

**Legislative Council**  
**HANSARD**  
**Tuesday, 12 September 2023**

**MOTION**

**Tasmanian Salmon Industry - Deloitte Access Economics Report 2020 - Noting**

That the Legislative Council -

- (1) Notes the economic analysis provided by the Deloitte Access Economics Report dated 2020 regarding the Tasmanian salmon industry; and
- (2) Acknowledges that the Tasmanian salmon industry is a vital social and economic contributor to the Tasmanian community.

*[excerpt...]*

[3.08 p.m.]

**Ms WEBB** (Nelson) - Mr President, I rise to speak on this motion brought for debate by the member for McIntyre. Thank you for doing that. As the member for Murchison pointed out and think you referenced yourself, member for McIntyre, we have had a short time to contemplate it over the weekend. I will do my best to reflect on it as fully as I can.

I will state from the outset, much as I recognise the positive intent the member for McIntyre had in bringing this motion, it is not one I am comfortable to support at this point because I do not believe it presents us with a balanced proposition reflective of the true impact of the salmon industry in this state.

I will speak to each of the two points of the motion and as part of that, along the way I am going to reflect on relevant aspects of the finfish inquiry, which we reported in this place in May 2022. In chairing that inquiry, I had the opportunity to consider matters relating to this industry in close detail, including industry claims, concerns raised in relation to the industry and, importantly, the regulatory role of government. Overall, my view remains this is an industry that will pursue its corporate interests vigorously, as we would expect, and it must be situated within a regulatory structure that clearly prioritises the Tasmanian community's best interests, including guaranteeing the best social, economic and environmental outcomes for our state.

I do not believe that is what we have in place, currently. We are still seeing clear evidence of policy and regulatory capture in relation to this industry, and that concerns me.

Let me begin with an extract from the Chair's Foreword of the finfish inquiry report, which I believe remains relevant to the overall view of the industry. Here, it relates and provides context for my reflections later on (2) of the motion. The foreword reads in part:

The finfish farming industry is unique in terms of farmed food production in Tasmania as its operations are conducted largely in and around our public waterways.

What started as a small boutique and low-tech industry has grown and developed into a substantial presence, with significant innovation and technological development.

Challenges have arisen alongside that growth and the state government has been an enthusiastic promoter and supporter of the industry. The efforts to effectively regulate industry and keep pace with the protection and stewardship of shared public waterways has been the challenge.

The experience in Macquarie Harbour has previously prompted regulatory reform of the industry. Representations to the inquiry indicated very different views were held by government, industry and community stakeholders on the impacts of the industry on our state.

Evidence received by the inquiry demonstrated a general community disquiet and discontent with the lack of opportunity for community input regarding the place of the industry in our state's shared environment, local communities and economic profile.

While government progresses plans for expansion of finfish farming, it is apparent that community confidence in the regulation of the industry is reducing. It is clear that if Tasmania is to embrace and benefit most from a thriving industry, all actions taken in regard to its regulation should aim to proactively improve public confidence and build the social licence of finfish farming.

Key to achieving this will be ensuring transparency and accountability are at the forefront of government efforts. Evidence indicates the community would appreciate knowing comprehensive consideration has been given to social, cultural, recreational and natural values and is at the heart of planning regulation, promotion and growth of the industry in this state.

A high level of concern was evident in many submissions in relation to environmental harm caused by the industry, the proposed expansion of the industry and the adequacy of the current regulatory framework.

As I said, I believe this remains an accurate comment on the industry and is reflective of the mixed regard in which the industry is held in the Tasmanian, and indeed, Australian and international communities.

I note recommendation 17 from the finfish inquiry, which was this:

To establish a framework with criteria for consideration and weighting of economic, social and environmental factors in the assessment and approval of marine farming development plans.

That is a recommendation I do not believe has been adequately progressed but remains quite relevant here.

That brings me to consider the motion in some more detail. Point (1) asks us to note the economic analysis provided by the Deloitte Access Economics report dated 2020, regarding the Tasmanian salmon industry.

There is a possibility for some confusion here over which report or reports we are noting. There is the Salmon Tasmania report, which is called 'The Tasmanian Salmon Industry: a vital social and economic contributor', published mid-2023, though perhaps it is more of a promotional brochure than a report.

This brochure was apparently based on the Deloitte Access Economics report, which I believe was titled 'Socio-Economic Contribution of the Tasmanian Salmon Industry'. It is my understanding that was produced in April 2023. The Deloitte report, as others have noted, is a private piece of work commissioned by Salmon Tasmania and is not a public document, nor are its terms of reference or data sources. However, I believe it is based on a survey of the three salmon producers in Tasmania and of their suppliers. The details of that survey design and the data collected under it are not public.

Given the Deloitte report has not been made public, I presume we are not being asked to note it as it is a private report. I imagine most members do not have access to it. I imagine what we are noting, and I think it has been clarified by the member for McIntyre, is in fact the Salmon Tasmania document that was produced.

It is worth clarifying here on the record that Salmon Tasmania is a public relations entity, created and funded by the three salmon farming operators in Tasmania - Tassal, Huon Aquaculture and Petuna. I looked to the Salmon Tasmania website to find further detail to be able to describe that entity. However, on the 'About Us' page of the website, what I found was a promotional description of the industry, broadly, but no information about the governance or the staffing or the set-up of Salmon Tasmania as an organisation, which is disappointing.

Another relevant report, while we are noting reports, that I wanted to point to because it also has come into play in producing the Salmon Tasmania document, is an IMAS report that was produced, I believe, in 2018-19 that was titled 'Salmonid Aquaculture Production', and it related to elements of the Tasmanian salmon farming industry. As has been noted and mentioned in question time today, work commissioned by the state Government, from IMAS again, is underway to look at the Tasmanian salmonid aquaculture socio-economic situation, to make an assessment of that in order to inform models for the reassessment of return to the Tasmanian community when it comes to that industry, and the revising and reconsideration of that area. As we have established earlier today in the Chamber, that work is underway, it is not public as yet. There is an expectation that there would be public consultation on that model being developed to ascertain an appropriate return to the Tasmanian community from this industry.

I will look forward to seeing that work come forward. Ideally, we will see that report that IMAS is undertaking for the state Government to inform that. It would be preferable - and in the interests of transparency and accountability - it would be excellent to have that released fully as part of a consultation process with the public. Having looked at the RTI disclosure that has already come into the public domain in relation to that email chain, it does put a request to IMAS to produce an additional, and I quote here from the RTI disclosure, 'public-friendly version of the econ note completed by April 2023'.

The reply to that said that a draft would be supplied. I presume that the public-friendly version is something that might be released as part of consultation.

So, there is one further report, as we note reports, that I wanted to mention here and it has already been mentioned by the member for Murchison, and that is the report produced by

the Tasmanian Independent Science Council, which is a fact check document essentially of the Salmon Tasmania brochure and the Deloitte report that sits behind it.

My understanding is that Dr Graeme Wells, who produced that fact check for the Independent Science Council, had access to the Deloitte report that sat behind the Salmon Tasmania brochure. The fact check document or report from the Independent Science Council assesses the brochure and draws on the underlying Deloitte report. I believe it also draws on the preceding background report - that Salmonid Aquaculture Production report from IMAS. It is looking at a suite of things that feed into the brochure document.

To put it on the record here, according to their website, the Tasmanian Independent Science Council is dedicated to science-based policy reform to ensure the long-term health of Tasmania's critical environments. This council is composed of scientists and relevant professionals who are a source of independent, non-government advice. Their stated goals on the website are to connect science to public policy, drive innovation in managing the use of Tasmania's terrestrial freshwater and marine ecosystems, and engage community, business and political leaders to find and implement solutions to the challenges of environmental stewardship in Tasmania.

That clarifies the various interrelated reports on this topic. In noting the Salmon Tasmania brochure, I will be making reference to the fact check document from the Independent Science Council throughout. Some of that will cover ground the member for Murchison has covered, but other areas will be brought into play as well.

As part of the summary in that Independent Science Council fact check document, I note that it says:

The Tasmanian Salmon Industry: a vital social and economic contributor (hereafter the Salmon Tasmania report) published by Salmon Tasmania, provides the first combined comprehensive and independent analysis of the industry's economic and social contribution to the Tasmanian community.

It goes on to say in the summary:

However, the Salmon Tasmania report makes a number of overestimations and misrepresentations of economic and social benefits provided by the Tasmanian salmon industry.

The key findings then are stated as:

1. Salmon Tasmania's claim that the salmon industry represents one fifth of the entire agriculture, forestry and fishing industry is grossly exaggerated. When measured on a like for like basis the figure is likely to be around 6 to 7 per cent; and
2. Output as measured by gross value added in the three salmon producers, TASSAL, Huon Aquaculture and Petuna, has increased significantly, reflecting the overall growth, automation and temporary buildup of biomass that was accelerated by the Covid pandemic.

I will talk a bit more about some more findings from that report later as we work through some other elements, but it is important to clarify. The member for McIntyre has carefully

clarified this in her contribution, too, and it was also referred to by the member for Murchison. I want to include it in my contribution, for the record. We need to understand the nature of the report that we are noting. Page 3 of that Salmon Tasmania brochure says:

Salmon Tasmania has partnered with Deloitte for the first combined, comprehensive and independent analysis of the industry's economic and social contribution to the Tasmanian community.

This cannot be taken with any seriousness. There is nothing independent about an industry-owned public relations body commissioning and selectively publishing data from a report designed and paid for by that body. Nor can we, in all seriousness, understand this to be a comprehensive analysis, especially in the absence of the public availability of that Deloitte report that sits behind it, including its terms of reference, its surveying instruments, its data sources or its raw analysis.

What we do know is that the Deloitte study that underpins the Salmon Tasmania report is an economic impact assessment, an EIA.

An EIA is conceptually different to a cost-benefit analysis. An EIA reports the effects of an industry on economic activity and employment. A cost-benefit analysis asks whether the activity under question is socially desirable. A cost-benefit analysis would take into account environmental costs, the opportunity costs of the resources used, and so on.

The Salmon Tasmania brochure, based on the Deloitte economic impact assessment, is somewhat misleading; and I am referring here to comments made in the Independent Science Council fact check report, which suggests it:

... dresses up an economic impact assessment with extraneous material to make it look a bit more like a cost-benefit analysis but it is in no way a cost-benefit analysis. It makes no mention of environmental costs, loss of amenity or subsidies paid by governments.

Another key finding from that Independent Science Council fact check report was No. 3 - that the Salmon Tasmania report is based on an economic impact assessment rather than cost-benefit analysis. It does not account therefore for all those other matters that would be taken into account if we were to be asking the question, is this industry a socially desirable one for our state? I do not presume to know the answer to that. If we were to ask it, I believe that an independent cost-benefit analysis of the salmon industry in Tasmania has not recently been produced, as far as I am aware; and if it has, it has not been publicly released. This is a gap in our understanding of the industry and it should be rectified. This was discussed and recommended in the finfish inquiry and should have been a job the Government undertook to inform the development of the Salmon Plan which was released this year. I will talk more about that at a later point in the motion; but it is disappointing that we have this gap in our understanding and assessment of this industry.

I would like to pick up on some aspects of the Salmon Tasmania brochure. I will not do it too exhaustively. I know the member for McIntyre has gone through and pointed out various elements of it, and the member for Murchison has made some analysis of elements of it. I will pick up on a couple of the points which the Independent Science Council's fact check made particular note of.

One is in relation to comparisons with other Tasmanian industries. The point is made that comparisons with other Tasmanian industries in the brochure are not particularly meaningful in the way they are presented. They do not compare like with like, in terms of stages of production. For example, it says the appropriate comparator for red meat processing is salmon processing, not the whole salmon industry; or if one wanted to include the whole salmon industry, one would compare it with the red meat production and processing industries. Even so, it is not clear why such a comparison tells us anything about the social value of the industry either. Not only are we not necessarily comparing like to like, we are not really drawing a meaningful conclusion from the comparisons that we make.

The Independent Science Council report notes that the claim that the salmon industry represents one-fifth of the entire agriculture, forestry and fishing industry is grossly exaggerated. When measured on a like-for-like basis, the Science Council asserts that the figure is more likely to be around 6 to 7 per cent. They lay out in detail, which I won't go into here, why that is the case. They look at classifications under the ABS industry classifications, and how that relates to these industries and this grouping of industries. It makes a distinction between the agriculture, forestry and fishing division under the ABS classification, and the manufacturing division under that same classification, and points to the fact that a direct comparison of the two figures is not appropriate. It points out the fact that according to ABS data for 2020-21, gross value added in the agriculture, forestry and fishery industry is \$4710 million but direct GVA in the salmon industry is \$426.9 million. A direct comparison of those two figures suggests the salmon industry share of the agriculture, forestry and fishing division is 9 per cent, not 20 per cent as claimed in the Salmon Tasmania brochure. It also notes that other inclusions, including processing, into the equations, has probably inflated it even more; so on a like-for-like basis, the salmon industry is probably only around that 6 to 7 per cent mark. I would be interested to hear a response to that from the industry, on the basis of the figures it used to arrive at the 20 per cent figure.

Mr President, exaggeration and inflation of the value of an industry using misleading comparisons certainly does not prompt us to have confidence in the integrity of this document, or of the intentions of the people who have produced it, and that is a shame. This is an industry that can stand on its own feet here, with accurate and transparent data presented to the community to form the basis of the conversations we have about its place in our state.

The next general area of the Salmon Tasmania brochure that I will make comment about relates to jobs in the industry. Looking back to the Legislative Council finfish inquiry, I note one of the findings - finding 150, that there are competing claims regarding the current and future employment numbers attributed to the Tasmanian finfish farming industry. Certainly, that appears to continue to be the case. Of particular note in the Salmon Tasmania document are the inflated claims it appears to be making about income in the salmon industry and salmon industry jobs in comparison to the Tasmanian average wage.

A key finding - No. 4 - from the fact check document:

Salmon Tasmania claims that the industry jobs pay 56 per cent more than the average Tasmanian job. Although it is difficult to directly compare wage data, it is likely that wages in the broader salmon industry are almost the same as the average Tasmanian wage, if both direct and indirect employment by the industry is considered. If the comparator is only the wage paid directly by the three salmon producers, then wages are higher than the average wage in Tasmania. However, on a like-for-like basis, the difference is likely to be significantly less than 56 per cent.

The Independent Science Council report notes that it is difficult to evaluate Salmon Tasmania's claims that jobs in the salmon industry pay up to 73.9 per cent more than the average job in regional Tasmania, with 56 per cent more than the average Tasmanian job. The Deloitte report apparently provides some context for that latter claim. The Science Council report does a breakdown of that in a table on page 7, presenting the data. The table shows that when measured in terms of full-time jobs for the salmon industry as a whole, the wages are roughly the same as the average Tasmanian job; and that if we were to compare like for like, even those direct jobs from the salmon producers are comparable to other like wages.

In a media release that accompanied the Independent Science Council fact check report, Dr Graeme Wells, who produced that report, said:

The salmon industry has previously made grossly exaggerated claims that it employed 12 000 Tasmanians at a time when it could readily be established that the producers themselves employed around 2000 Tasmanians. It is a pity that the latest report from Salmon Tasmania has not been more careful in the claims it makes. Now that all three salmon producers are under foreign ownership, industry finances and economic contributions have become even more opaque. Salmon Tasmania has missed an opportunity to provide the Tasmanian public with a transparent, holistic analysis that accounts for all social, economic and environmental costs and benefits of the industry. We can all agree that the industry is an important employer, especially in regional areas. But trust in industry reporting requires accuracy, not exaggeration.

So said Dr Wells. I agree with Dr Wells's further comments in that media release, that while the industry is an important employer in regional areas, inaccuracy and exaggeration are not necessary, nor reputable, when it comes to assessing its value for the state.

There have always been questions over the impact of increased automation in this industry on the number of jobs provided, especially in the regions. While the Salmon Tasmania brochure on page 4 says that one in every four jobs are related to the salmon industry in regional areas, I will just clarify which regional areas they were. Sorry, that was in relation to the Huon Valley. They have not provided the source for that figure, nor what is captured by the term 'related to the salmon industry'. It has also been pointed out to me the Huon Valley Council website appears to indicate Huon Valley jobs in the salmon industry have decreased by 30 per cent over the past five years. I am not sure what has driven that decrease, if in fact that is reflective of a decrease. Perhaps the jobs have been centralised to Hobart, perhaps the jobs are being done by drive-in, drive-out workers rather than Huon Valley workers. When we are presented with figures like one in four, but without any understanding of exactly what is captured by that or what that data source is, it is difficult for us to assess. I also note on page 4 a similar claim, that in Latrobe, Tasman and West Coast, 17 per cent of all jobs are related to the salmon industry. However, on Tasmania's west coast, I know if we look at the areas of Strahan, Zeehan, Rosebery, Tullah and Trial Harbour and use Census data, which is the most independent and accurate data available, agriculture accounts for 4.2 per cent of total employment. Again, the source of the figure of 17 per cent for Latrobe, Tasman and West Coast is not clear where that is derived from, nor what is captured by that term 'related to the salmon industry'. I am not clear on why we would be grouping Latrobe, Tasman and the west coast, rather than looking at each as a distinct area for which an accurate figure could be provided. There would be other regional areas we could look to also, to have a distinct figure to understand best the unique situation.

We can understand why the salmon industry would wish to inflate the impression of its significance, especially in our regional areas, to try to lock in community and political support. But using data in misleading ways and cherry-picking data, while it is to be expected in industry propaganda, is not an appropriate basis for government policies. What we do with this sort of document is important and how we regard it when it comes to government policy and decision-making is important. It is important to have transparent, accurate analysis of this kind of data so we can effectively understand and plan for the presence and the regulation of this industry in Tasmania. The Government must take responsibility for seeking or producing data and analysis of data that is independent of vested interests and transparently available for public scrutiny. I also note when it comes to the issue of jobs in this industry, Salmon Tasmania has itself complained in the media. In a news.com article on 12 April 2023, the costs of production in Tasmania are 30 per cent higher than global costs, and they declared that jobs are a key contributor to that. The quote there in that article, from Salmon Tasmania is this:

Costs of production in Australia are higher than our international competitors by around 30 per cent.

Labour costs are higher and add to this the cost of freight and fuel from Tasmania.

That was JBS CEO Henry Batista who was calling for less regulation and production costs and, apparently, making or referring to plans to potentially import labour, which is something we would feel concerned about in this state. Potentially, this industry would prefer to have it support local jobs and employment. Having commented on these concerns with regard to jobs, particularly the inflated claims by the industry in the document, I also wish to clearly acknowledge there are many Tasmanians that work in this industry and its associated industries, who love their job and are happy to have the opportunities these jobs provide, particularly in regional areas.

We can have this industry and the jobs it provides as part of our state picture, and we can optimise the social, economic and environmental outcomes from it. But that will not occur until the Government stops what, too often, looks like obsequious capitulation to this industry and starts standing up for the best interests of the Tasmanian community.

Point 2 of the motion asks us to acknowledge the Tasmanian salmon industry is a vital social and economic contributor to the Tasmanian community. In a simple response to that, I would say that is overstated and it is difficult for us to assess, based on what we are presented with, to contemplate under this motion.

A social licence certainly cannot be claimed on the basis of misleading or overstated assertions or assertions that do not have transparency and accountability, or the ability to scrutinise associated with them.

I do not believe that what point 2 asks us to acknowledge is a balanced picture of the industry and its place in this state.

One thing is for sure, the Tasmanian salmon industry is now a vital contributor to three multinational companies whose interests lie far away from our shores. In times past, there was a local affection for this industry, based on it being seen as a locally owned success story. There was a perception of a direct and positive connection between those who owned and were running the companies, and those who worked for them and the communities in which they operated.

We have moved well away from that now, although the industry is no doubt trying as hard as it can to hold on to any residual habitual local affection.

The situation now, however, is that the salmon industry is foreign-controlled and owned by multinational companies which have far from impeccable reputations. The member for Murchison referred to this in her contribution. I point out that one of these companies is an ex-Japanese whaling company, now half owner of Petuna. One of these companies was found guilty of the biggest corruption scandal in world history in Brazil, JBS, now owner of Huon Aquaculture. Tassal owner Cooke Aquaculture's behaviour in Washington State in the USA led to open-net salmon farming being banned there after their operations, in the words of Hillary France, the State Commissioner of Public Lands, 'put our state's aquatic ecosystem at risk'.

In addition to issues with the international reputation of these companies, a further concern is now that all three salmon farming companies are foreign owned, they have even less transparency around their financial situation. In the media release that accompanied the Independent Science Council fact check report, Dr Graham Wells pointed to this:

Now that all three salmon producers are under foreign ownership, industry finances and economic contributions have become even more opaque. Salmon Tasmania has missed an opportunity to provide the Tasmanian public with a transparent, holistic analysis that accounts for all social, economic and environmental costs and benefits of the industry.

I move on to speak about the aspect of economic contribution point 2 asks us to be acknowledging. The Legislative Council finfish inquiry report finding 149 was that there are questions raised regarding the direct economic returns generated by the finfish farming industry to both local communities and to the Tasmanian economy.

There was recommendation No. 54, which was this:

Undertake and publicly release an assessment of the economic benefit provided by the finfish farmer industry to local communities in which the industry operations are based and to the state overall.

These are thoughtful findings and recommendations we brought forth from this inquiry. The reason to follow that recommendation is to provide and add into discussion about a social licence for this industry in this state. Without that independent verifiable assessment of economic benefit, it is very difficult for us to understand the place of the industry in this state.

Economic contribution, of course, can be contested. Certainly, when we see overstatements by industry of figures and when we see nothing provided necessarily to fill the void in terms of an independent assessment either from government or commissioned by government, from a totally separate non-industry entity, then we are left slightly at odds. Even if we do not contest the industry figures that are put forward, by international standards the economic benefit of this industry to this state is woefully in favour of the multinational owners and not the local Tasmanian community. It simply does not look like the Government is interested or willing to get the most benefit for our state and its people from the presence of this industry in our waterways. That is what I say when I look backwards.

I hope that looking forwards, and given what we have heard about the work being undertaken by government about returns to the Tasmanian community, and consulting on that and models for it, hopefully when we look forward that might be a different scenario. At the moment, unlike many other jurisdictions globally, we are not seeing the returns to the Tasmanian people that we should achieve from this industry if we were following their example.

There are other options. We do not have to be pleading supplicants to this multinational-owned industry. The new Tasmanian Salmon Industry Plan was a wonderful opportunity to turn over a new leaf on this and stringently pursue the social, environmental and economic interests of our state in formulating this new plan. Unfortunately, on my assessment, this is not what has happened. I note that the Tasmanian Independent Science Council made several submissions throughout the consultation process on the Salmon Industry Plan and after the Tasmanian Government failed to incorporate any recommendations from that body into the salmon plan, the council did something that I think was a positive and constructive thing. It put forward its own plan B, an alternative vision for aquaculture in Tasmania. Rather than just gripe, it said, what could this look like if we were to follow some of the suggestions being made by the Independent Science Council?

The key points of that plan put forward by the Independent Science Council included: the rapid expansion and increased automation of the industry has not resulted in a proportional increase in employment. Regional communities will benefit greatly if substantial taxes and fees are levied and funds are distributed between the state and the regions.

Additional lease and/or production-based charges could be introduced to support a wide variety of social, economic and environmental initiatives in regional areas. That is a positive way to see an opportunity to better promote the economic interests of our regions and our state.

Another key point was clear policy, strong regulations and transparent reporting being needed to prevent environmental harm and maximise social and economic benefits. Again, a fairly straightforward statement but it is a recognition that it is not what is regarded as happening at the moment.

They also suggested the publication of annual reports on salmon production and impacts at state, regional and lease-specific levels being critical for transparency, particularly with foreign ownership being the context in which this industry is operating.

This was a positive contribution from the Independent Science Council. It provided for a presence in this state of the salmon industry while actively putting forward ideas for protecting the social, environmental and economic interests of our state. It demonstrates that there is not just one way we can deal with this industry in our state, and we can be thoughtful and creative and put our state's and our people's best interests at the forefront when we think about the way forward.

I note that arrangements for leases and fee structures and levies and fee structures and that sort of return from the industry is much talked about. Point (2) of this motion is quite relevant when we talk about the economic contribution to the Tasmanian community. I have referred to some of that already. Certainly, the Legislative Council finfish inquiry looked at this in detail. It had recommendation 40 to ensure appropriate returns to the Tasmanian community. That recommendation said it should commission an independent review of fee and levy structures for finfish farming, including a number of items.

It also put forward recommendation 41, which was to ensure that any review of fee and levy structures for finfish farming includes public consultation and an examination of other jurisdictions. I believe, from the way the minister has described it, that is the work that is being undertaken currently by the Government, and I look forward to seeing that play out in a positive way in times to come.

As I said earlier in my contribution, if the Government has commissioned from IMAS, as it would appear it has, work done on the socio-economic assessment of the salmon industry in the state to underpin this work, it would be reasonable and appropriate for the Government to release that publicly as part of taking this forward. We do not want yet another example where we have an apparent piece of work done about this industry which stays behind the veil of secrecy. This industry and the analysis we do of it should be robust and transparent. It should be able to see the light of day and stand up to plenty of independent scrutiny and community and government discussion. Many of these reports stay hidden away and nothing about that builds confidence in this industry. Nothing about that delivers a social licence to this industry.

The other aspect of part (2) of this motion is acknowledging the social contribution of the industry. This is a difficult one, it is a mixed bag. It was interesting for me to look back in the context of the Legislative Council finfish inquiry, what we heard about there and the sorts of the things that were brought to our attention. I note two findings from that report that are relevant in terms of social impact. Finding 146 from that report said:

There is an appreciation for the finfish farming industry and associated benefits it provides to local communities, including employment, economic activity and support to local clubs, associations and schools.

It was very positive that we heard that clearly through that inquiry. Then, we also had finding 147, which said this:

There is a perception and concern from some community members that the finfish farming industry purchases social licence through contributions to local clubs, associations and schools.

It is an interesting flipside of similar observations. I note we also had finding 148, which said:

Individual community members reported experiencing social exclusion as a result of their non-affiliation with the finfish farming industry.

I imagine that had we heard more from people involved in the finfish farming industry, we might have heard them report instances of social exclusion because of their employment or association with the industry. That cut both ways, in that sense, to be very fair.

That is reflective of the fact that communities do see social benefit flowing from this industry, but at other times they feel concerned about potential greenwashing, or social washing, community washing, of this industry through that support or largesse that is shown.

I note that the minister responsible, Ms Palmer, earlier this year publicly admitted that the industry had lost the confidence of the Tasmanian people. That was a direct statement made. I thought that was refreshing because it is important to note that is the case for some in the Tasmanian community and that we need to go forward in recognition of it. It is also a

telling admission, to some extent. It prompts us to ask, what is government doing to effectively restore that confidence if it has been lost? Also, what is industry doing to effectively restore that confidence if it has been lost?

We can assume that industry will behave as a corporate entity typically does, quite normally and predictably. It will supercharge its promotional activities. It will supercharge its appeals to the community for support and appeals to the political sphere for support. It will do things like produce glossy brochures, with really nice pictures in them, and favourable figures presented about its presence and impact. That is what a corporate entity or industry does.

It is even more important for us, here in this place, to think about what the Government is doing to effectively restore confidence for this industry. It is essential, having noted a loss of confidence from the community in relation to the industry, that this Government does not just go forward with business as usual, that there is a plan, not to fluff our way through it, obscure our way through, or even force our way through it. I am not suggesting that is happening, but we cannot do anything other than honestly and transparently discuss our way through it and make plans together that everybody can have confidence in.

When I think about the social, economic and environmental impact of the salmon industry in the state, something that I feel is relevant and which is not discussed enough, is the bearing it has on our tourism industry. I note that in the Legislative Council inquiry, we had a finding and a recommendation that related to this side of things that I think is under-discussed. Finding 181 was:

Concern was expressed that the fin fish farming industry impacts negatively on Tasmania's clean green image, tourism and brand.

Recommendation 66 from that inquiry was:

Conduct a review of the fin fish farming industry impact on and relationship with the Tasmanian tourism industry to inform the revised Salmon Industry Growth Plan.

We know that the tourism industry is, without a doubt, a vital social and economic contributor to our state. According to Tourism Tasmania, there are 19 400 people employed in tourism, which is about 10 times as many as in the salmon industry.

**Ms Rattray** - Ten times?

**Ms WEBB** - Well, if we only count the direct, yes, just short of 2000 -

**Ms Rattray** - My maths was not that good, Mr President, I could not work that out - 5000 and then 19 000.

**Ms WEBB** - It is not 5000 directly employed in the salmon industry. I do not believe that is the direct employment figure. Concerns are regularly raised that the environmental damage that the salmon industry is causing is threatening the tourism industry in our state. When we look to the west coast, in Strahan and its surrounds, the many tourism jobs there relying on the health of Macquarie Harbour far outnumber the jobs that are there in aquaculture. Now, it is not a competition between those two industries, but we do have to think about how industries interact and interplay in the state. The two industries are not mutually exclusive, but at this time, from my perspective, we have not sought to properly assess their impact on each

other or the relative protections and supports that are provided to them. I still look to that recommendation that came from the finfish inquiry and would hope to see it progressed, so we can better understand that.

Mr President, of crucial importance here, in our discussion and in the motion as it is stated, is the omission. It is an omission that is in the Deloitte report, I believe; it is an omission in the Salmon Tasmania brochure. It is an omission in the motion. That is, any acknowledgement of the environmental impact of this industry. We are talking about social, we are talking about economic, but we are not talking about environmental.

That, for me, is problematic when we know that this industry does have an environmental impact and the cost of that is borne by the state and by the people of Tasmania. I believe it is not possible to talk about social and economic without talking about environmental in respect to this industry. It is only through a genuine and comprehensive consideration of social, economic and environmental impacts that we can make an assessment of the value and the contribution that the salmon industry makes to this state. A great deal of evidence was certainly presented to the Legislative Council finfish inquiry on the matter of environmental impact - from the industry itself, from the scientific community and from the general public. There were some interesting thoughts on some possible ways forward to help think about an offset of environmental impact on this industry. I note recommendation 42 from the inquiry report states:

Apply environmental bonds to the fin fish farming industry to ensure sufficient funds for any remedial work required due to the operations of the industry.

That was a suggestion that had come through and that the inquiry had considered valuable. Recommendation 48 also talked about this:

Review the penalties and scope of liability in regulation of fin fish farming to reflect the serious environmental consequences that can arise from breaching regulations and to strengthen their deterrent effect.

This recognised that considerable concerns were raised in relation to what was regarded as the inadequacy of environmental protections - the lack of teeth that we had in our regulatory regime to deter the industry from breaching the protections that were there under regulation.

I believe those two recommendations reflected that people would appreciate seeing some strengthening put into the consequences for the industry, in terms of the environment. Neither of those have been substantially picked up or progressed by the Government, to my knowledge, at this time, but I note concerns remain high.

In the Legislative Council finfish inquiry, we spent a lot of time considering the precautionary approach versus adaptive management, and I know that the member for Murchison referenced this in her contribution. Finding 136 notes:

Concerns were raised that the current monitoring and reporting framework is not sufficient to support an effective adaptive management approach in regulation of fin fish farming.

Finding 140 states:

Concerns were raised that the application of an adaptive management approach may be compromised in situations where measures required to address environmental harm are in conflict with the fin fish farming industry's financial investment.

That is where we run up against protecting the environment versus the financial outcomes of the industry. That is a key concern.

I am not aware of the recommendations that related to a precautionary approach and adaptive management that were made in the inquiry's report. I am not aware that they have been meaningfully progressed, but I firmly believe that adaptive management is failing us. It has not been used appropriately or effectively in all instances in all farming operations around the state. The two situations to mention here in relation to that are the devastation of Long Bay on the Tasman Peninsula and the Maugean skate, which has been driven to near-extinction in Macquarie Harbour. I note as context for any discussion about Long Bay, that recommendation 3 from the Legislative Council inquiry said:

Develop a plan, in consultation with industry, scientific and community stakeholders, to reduce inshore fin fish farming sites with priority given to ceasing operations in sensitive, sheltered and biodiverse areas.

This is an area that is so well understood by the Tasmanian community. There is broad agreement that finfish farming does not belong in shallow, inshore areas that are sensitive and where the biodiversity is being impacted. Long Bay is a prime example of that recommendation 3. It is shallow. It is sheltered. It is not suitable for open pen salmon farming. It is currently being decimated by water pollution, by persistent nuisance algal blooms, by damage to reef and seagrass habitats.

Long Bay would never be approved for open pen salmon farming if it was put through the approval process today. It was approved a long time ago, for what was then a very different industry in terms of scale and intensity. From memory, I believe it lay fallow for many years and was then brought back into operation in 2017-18, without having to undergo any updated approval process because it was within a 10-year window of having been let fallow. Now, we seek it intensively stocked and with terrible impact on the marine environment and the public amenity of Long Bay.

It does not surprise me when we see reporting about polling being done. I believe there is Australia Institute polling on support for this recommendation 3 - to be making a plan to reduce inshore finfish farming sites - that shows nearly three in four Tasmanians supporting that proposition.

The Tasmanian Independent Science Council has authored a report on impacts of salmon farming in Long Bay, and it is very instructive. That report points to salmon waste being responsible for over 90 per cent of the excess nutrients discharged into Long Bay, which is leading to those nuisance algal blooms and reduced water quality. It shows that monitoring done by the EPA and IMAS and independent consultants shows that the environmental impacts of the Long Bay lease extend well beyond the 35-metre zone that is permitted under its environmental licence; so, it is breaking the licence conditions. The Independent Science Council urges the environmental licence for the Long Bay lease not to be renewed when it expires in November 2023.

The situation in Long Bay is just one example of the need to fully assess, analyse, document and weigh up the environmental impact of this industry. And, if we are to acknowledge its social and economic impact, environmental concerns are inextricably woven through that.

The other example I pointed to was that of the Maugean skate in Macquarie Harbour. It is another clear failure when it comes to adaptive management of salmon farming. The imminent extinction of that animal -

**Sitting suspended from 4.00 p.m. to 4.30 p.m.**

**Resumed from above.**

**Ms WEBB** (Nelson) - I was speaking about the Maugean skate before the break. I was about to note the Australian Government conservation advice released last week on 6 September, and on page 2 in its summary it said this:

The primary threat to the species is degraded water quality, in particular substantially reduced levels of dissolved oxygen throughout Macquarie Harbour. There is a significant correlation between the reduction in dissolved oxygen levels and increases in salmonid aquaculture, due to the bacterial degradation of organic material introduced into the water column from fish feed and fish waste.

In the Australian Government conservation advice, the key urgent action identified is this:

Increasing the levels of dissolved oxygen in Macquarie Harbour via a reduction in salmonid aquaculture organic loads, and/or utilisation of mechanical/engineering environmental remediation technologies.

It is very clear the federal intervention comes at a critical moment when marine farming and environmental licences for finfish farming in Macquarie Harbour expire on 30 November 2023. Time is critical for this species. Early intervention is almost behind us. We need science-based management strategies implemented immediately with urgency.

Reductions in biomass made a number of years ago, after what had been a massive ramp-up, I might say, had caused the previous crisis in the harbour that the member for Murchison referred to. The reductions made since then have not done enough to improve the situation. Clearly, they need to go much further and not renew these licences to operate until the harbour has had a chance to recover, and the Maugean skate has had an opportunity to be saved from extinction. Urgent decisive action is needed, or this Government, and the salmon industry, will go down in history for having caused the extinction of a Tasmanian species.

If the Maugean skate is driven to extinction in Macquarie Harbour with salmon farming operations clearly identified as the key driver of that extinction, this industry will never again be able to lay claim to being sustainable, in my view. 'Sustainable' means that you can remediate the impact that has been caused. You cannot remediate extinction.

In the area of environmental impact, another aspect I want to touch on is the impact on our freshwater systems in this state. Again, in our Legislative Council finfish inquiry, this area was considered and I am going to note here recommendation 44 from that inquiry, which was:

Conduct an independent review of the impacts of current fin fish operations on inland waters, including drinking water supplies and remediation costs borne by TasWater and the state government.

Recommendation 45, which was:

Require all new freshwater fin fish hatcheries/smolt production facilities to utilise recirculating aquaculture systems.

Recommendation 46:

Publicly release monitoring data relating to the operation of freshwater fin fish operations.

Mr President, to my knowledge, some of these have been partially progressed in some sense, but others not.

Concerns continue to be raised about the impact of the salmon industry on our freshwater systems throughout the state. While we are introducing more recirculating aquaculture systems - RAS, which is very positive, we still have existing flow-through hatcheries continuing to be a problem in the state and no expressed intention to remove them all or change them over to RAS.

In recent times, to my knowledge, we have not had a comprehensive statewide assessment of the state of our rivers in Tasmania. Similarly, we know we have now gone 14 years without a State of the Environment report. This Government has ignored the statutory requirement to produce a State of the Environment Report twice - in 2014 and again in 2019. Now, we apparently have one finally being progressed to be delivered next year.

The gap that is caused by this kind of failure by government to meet statutory responsibilities, to produce important scientific data and monitoring, contributes to the likelihood that environmental impacts and concerns relating to industries such as the salmon industry will not be appropriately understood, documented and acted on.

We currently have fresh public concerns being raised about potential public health disasters in our drinking water catchment areas, with possible links being identified with rising rates of motor neurone disease. The link between algal blooms and MND is becoming more discussed and examined, and we will be watching that keenly given our situation here, where Hobart's drinking water supply is affected by pollution from salmon hatcheries in the catchment areas, and by the now notorious Jenkins composting facility. That facility is a dumping ground located on a Derwent River tributary, where, among other waste, hundreds of thousands of salmon corpses that routinely die in the salmon cages are left to rot in that facility, further polluting Hobart's drinking water. I also note, this summer there is a predicted super marine heatwave, which will almost certainly see potentially millions of caged salmon slowly suffocating to death. Their bodies will presumably need to be disposed of and perhaps dumped at this same site, by the side of our drinking water catchment, polluting it further. Not enough is being done to monitor, document and respond to the impact of the salmon industry on our freshwater systems in this state.

On the matter of environmental protection, we know that the Government is progressing a new set of environmental standards relating to this industry. However, I do note the Tasmanian Independent Science Council made a submission to the draft environmental

standards when they were put out for comment, which expressed serious concerns that those drafts standards appear to provide less environmental protection and less clarity than the existing environmental licence conditions.

The Independent Science Council has also published a one-page summary outlining key issues related to this. The issues include significant extensions of allowable impact, extending from the 35-metre boundary at this present time to possibly 135 metres; key omissions, such as stocking densities, fallowing and dissolved nitrogen outputs; different standards for current and future operations. Multiple associated standards and guidelines that are being developed in similar time frames and the interplay together make it unclear how those various standards would now be applied by the EPA and other regulatory bodies. There is a lack of transparency, the Independent Science Council says, regarding the development of this standard, no regular public reporting period, and no opportunity for third-party appeals.

There is much more that could be said on matters relating to the environmental impact of the salmon industry, which is one reason I believe any balanced discussion of this industry cannot exclude consideration of environmental impact. Any credible and comprehensive cost-benefit analysis would include this as an essential element.

To conclude, we know the best interests of our state are not, and will not be in the future, served by sycophantic pandering by government and regulators to huge corporate interests. Those corporate interests will always have the upper hand over community interests when it comes to trying to influence government policy and the regulatory environment. Regular community members, for example, cannot afford \$4000 tickets to attend dinners with ministers and premiers. Nor can the community match the availability to the salmon industry, for example, of a cashed-up, slick public relations body to promote and lobby on behalf of that industry and produce documents such as this lovely brochure.

There should be no corporate industry in this state that receives government support at any costs. We are a state that should have the confidence, creativity and entrepreneurship matched with our outstanding natural assets to put us on the front foot when negotiating and setting the parameters for corporate investment in Tasmania. Too often it appears we counter our corporate interests and much too readily trade off protection of our environment and social values in the belief we will otherwise miss out on investments being made here and the opportunity for jobs and economic growth. However, we also know the powerhouse industries of our state such as tourism are based squarely on those self-same natural assets we are too readily trading away.

Any industry will want to promote its own interests and will seek to influence government policy and regulation. and shape community perceptions. Such is the nature of those industries. However, they at least should have the integrity to do so on the basis of factual, accurate, transparent information and data. That is not what I believe has been produced by the salmon industry in Tasmania in this brochure we have before us and as we are noting in the motion. This is not transparent. It cannot be verified as accurate and that is a shame.

I am not able to support the motion before us. I can note the economic analysis provided by Deloitte Access Economics' report dated 2020 regarding the Tasmanian salmon industry and the Salmon Tasmania brochure derived from it, but only with the clarification that the Deloitte document is not in the public domain and its full details are not able to be tested; that neither of those, the Deloitte background paper or the brochure produced by Salmon Tasmania,

is a comprehensive cost-benefit analysis of the industry's impact on the state, and both contain contested data and claims.

I can acknowledge the Tasmanian salmon industry is a social and economic contributor to Tasmania, as are many other key industries. However, the Tasmanian salmon industry is also a contentious industry in this state, especially in relation to the environmental damage it causes in public waterways and on coastlines. Given that, with the specific wording of this motion, I am not able to support it. I do appreciate the opportunity the member has provided for us to discuss this industry. Having more open and transparent discussion based on verifiable, accountable, open and transparent data is important and does help us potentially track a way forward, where we can reduce the level of contention that surrounds the industry in this state and deliver best outcomes, not just social or economic, but also environmental, all three, for our Tasmanian community.

*[ends]*