efficiently and profitably.</li> </ul>
11	The benefits of a marketing levy for aquaculture.	<p>– This is an industry issue and should not be in this review.</p> <p>– The ABFA collects a voluntary levy and directs its expenditure to where it provides the greatest return on investment to industry.</p>
12	Financial safeguards for new developments. Some industries (such as mining) are required to establish financial safeguards for environmental rehabilitation.	<p>– As a principle, for large scale operations (equivalent to a major mining operation or port development) this is supported</p> <p>– Additional details would be needed in respect to the relatively small scale and negligible impact of aquaculture operations in Queensland.</p>