



14 May 2021

Committee Secretariat
The House Standing Committee on Agriculture and Water Resources
PO Box 6021
Parliament House
Canberra ACT 2600

Dear Sir/Madam

RE: Submission for the Inquiry into the Australian aquaculture sector

As the peak representative body for the wild catch, aquaculture and trader/processor seafood sectors in the Northern Territory (NT), the Northern Territory Seafood Council (NTSC) welcomes the opportunity to participate in the inquiry into the Australian aquaculture sector.

The NTSC vision statement is:

The NT Seafood Industry is a trusted, stable and prosperous industry which is continually earning its social licence to operate.

The key aim of the NTSC strategic plan 2018 - 2023 is to restore commercial rights and position the industry to regain its social licence to operate. To achieve this vision, the industry must become a trusted, secure and profitable one. The Strategy is implemented through three key programmes that address the risks and opportunities for the NTSC these are:

- Improve structures for an effective NT Seafood Council;
- Build trust in our industry by our members, community and government; and
- Demonstrate sustainability.

The NTSC has both aquaculture and wild-catch members and must therefore find a balanced position for the two. While aquaculture has been widely lauded as a solution to increasing seafood supply, it has its challenges, just as wild-catch does.

The NTSC believes that both aquaculture and wild-catch fisheries are part of the future of the NT seafood industry; neither is the future alone.

While there are areas for improvement for both methods of harvest, the NTSC believes that with evidence-based management practices, each can help alleviate the burdens of the other while ensuring a consistent and high-quality supply of Australian fish to the market for all consumers, who will be free to make their own decisions about the seafood products they want to buy.

As you may be aware a CRC Northern Australia (CRCNA) project titled *Northern Australia aquaculture situational analysis* has recently been completed.¹ Workshops were held in the Northern Territory and attended by aquaculture businesses and NTSC. The report covers key areas of relevance to the current inquiry including current status of aquaculture in Northern Australia and opportunities and barriers.

a) the nature and current status of Australia's aquaculture sector

Australian consumers are eating more seafood, and 70% of it is imported. In the Northern Territory we have underutilised resources in our wild harvest fisheries and there is potential for aquaculture to produce more seafood.

Australians currently eat approximately 200,000 tonnes of imported fish and 20,000 tonnes of imported prawns each year.

Within the Northern Territory the two major aquaculture activities include Barramundi farming (*Lates calcarifer*) and Pearl Oyster culture (*Pinctada maxima*). Other products include sea cucumber, black lipped oysters, giant clams, ornamental plants and fish. There is also an extensive prawn farming venture in the planning stage. Another growing area in aquaculture is coral propagation to meet the demand of the international aquarium market and the domestic reef restoration market.

Confidence is strong and supported by investment in large scale projects in the Northern Territory.

The Humpty Doo Barramundi farm recently received a Northern Australia Infrastructure Facility investment² for expansion, aiming to triple its production to 10,000 tonnes. It is now the largest land-based producer of farmed barramundi producing approximately 40% of Australian farmed Barramundi. A prawn farm proposed in Northern Australia³ aims to produce 100,000 tonnes of Black Tiger prawns annually once it reaches full scale.

We understand Australian Barramundi farmers currently produce 9,000 tonnes of Barramundi (2018-19) and have a realistic target to sustainably produce 20,000 tonnes by 2025 to help meet increased demand.

b) opportunities and barriers to the expansion of the aquaculture sector

The CRCNA situational analysis⁴ found the opportunity for aquaculture in Northern Australia was large in both marine farming and freshwater pond culture. In a Scenario Analysis the report found the overall aquaculture industry could reasonably expand by 2030 to five times its current production and achieve GVPs of greater than \$1.3 billion per annum with an additional 1,400 to 2,300 jobs ('Monsoon' scenario).

Key challenges identified by the CRCNA situational analysis included regulatory burden and environmental risks (for barramundi), absence of breeding programs and broodstock supply and quality (for prawns), and environmental risks and disease (for pearl oysters).

¹ <https://www.crcna.com.au/resources/publications/northern-australia-aquaculture-situational-analysis>

² <https://naif.gov.au/what-we-do/case-studies/humpty-doo-barramundi-farm-hdb-investment-decision/>

³ <http://seafarms.com.au/about-project-sea-dragon/>

⁴ <https://www.crcna.com.au/resources/publications/northern-australia-aquaculture-situational-analysis>

The report also highlighted a range of other barriers which includes, but is not limited to, issues around biosecurity risks, infrastructure, remoteness, increasing costs for insurance, skills shortage and lack of co-ordinated policy development.

Also highlighted was the lack of aquaculture zoned land/waters, and the report recommended further assessment for environmental planning and regulatory requirements for land-based areas identified, including tenure and land access. The same is also required for the marine environment. Further it should be noted that in addition to Government requirements, agreements and permits are also required for commercial activity on Aboriginal land which applies to approximately 50% of land and over 85% of the NT coastline.

The Northern Territory is yet to develop designated aquaculture zones or establish streamlined approval processes for new aquaculture development. It is important that defined processes and criteria are established, along with defined time frames to provide certainty and attract investment from industry in new or expanded ventures. There is an opportunity to address this which has been recognised in the Territory Economic Reconstruction Commission final report⁵ through the development of Sustainable Development Precincts.

c) opportunities to streamline and increase the effectiveness of the current regulatory frameworks that govern aquaculture activities in Australia

A key barrier identified in the CRCNA report was high environmental and regulatory hurdles; a lack of coordinated, science based, aquaculture policy and implementation, and lack of clear and navigable regulatory pathway. To achieve stronger and adaptive governance of the northern Australia aquaculture industry the report recommended additional planning is required to determine an appropriate mechanism/structure for strengthened governance. The intent of the reports' recommendation is to streamline processes for new aquaculture development, leverage opportunities across jurisdictions and sectors, and provide a stronger voice to policy-makers.

d) the ability for businesses to access and commercialise new innovations to expand aquaculture

In 2017 a National Aquaculture Strategy was developed which identified eight key areas of which one was maximising the benefits of innovation in aquaculture through targeted research, development and extension. The Australian Government primarily supports RD&E in aquaculture through the Fisheries Research and Development Corporation (FRDC) but also through other channels including the CSIRO and Cooperative Research Centres (CRC). FRDC is a co-funded partnership between the Australian Government and the fishing and aquaculture sectors.

The demand for some species of coral outstrips what can be supplied from wild harvest. This provides a significant innovative opportunity in aquaculture with sexual reproduction and asexual propagation of coral for both the aquarium trade and reef restoration. However, Australian regulations, CITES permits and the definition of aquaculture does not yet recognise coral propagation. As a result aquaculture propagation is being incorrectly recorded as wild harvest which wrongly leads to increased scrutiny and questions about the sustainability of Australia's aquarium industry. Updating of legislation is required to acknowledge propagation and sexual reproduction of corals defined as Aquaculture to support traceability, compliance and accurate export data.

Within the Northern Territory the Darwin Aquaculture Centre (DAC) has undertaken a range of research and development projects on pearl oysters, tropical oysters, sea cucumbers, giant clams, prawns, barramundi, mud crab, algae and a number of disease investigations. Facilities such as DAC that encourage and support private investment into research and developments in

⁵ <https://ntrebound.nt.gov.au/reports/final-report>

aquaculture have been critical to aid the success of the NT's aquaculture industry. Government support to assist in the ongoing viability of facilities such as the DAC is essential to the development of the Australian aquaculture sector.

Yours faithfully

A black rectangular box redacting the signature of Katherine Winchester.

KATHERINE WINCHESTER
Chief Executive Officer