

## **Government response**

### **Queensland Competition Authority final report on Aquaculture Regulation in Queensland**

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## **Table of contents**

Background .....	2
Aquaculture industry regulation and challenges .....	2
QCA recommendations.....	3
Queensland aquaculture policy statement.....	4

## Background

Over the past decade, growth of the aquaculture industry in Queensland has stagnated with no new major entrants to the industry and only three significant pond farm expansions being approved. The Queensland aquaculture industry contends that new investment in the sector is being discouraged by a complex and protracted regulatory framework, with no certainty about the outcome.

In September 2013, the then Queensland Competition Authority (QCA) was directed to investigate and report on regulation of the Queensland aquaculture industry. The QCA report was finalised in September 2014 and provided to the Queensland Treasurer for consideration in early 2015.

The Queensland Government has reviewed the QCA recommendations and approved its public release. The Government's response to the report's recommendations is outlined below which will assist in addressing regulatory barriers and promote the growth of the Queensland aquaculture industry in a more streamlined and sustainable way.

## Aquaculture industry regulation and challenges

Queensland has a number of key attributes that support the sustainable development of a diverse aquaculture industry including a range of suitable climates for culturing a wide variety of species, access to clean water and support services, substantial research and development expertise and close proximity to global markets.

Queensland's aquaculture industry employs over 450 full time equivalents (2014-15), has a Gross Value of Production (GVP) of \$120 million and represents 38.1% of the total state value of fisheries production. Aquacultured prawns (\$82.6 million) and barramundi (\$27.5 million) account for the majority of the total GVP. Most production comes from operations based in Cairns, Cardwell, Mackay and the Gold Coast.

Aquaculture in Queensland is regulated through a combination of planning, fisheries, environmental and food safety regulation which ensures a strict level of control. Various licences, permits and development approvals may be required for aquaculture production, depending on the location, species and production systems.

A significant regulatory constraint for aquaculture development in Queensland is that the majority of the existing industry and potential new developments are located adjacent to the Great Barrier Reef. Further constraints may also exist where developments are adjacent to State marine parks or high value wetlands. Opportunities to release additional nutrients into watercourses are limited unless facilities can be established with discharge levels consistent with strict environmental outcomes.

A key challenge for the industry is the adoption of new and emerging technologies to improve the management of water discharge quality. These discharges must be compatible with long-term water quality objectives for the Great Barrier Reef, which supports almost 70,000 full-time jobs and is worth \$5.2 billion a year to the Australian economy in the tourism sector alone.

## **QCA recommendations**

The Queensland Government provides the following response to the seven recommendations of the QCA report. The QCA report recommends that the Queensland Government:

**1. *Create terrestrial aquaculture development areas (ADAs) as a way of ensuring a timely and transparent process for approvals, including a target of identifying 450 hectares suitable for aquaculture operations within two years of the Government's response to the report***

The creation of Aquaculture Development Areas is supported, including the target of 450 hectares. This will be implemented in close consultation with stakeholders and include rigorous planning, technical investigations, and consideration of water quality impediments.

**2. *Assess development applications for each ADA against public criteria set out in a code applicable to each ADA***

Developing codes for the proposed ADAs, including site-specific environmental values that must be maintained, is supported to provide clear assessment criteria for proponents and therefore give greater confidence to potential investors. These codes will be developed to ensure that discharges from proposed aquaculture activities into the receiving environments meet strict environmental standards.

**3. *Provide potential proponents with the maximum possible certainty about the future price and availability of environmental offsets***

Providing maximum certainty for the State offset process is supported. The Environmental Offsets Act 2014, Environmental Offsets Regulation 2014 and an Environmental Offsets Policy provides a consistent, whole-of-government policy for the assessment of offset proposals to satisfy offset conditions. Environmental offsets may be required where there are significant impacts on matters of local and State environmental significance remaining after impacts are avoided and/or mitigated.

**4. *Consider the best structure to implement the QCA review recommendations***

The Department of Agriculture and Fisheries' Aquaculture unit will co-ordinate implementation of required reforms with input from an advisory committee comprising representatives of State Government agencies, Great Barrier Reef Marine Park Authority, Local Government Association of Queensland and the aquaculture industry.

**5. *Examine possible barriers to the expansion of low-impact freshwater aquaculture***

Not supported. Increasing recognition of the aquaculture self-assessable code by local governments is addressed in the State Planning Policy (SPP), which contains model levels of assessment for aquaculture, including self-assessable aquaculture. Uptake of the model levels of assessment contained in the SPP will improve consistency of aquaculture development assessment processes by local governments in Queensland. DAF will continue to promote the uptake of the model levels of assessment by local governments.

## **6. *Defer consideration of the merits of a single legislative instrument for regulating aquaculture***

Supported. Creating a stand-alone Queensland Aquaculture Act will not necessarily cut red tape and resolve the issues of most concern to industry.

## **7. *Investigate the potential for marine aquaculture development areas***

The Queensland Government will examine the economic potential of an intensive marine aquaculture industry and the ability of intensive marine aquaculture to gain environmental approvals based on existing regulatory frameworks (State and Commonwealth).

## **Queensland aquaculture policy statement**

The Queensland Government supports the development and growth of an ecologically sustainable, diverse and innovative aquaculture industry.

The Queensland Aquaculture Policy Statement articulates the Queensland Government's vision, initiatives and support for land-based and marine non-intensive aquaculture development in Queensland. Implementation of the Statement's eight key initiatives will facilitate expansion of aquaculture in Queensland through a planned, cost-effective and environmentally acceptable process.

The statement recognises and builds on the recommendations of the QCA report, aligns with the Reef Long Term Sustainability Plan 2050 developed by the Australian and Queensland Governments and the Australian Government's White Paper on Developing Northern Australia, 2015.