



The Australian Prawn Farmers Association (APFA) welcomes this opportunity to make a submission to the National Food Plan Issues Paper.

The APFA supports and endorses responses put forward for this Issues Paper by:

- ✓ The Fisheries Research and Development Corporation (FRDC)
- ✓ The National Seafood Alliance (NSIA)
- ✓ Queensland Seafood Industry Association (QSIA)
- ✓ Queensland Farmers Federation (QFF)

1.0 What is the most important thing you think a national food plan should try to achieve?

Ensuring that policy is developed to maximise Australia's production whilst ensuring that the environment is preserved for future generations but not at a cost of locking up huge chunks of land or ocean to marine parks that limit usage, development and access to secure food areas.

From an aquaculture prawn farming perspective it is imperative that government at State and Federal levels have policies that support development and investment in this industry. An industry that thrives in overseas countries. The recent Prawn and Barramundi farmers' conference held in Sydney highlighted serious issues that Australian government needs to consider when preparing a National Food Plan: consider these slides.....

Fisheries in China

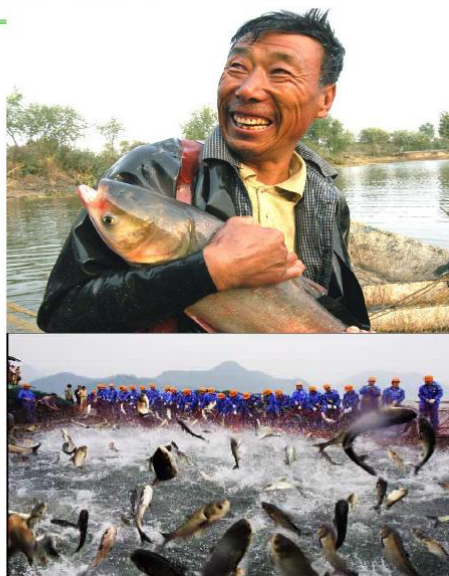


**Aquaculture area:
7.8 million ha.**

养殖面积: 780万公顷

**40 million people live on
fisheries, and 13 million
people work on fisheries.**

**中国4000万人口以渔业为生,
1302万人从事渔业生产**





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Compare this to the Australian Prawn farmer's use of 872 hectares (Ross Lobegeiger – Report to Farmers. Aquaculture production survey Queensland 2009-10. July 2011)

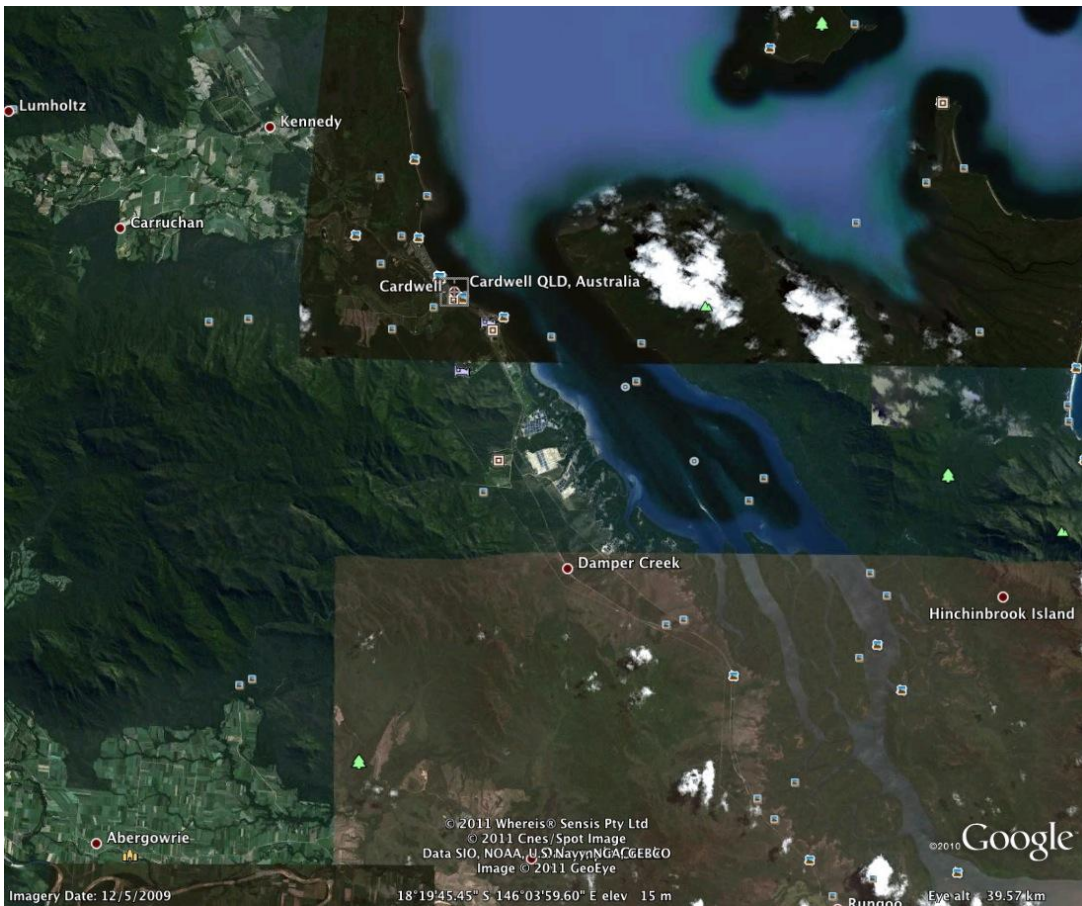
Consider the first picture below of Asian aquaculture farms – not much land left....and in comparison to the second picture, one of our large farms in Cardwell, barely a dot on the landscape.

Australian governments have not supported or encouraged aquaculture development and this is evident with one farm approval taking 10 years, where a conditional approval was provided but one condition – 'Nil net discharge' is not imposed on other agriculture sectors or mining, creating anti competitive conditions for any new prawn farm developments.

Australia's vastness and relatively small population density ratio, compared to other countries, has policies that favour green groups and mining. Mining is a finite resource and what is taken from our land is not renewable. Agriculture, fishery and aquaculture can provide a valuable and secure food resource that is renewable provided regulation and policy is developed to support this not impede development.



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2.0 What do you think the vision and objectives for a national food plan should be?

To provide a framework that will allow producers/farmers to provide food that is nutritional, produced sustainably and is profitable. The APFA likes the UK vision of Food 2030 – extracted below, it encompasses all aspects:

UK goals for 2030: a resilient, profitable and competitive food sector.

A resilient and competitive food sector

The whole supply chain is able to support profitable businesses, and provides good value for consumers as well as fair prices for • suppliers.

Intellectual property rights are protected and respected encouraging innovation and investment in research. Provision is also made for • transferring ideas and innovations to relevant sectors as well as sharing best practice.

New enterprises, including social enterprises, enter the market stimulating diversity and competition. •

The food system manages risks responsibly – financial, environmental, and food safety risks. The food system is able to respond rapidly • to changes in world markets and changes in prices, through an increased focus on international trade with less distortion, helping to promote sustainable competitive farming and global food security.

A innovative and skilled sector, providing good jobs

Training opportunities are available and support is provided for career development. •

The food, farming and seafood industries are seen as attractive sectors for new entrants. •

the challenge

A constructive relationship between Government and industry

Food, farming and fishing businesses are provided with clear and consistent guidelines which give them confidence to make • investments in improving their long term environmental and economic sustainability.

Government policy, including regulatory flexibility, allows businesses throughout the food chain to do the right thing for themselves, • society and the environment as well as responding to consumer demand.

There is international cooperation over research, innovation, and knowledge sharing on methods for reducing the food system's • contribution to climate change and other environmental impacts of food production.

Efficient use of resources

Food businesses use inputs efficiently, in particular reducing their energy and water demand. As a result of this, waste is reduced, and • cost savings are made.

Environmental and social goods are valued, and incentivised.



An issue that the UK is yet to deal with – implementation of a carbon tax. The Australian government should seriously reconsider the impacts of a carbon tax that is going to send many producers to the wall, is an unnecessary burden that cannot be absorbed by industries and as is the case with prawn farmers cost of production – transport, feed, labour, energy have all risen but the farm gate value of their produce has not risen to cover these increased costs. By importing cheap prawns the current retail duopoly refuses to allow Australian producers the ability to increase costs and forces farmers to absorb costs while at the same time retail prices are adjusted upwards to appease shareholders. As an example farm gate prawn prices have moved very little since 2003, see below.

<http://www.deedi.qld.gov.au/>

Annual report to farmers has reported following average farm gate value per kilogram for prawns:

2009/10	\$14.27
2008/09	\$14.28
2007/08	\$14.37
2006/07	\$13.79
2005/06	\$14.14
2004/05	\$14.60
2003/04	\$14.65



3.0 What do you see as the major risks to Australia's food supply in the coming years and decades? How could they be avoided or managed more effectively?

Restrictive policy and over regulation of aquaculture - green / red tape that is currently prohibiting any new development here in Australia. The Productivity Commission undertook a review in 2004 titled "Assessing Environmental Regulatory Arrangements for Aquaculture" – from the many recommendations noted in this report none have changed or been implemented, if anything further regulation has been layered on the industry.

How could they be avoided or managed more effectively?

Review the recommendations from the Productivity Commission report mentioned above and elsewhere in this submission.

Carbon tax - previously mentioned – Australia currently imports 70% of its seafood. Australian prawn farmers will be seriously disadvantaged with a carbon tax. Increased costs of production – fuel, energy, freight costs, transportation ect throughout the supply chain having to compete with imported prawns not subjected to the same regulations, carbon tax and increasing labour costs.

How could they be avoided or managed more effectively?

Reverse decision for a carbon tax, Australia does not need it, the economy is already in turmoil this tax will further destabilise the country.

High energy costs – Queensland has become the most expensive state in which to live and do business. Prawn farms are high users of energy through the use of paddle wheels used to aerate ponds and provide oxygen for animals and optimum conditions. Remote, regional locations of farms has meant that electrical discounts from other suppliers is not realistic. The APFA has received government funding to conduct audit of farm energy use and evaluate alternatives. This report is yet to be finalised, but to date all the research has done is confirm that prawn farms are high users of energy.

How could they be avoided or managed more effectively?

Government needs to investigate alternative fuel options for all Australia through research, even considering nuclear energy alternatives.

Increased transport costs – fuel costs continue to rise, Australia's size means getting product to market is very expensive, and getting feed to farms is an equally expensive exercise. Farms are located in remote regional areas of Queensland and northern NSW. Climate events earlier this year saw one of the major arterials closed to far north Queensland - the Bruce Highway. This major road gets cut at least once per year, puts pressure on suppliers getting feed or produce to market and in the height of this year's disaster transport that was able to get to areas such as Mackay costs tripled. Farmers had no choice but to accept the additional costs, costs that cannot be passed back to the consumer unless you are a banana.....as for the Mackay farms being able to seek disaster relief packages was not an option as the area was not declared a disaster zone.



How could they be avoided or managed more effectively?

Reverse decision to implement a carbon tax, spend money on fixing major infrastructures.

Too reliant on imported seafood – Australia consumes 70% of its seafood from imports. China this year became a net importer of seafood.

How could they be avoided or managed more effectively?

Let aquaculture develop, there has been no adverse environment affects during the last 25-30 years that aquaculture has been operational. Rigorous science has been carried out by reputable research organisations that confirm this statement. Lets replace some of the imported seafood with Australian produced farmed seafood.

Low farm gate prawn prices currently the same, or reduced, prices as in 2003. Extract from a presentation at the recent Prawn and Barramundi farmers conference in Sydney – Asian farm gate prices relative to Australia are half or in some instances a third of what Australian farmers can produce prawns for. Added to this each of the countries mentioned below have governments that are supportive of aquaculture development and value the role of these farms to the economy.

How could they be avoided or managed more effectively?

End the retailer duopoly, allow producers the opportunity to be paid a fair price for the goods provided.

Mean farm gate value of *vannamei* in Asia (July 2011)



No/kg	Thai	Indo	India	China	Phils	Viet	Malay
40	5.85	6.50	6.11	12.00	5.75		6.20
50	5.03	5.60	5.26	10.00	5.55		5.21
60	4.50	4.80	4.62	8.00	5.36		4.88
70	4.26	4.40	4.41	6.50	5.18	6.52	4.60
80	3.93	4.20	4.20	5.90	5.04	5.85	4.45
90	3.67	4.00	3.77	4.60	4.93	5.24	4.29
100	3.26	3.90	3.56	4.40	4.81	5.00	4.12

Note: **China** is price for live shrimp



Ensure that imported prawns are free from diseases and viruses that can decimate our farmed and wild prawn stocks. The APFA would support more rigorous testing and sampling of imported prawns both cooked and green. It is currently assumed that imported cooked prawns do not carry disease or virus but a recent peer reviewed research paper suggests otherwise.

“Effect of processing treatments on the white spot syndrome virus DNA in farmed shrimps (*Penaeus monodon*)” by A. Devivaraprasad Reddy, G. Jeyasekaran and R. Jeya Shakila
Department of Fish Processing Technology, Fisheries College and Research Institute, Tamil Nadu Veterinary and Animal Sciences University, Tuticorin, India

At the Australian Prawn and Barramundi farmers conference a global expert gives delegates a key opening address – he is known as the Shrimp Doctor – Dr Matt Briggs and each year he informs us of global trends or new diseases affecting Asian countries. Diseases this year include: IMNV, White Spot, White Faeces Disease, muscle cramp syndrome, MrNV, microsporidia and bacterial infections.

Biosecurity Australia must remain vigilant and ensure that Australia maintains its disease free status in relation to prawns.

How could they be avoided or managed more effectively?

Continually lobby Federal government to ensure that testing imported prawns is maintained, the possibility of Australia suffering the same potential disease risks from overseas is a frightening reality.

Perceptions of providing farmed prawns that are not sustainable and calls from the retailers for prawn farmers to be sustainably accredited. The APFA currently adheres to 36 different Acts and Regulations to ensure that what we do is sustainable and does not harm the environment.

Since 2002 the AFPA together with funding and support from FRDC and CSIRO have undertaken extensive research into domestication to reduce the need for obtaining wild caught broodstock. In a very short period of time, relative to other land based agriculture protein growers, successful results of this are evident.

Each year DEEDI Queensland government, prepares an annual report to farmers, reviewing and comparing these reports from 2002 to current the following statistics are qualitative evidence of the success of this research. www.deedi.qld.gov.au

2002 the industry produced 2861 tonnes of prawns for a value of \$44.5 million. To achieve this, 6164 spawners were purchased.

2010 the industry produced 5115 tonnes of prawns for a value of \$74.3 million. To achieve this, only 2471 spawners were purchased.

The above statistics demonstrate this industry has achieved excellence through research and the development has come with increased yields while at the same time achieving sustainability through less reliance on wild caught broodstock.



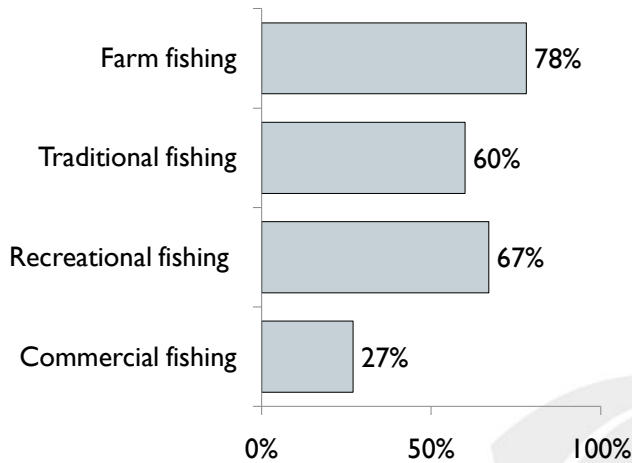
FRDC have conducted research on public perceptions of the sustainability of Australian seafood and an overwhelming 78% believed farmed fishing to be sustainable as the flowing slide shows:

How could they be avoided or managed more effectively?

Government agencies defend the position of Australian farmed prawns (as one example) to say they are farmed sustainably. Research is already underway for alternative feed that will replace fish meal.

Perceptions of industry

Do you think the following sectors of the Australian fishing industry are sustainable?



Source: FRDC
study 2011

APFA & ABFA Conference

www.frdc.com.au



4.0 What does food security mean to you? How would this be achieved? How would we know if/when we are food secure?

Taking a sentence from the UK food plan 2030 – the following sentence sums up what food security means to APFA.

“The food system manages risks responsibly – financial, environmental, and food safety risks. The food system is able to respond rapidly • to changes in world markets and changes in prices, through an increased focus on international trade with less distortion, helping to promote sustainable competitive farming and global food security.”

This could be achieved through government being supportive of food suppliers/providers, allowing development of aquaculture to be as fast tracked as mining, ensuring all environmental impact statements have been considered, by not accepting that we should simply import more and more seafood/prawns, and by being able to get a fair price for goods produced and having consumers demand that more and more of their produce comes from Australia.

5.0 What are the most important benefits that Australian consumer’s get or should get from our food supply? Why?

Confidence in knowing where the food comes from – through mandatory Country of Origin labelling, in all Australian states, throughout the supply chain. In relation to farmed prawns this would ensure that menu’s at restaurants or take away venues state if the seafood is Australian or imported. This then allows the consumer to make a choice about which product they will purchase.

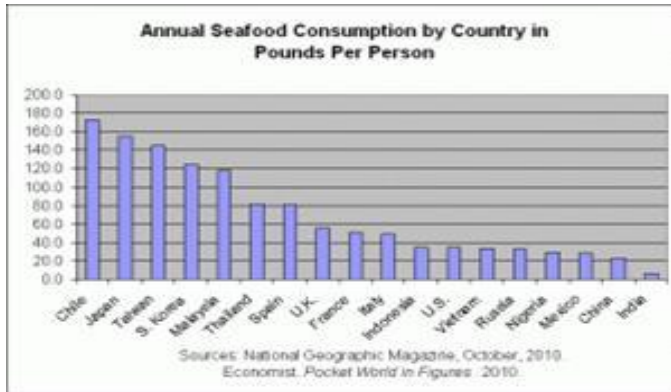
Nutrition and health benefits – having confidence and knowing that prawns purchased have been farmed to meet Australia’s strict environmental and harvesting techniques, free of chemical residues and diseases that are healthy and good for them to eat.

Providence – knowing in some instances where the prawns are produced and having good access to seasonal supply.

Another presentation at the Australian Prawn and Barramundi conference recently in Sydney shows that global trend for consuming seafood will continue to increase and it is estimated that by 2050 current needs will double. Aquaculture is not ready for that in Australia. Ten years for a farm development approval is too long. At this rate if any new investment wanted to get into this industry there could be 4 new farms by 2050, if they are able persist with the approval process!!!



WILL CONTINUE TO GROW



2 % pa = per capita consumption doubling by 2050

= per capita consumption in Spain and Thailand today

= 190% increase in total consumption by 2050

Queensland Fisheries Strategy 2009-2014 available at <http://www.fisheries.qld.gov.au>

6.0 What two or three actions:

- * By the government sector would most benefit food consumers?
- * By the non-government sector would most benefit consumers?

By the government sector would most benefit food consumers?

1. Review prawn farm approval processes, taking into account research already undertaken by industry and high profile research agencies – to expedite new developments.
2. Implement mandatory Country of Origin labelling extended to whole supply chain not just retailers.
3. Support the seafood/aquaculture industries in the sustainability issue, these industries are regulated to be sustainable and to end the duopoly of the retailers ensuring a fair price is paid for goods produced.



By the non-government sector would most benefit consumers?

1. For NGO groups to stop confusing consumers with their logos or misrepresentation on the sustainability of our industries.
2. For the retailers to stop calling for sustainability accreditation and to support Australian producers by purchasing and paying a fair price.
3. For aquaculture farmers to be supportive of National interests associations such as National Aquaculture Council, Agri food Skills Australia ect and to become an industry of choice for employment and that this industry in not forgotten about because it does not have financial backing of the likes of the mining sector.

7.0 What do you see as the major opportunities for Australia's food industry in the coming years and decades? How could they be realised?

A paper – Aquaculture for food security, economic development – Jayantah CHANDRASOMA estimated that in 2008 - 115 million tonnes of seafood from fisheries and aquaculture was consumed. This equated to 17kg per capita consumed. Aquaculture supplied 46% of this. Using 17kg/person it was estimated that by 205 - 138 million tonnes of seafood from fishery and aquaculture will be required. With fisheries globally being maintained as is or reducing this increase will have to come from aquaculture. <http://www.dailynews.lk/2011/07/28/fea03.asp>

Opportunities to develop aquaculture in Australia are vast – as the article below states that the environment and aquaculture is a good example of “how ecosystems can be protected and sustainably used by the people who live there.” <http://www.irishweatheronline.com/news/space/world-from-space/world-from-space-mangrove-forest-of-sw-bangladesh-and-se-india/32080.html>

WORLD FROM SPACE Mangrove Forest of SW Bangladesh and SE India

By MARK DUNPHY - Tue Aug 16, 4:54 am

Stretching across part of southwestern Bangladesh and southeastern India, the Sundarbans is the largest remaining tract of mangrove forest in the world.

The Sundarbans is a tapestry of waterways, mudflats, and forested islands at the edge of the Bay of Bengal. Home to the endangered Bengal tiger, sharks, crocodiles, and freshwater dolphins, as well as nearly two hundred bird species, this low-lying plain is part of the Mouths of the Ganges. The area has been protected for decades by the two countries as a National Park, despite the large human populations concentrated to the north.



The below satellite image shows the forest in the protected area. The Sundarbans appears deep green, surrounded to the north by a landscape of agricultural lands, which appear lighter green, towns, which appear tan, and streams, which are blue. Ponds for shrimp aquaculture, especially in Bangladesh, sit right at the edge of the protected area, a potential problem for the water quality and biodiversity of the area. The forest may also be under stress from environmental disturbance occurring thousands of kilometers away, such as deforestation in the Himalaya Mountains far to the north.



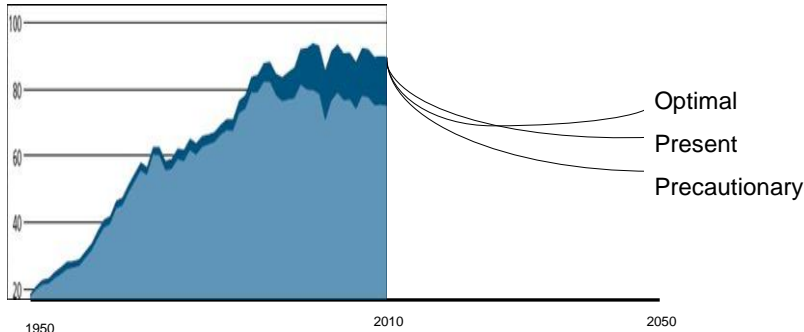
To date, the Sundarbans has been a good example of how ecosystems can be protected and sustainably used by the people who live there. For example, the region is home to a network of tiger preserves in which populations of the Bengal tiger appear to have grown in the past few decades (monitoring is difficult in the swampy, densely forested terrain). However, human population in India and Bangladesh is growing far more rapidly, and the growth will likely intensify the pressure on the area and increase the challenge of maintaining a biologically diverse and healthy ecosystem.

This image was created by merging Landsat 7 satellite observations.



DEPENDING ON MANAGEMENT

World capture fisheries production



- **Present = sustainability problems slowly addressed**
- **Precautionary = abuse of precautionary principle**
- **Optimal = rebuild stocks to maximise sustainable yield**

Queensland Fisheries Strategy 2009-2014 available at <http://www.fisheries.qld.gov.au>

Future predictions

'Modelling Australia's Fisheries to 2050'



- > **Domestic consumption of seafood will increase from 11.5kg per capita to 17kg by 2020 and then increase again to 25kg by 2050.**
- > **Aquaculture will double in physical terms (tonnage) by 2020 and double again by 2050.**
- > **Even assuming consumption stays at 11.5kg per annum to 2020 it will require an increase in aquaculture production of 100,000 tonnes even maintaining imports at around 300,000 tonnes**

APFA & ABFA Conference

www.frdc.com.au

Several slides have been extracted from presentations at the recent Australian Prawn and Barramundi conference that recognised Australia governments abuse the precautionary principle and there was a prediction that aquaculture will double in 2020, then double again in 2050 and this slide assumed consumption was only estimated at 11.5kg per person per annum.



8.0 What two or three actions:

- * By the government sector would most benefit businesses that make, distribute and sell food?
- * By the non-government sectors would most benefit that make, distribute and sell food?

By the government sector would most benefit businesses that make, distribute and sell food?

1. By reducing green / red tape that is currently prohibiting any new development here in Australia. The Productivity Commission undertook a review in 2004 titled “Assessing Environmental Regulatory Arrangements for Aquaculture” – from the many recommendations noted in this report none have changed or been implemented, if anything further regulation has been layered on the industry.

Some key findings:

“aquaculture production is subject to an unnecessarily complex array of legislation and agencies”

“environmental regulatory arrangements that are unwarranted, or poorly developed and implemented, can impose unnecessary costs on aquaculture producers, consumers and the community, and adversely affect competitiveness and the environment”

“At present, there appears to be limited reporting by, and auditing of, the main state agencies responsible for environmental regulatory arrangements for aquaculture.”

“innovative approaches – traditionally, governments in Australia have relied on prescriptive regulation to achieve environmental objectives.....it can at times be inflexible, expensive and provide limited incentive for innovation.” And suggested some examples of alternative regulatory instruments.

“recommended streamlining the industry’s operating environment, and the development of nationally consistent guidelines or policies”

“Slow progress with statutory marine aquaculture planning may constrain marine aquaculture development. It may also result in ad hoc approvals, and resource conflicts, as individual aquaculture developments area assessed in the absence of a resource planning framework.”



By the non-government sectors would most benefit that make, distribute and sell food?

When reviewing any review of regulations that affect the industry – ensure that key personnel can respond or have input to review panels.

9.0 What specific food policy and regulatory functions within or between government:

- * Overlap?
- * Are at cross-purpose?
- * Have gaps?

Perceptions of providing farmed prawns that are not sustainable and calls from the retailers for prawn farmers to be sustainably accredited. The APFA currently adheres to 36 different Acts and Regulations to ensure that what we do is sustainable and does not harm the environment.

10.0 Which regulation or regulatory regime poses the greatest burden on the food industry along the food supply chain (production, processing/manufacturing, transport and logistics,

From the Productivity Commission 2004 review “Assessing Environmental Regulatory Arrangements for Aquaculture” a total review of all regulations in relation to aquaculture should be called for.

The Guthalungra aquaculture conditional approval, signed in Feb 2010 by Minister Peter Garret, to a prawn farm in the Bowen region contains a condition of “nil net discharge” a condition which is currently not met or required of other agriculture or mining sectors in this region or other regions, adjacent to the Great Barrier Reef.

Green groups and green policy which seems to drive food agendas rather than the need for secure food future driving the green agenda.

Introducing a Carbon tax will have devastating impacts on Australia’s prawn farmers by being burdened with more unnecessary increased costs through the supply chain.

Perceptions of providing farmed prawns that are not sustainable and calls from the retailers for prawn farmers to be sustainably accredited. The APFA currently adheres to 36 different Acts and Regulations to ensure that what we do is sustainable and does not harm the environment.