



May 2015

## **Inquiry into Opportunities for Expanding the Aquaculture Industry in Northern Australia**

Marine Produce Australia (MPA) is the producer of Cone Bay Ocean Barramundi. We are Australia's only sea-cage barramundi farm, located in Cone Bay in the Buccaneer Archipelago, north of Derby WA. MPA has been growing barramundi in Cone Bay for 10 years, having recognised the area as a model location for the environmentally sustainable production of ocean farmed finfish, largely due to the wide open bays and twice daily 10-12 metre flushing tides. However, during that time MPA has faced significant impediment through government red/green tape and an historical lack of (state) government interest in developing this industry, adding to the extensive logistical challenges of doing any business in a remote area. The past few years have seen a shift in the way aquaculture is regarded in Western Australian, and both the WA government and WA EPA have recently put their support behind the expansion of at least some parts of the industry. If our industry can garner continued government interest, and have that supported in the areas detailed below, we are hopeful that the full potential of aquaculture in northern Australia can be realised.

MPA has spent a lot of time and money trying to show that our Kimberley waters and the high tidal environment (like much of the rest of northern Australia) can support sea-cage fish farming. Ten years' of environmental data collection, combined with significant environmental modelling from the WA Department of Fisheries during the development of the Kimberley Aquaculture Development Zone, has shown that this northern environment is readily suitable for environmentally-friendly and environmentally sustainable fish farming. Australia has a reputation as a producer of clean, green food: there is no reason that fish farming in northern Australia should be any different.

MPA fully supports the responsible growth of the Australian aquaculture industry, and we are grateful for the opportunity to provide input into the Inquiry. We consider the following to be some of the contributing factors affecting development of the aquaculture industry in northern Australia:

- Protracted approval processes (red/green tape) for start-ups and existing operators looking to expand
- Minimal government support for the development of small industry in remote areas
- Need for direct government-industry relationships and funding opportunities – particularly when the 'whole industry' may just be a single company, as is often the case in remote areas
- Need for strong and evident government support for our industry to develop investor confidence
- Supply chain logistics and costs
  - Cost of transporting goods long distances
  - Higher cost of all goods and services in remote areas
  - Managing the timing of goods delivery, particularly in the wet season
- Human Resources/Remote work environment
  - Labour costs
    - require two people for every job in a FiFo shift-work situation
    - shortage of available local staff - need to hire from outside local area
    - high housing and other living costs for local employees
  - Skills shortage – lack of available local training, or local population for training
- Lack of infrastructure
  - aquaculture nursery, feed mills, processing plant etc
- Market pressure from low priced seafood imports
- Insufficient Country of Origin Labelling requirements – removes the consumers' choice and doesn't allow local producers' the chance to compete fairly with lower international production costs