

# PUBLIC

LEGISLATIVE COUNCIL SESSIONAL COMMITTEE GOVERNMENT  
ADMINISTRATION A MET IN COMMITTEE ROOM 2, PARLIAMENT HOUSE,  
HOBART ON MONDAY, 30 NOVEMBER 2020

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## INQUIRY INTO FIN FISH FARMING IN TASMANIA

Mr MARK ANDREW RYAN, MANAGING DIRECTOR, Mr MARK PATRICK ASMAN, HEAD OF AQUACULTURE, Ms KAYLENE LITTLE, HEAD OF PEOPLE AND COMMUNITIES, Ms ANGELA THERESA WILLIAMSON, SENIOR MANAGER, RESPONSIBLE BUSINESS, AND Mr SEAN PATRICK RILEY, HEAD OF ENVIRONMENT, TASSAL GROUP LIMITED WERE CALLED, MADE THE STATUTORY DECLARATION AND WERE EXAMINED.

**CHAIR** (Ms Webb) - Welcome to you all. I'm Meg Webb, the independent member for Nelson and I'm chairing this committee. I'm joined here in person by Rob Valentine, member for Hobart. We have Ruth Forrest, member for Murchison and Mike Gaffney, member for Mersey, coming to us through video.

Welcome to the public hearing of the Legislative Council Government Administration Committee A Inquiry into Fin Fish Farming in Tasmania. All evidence taken in this hearing is protected by parliamentary privilege, but I remind you that any comments you make outside the hearing may not be afforded such privilege. You have a copy of the information for witnesses available. If you have not read it already, we can provide one to you.

The evidence you are presenting today will be recorded and a *Hansard* version will be published on the committee website when it becomes available. By way of introduction to the procedure we generally follow, first what generally happens is that you are provided with an opportunity to make some opening remarks and comments, and speak or add to your submission, then we will follow that up with questions the committee members will address to you.

It's a public hearing; we can talk about things in camera if that's something you believe is necessary in terms of answering any of the questions or providing information. The way we do that is if we get to a point in our conversation that you feel would be best dealt with in camera, you can make the request at that time. The committee will consider that request and we will take it from there. If that's clear to you, that's how we will proceed with that.

If that's all clear and good to go, we might make a start. I will invite you to begin with an opening statement if you would like to make one.

**Mr RYAN** - Thanks, Meg, and thanks everyone. My name is Mark Ryan and I'm the Managing Director, Tassal. Joining me today, we have Mark Asman, who heads our salmon farming; Mark can answer any technical questions around salmon farming. We have Sean Riley who heads our environmental side, so Sean can answer any technical questions around the environment. We have Kaylene Little who heads up our people and culture and also engagements - in terms of community engagement- and also Angela Williamson who works

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with Kaylene around the community engagement, because I understand there have been various questions around community and levels of engagement and that sort of thing.

Anything technical, I might pass to our staff to deal with, and anything around the business and strategy and the overall, I'm more than happy to answer and, hopefully, we can get to a point where we answer all your questions today. Again, we're happy to take any further questions in writing or however you want to do that so we answer all those questions.

Thank you, Chair, for affording us the ability to do an opening statement. I would like to make a short statement, but it's just for a couple of minutes so that we can cover things from our side. We welcome the opportunity to answer any outstanding questions you may have at this stage of the Legislative Council inquiry into the planning, assessment, operation and regulation of finfish farming in Tasmania.

I want to thank the members who took up our invitation to visit our hatchery and one of our processing plants down the Huon, and those that also joined the team on the water for a marine tour through the upper Channel, including a visit to one of our suppliers. We trust these tours were informative. Our participation is aimed at providing insight into our workplace, listening to the stories of our people who work on the front line, and help you better understand what operating in this global, national and state policy and regulatory setting looks like.

Because for us it's about, first, being accountable to our regulators, our shareholders, our workforce, and the communities we operate within; second, being transparent in our ESG metrics; third, being backed by third party science; fourth, having third party-accredited operations; fifth, global best practice; and, finally, being supported by innovation and continuous improvement. As an ASX 200 listed company, we value transparency and are committed to our reporting obligations. We pride ourselves on owning all aspects of this, including our shareholder expectation of financial prosperity.

The ongoing sustainability of our operating model is intrinsically linked to healthy regulatory frameworks, environmental conditions and informed communities. We truly do believe that a healthy environment equals healthy fish equals a healthy company. We acknowledge that strong and stable Tasmanian communities rely on responsible industries with sustainability at their core. Tasmanians enjoy living in a clean and unique part of the world, that the stability in jobs in regional communities is important, and we want to be a part of that now and for future generations to come. This is who we are.

We want younger Tasmanians to have the opportunity to aspire to having life-choice opportunities moulded across professional career pathways and the unique Tasmanian lifestyle, just as we see in our workforce every day, in our factories, and on our farms.

Globally, with increasing pressures on the planet, access to arable land is restricted and wild fisheries plateauing from protecting vulnerable stocks, a key aspect to the future of the world's food supply is aquaculture.

Later this week we will hear from the Australian prime minister and 13 other serving world leaders at the High Level Panel for Sustainable Ocean Economy, which will put aquaculture at the forefront of the world's sustainable food systems.

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We feel the Tasmanian salmon farming industry is part of the solution to addressing an increasing demand for a more sustainable, nutritious and efficient source of protein. That is why we remain dedicated to a responsible industry, a path that will continue to evolve as the sector further evolves to meet the growing need for healthy and sustainable protein sources and, should opportunities arise, to grow fish responsibility in new offshore areas.

Tassal is committed to bringing long-term economic and social benefits to regional areas. We have a proven track record of doing this, including our navigation through COVID-19 restrictions and challenges in recent times. We kept jobs, we paid our suppliers and we kept food on the tables. We kept our people and their families safe.

We work within a highly regulated environment by global and comparative standards, with 38 pieces of legislation, countless audits as part of our third party accreditations and investment in innovation, while always maintaining a focus on how we can enhance our farming and processing practices to further reduce any impacts and meet community expectations.

Through our commitment to minimising impacts on the environment - an environment on which our company relies so heavily - we are ensuring it remains sustainable for Tasmanians of today and the future generations to come.

We have shown time and time again that we take on these challenges with positivity, determination, respect and transparency. We always aim for safe, sustainable outcomes. We own our mistakes and we do our best to fix and learn from them.

My team and I are here to answer your questions. We feel our purpose today is really to inform you about us - Tassal - and our strategies and our practices, and how we will continue to provide our wonderful products to the world.

We truly believe we are operating in a sustainable way and note that we will continue to learn and grow in an authentic way. Thank you.

**CHAIR** - Thank you very much for that opening statement. I appreciate it and certainly let me say thank you for the opportunities we have had as members of the committee to make site visits. They have been much appreciated and were certainly very informative - especially nice weather for the last one when we were out in the boat. I don't know how you managed to organise that but it was well done.

We appreciate that and we certainly appreciate you coming along today so that we can talk with you in a bit more detail and look into a few of these matters a little bit more so our understanding is the best it can be when we approach our task of reporting on this inquiry.

I might begin with a couple of questions that relate to the sustainable growth plan for the industry. One of our terms of reference is in relation to that growth plan.

We are well aware that the growth plan was in its initial iteration, was done and has been reviewed once, and is now in the process of a second review but just to reflect back: what was Tassal's involvement originally in the development of that initial sustainable growth plan?

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**Mr RYAN** - Yes, good question, Chair. Our initial involvement, like most things, really hasn't around having dialogue with at different levels of government for a time. When I first came back to Tasmania in 2002, Tassal was in receivership - it was trying to plot a pathway for the industry to grow and to be financially stable. Being financially stable allows you the opportunity to do all the wonderful things around community and people, with the product and all that sort of thing.

When I came back, my first step was to assemble a team I thought could allow us to grow in a sustainable way to meet those sort of needs. From 2002, we had an ongoing dialogue with governments of both persuasions - obviously Labor was in power then, and then the Liberal Party was in power.

We always had a mindsight of looking to the future. Mark has operated globally in the salmon environment, and one of the things that kept coming up on a global basis was that there were fewer leases being approved around the world. That meant that people had to think a little bit differently about how the industry might be able to grow. At that time plenty of leases in Tasmania were unutilised so it was simply a matter of filling those leases and optimising what we did have. We knew we would get to a point where they would be optimised and new frontiers would be needed.

We engaged with government as an industry to talk about what that might look like and how that might evolve. Again, that was both the Labor and the Liberal governments. We understood that various tasks over that time were put in place to explore what that might look at, including some overseas trips by government bureaucrats to see what was happening in the rest of the world so they could bring that back to here.

One of the things we were advocating at the time before the growth plan came out was the whole concept of spatial planning - to look at this not just from an area where you could grow fish but to look at communities in areas where industry was wanted, and where we could continue to grow and prosper. We understand that in a lot of the communities we are in, there is a 5:1 direct/indirect correlation - for every one employee, we end up employing five other local people. We have always taken that really seriously, but we said to both sides of government, 'You need to do this process in an informed way. You need to go out to the communities and engage with them.'

Part of our process around this was when we got our ASC certification, and prior to that working with WWF, to understand community engagement in a more holistic sense. It is more than just sponsoring the local footy team. For us, it is about educating the community. We have seen great outcomes, for example, from domestic violence decreasing with better education and all that sort of thing. We explained to government that these were the sort of levels you need to go to.

Much to our surprise, when the growth plan came out, we really did not have a lot of play into that process - a lot less than I thought we might have because we had seen many of the areas where we were growing fish so we knew where the better areas were to grow fish. Not to have that adequately engaged with, we thought the map that came out was probably too restrictive to industry and to a lot of the communities because many areas that might have been identified for growth actually were not able to be grown in from the fish side.

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Government put out a map that really did not have a lot of relevancy to anyone. I guess what we experienced with Queensland was they did a whole spatial planning exercise - they went up and down the coast of Queensland. They went to all the communities; they identified both adequate areas to grow and then also adequate areas that communities wanted industry, and they had a match. You are not always going to get a perfect match, but it is like looking for the least risk from that. The process Queensland went through was what we thought would have been the better process to go through. Again, because we had not really gone through a whole lot of the process for the Tasmanian growth plan, we did not quite understand all the bits that had been done, but we felt more engaged with the Queensland process than we did with the Tasmanian process, which has seen us expand into Queensland, into prawns, and we are doing that in way in which we have complete community support and understanding - there is a want to have us in those areas.

I guess we got to see the benefits of when this is done in a more holistic way than it was done in Tasmania.

**CHAIR** - It is really interesting to hear that. From your description, it sounds like you had regular and ongoing informal interactions with the government over time but there was no a formal way you were involved in the development of that growth plan, particularly the grow and no-grow zone map that was in it. Would that be the right way to characterise it?

**Mr RYAN** - I think that if could characterise it, it was a map we really had no real play into our understanding of what it was or what it was going to look like at the outset. In terms of some of the other stuff in it around community, or biosecurity and that sort of thing, our informal and formal processes played well into that because we were part of that. My characterisation is more around the map and identifying areas to grow versus some of the more regulatory frameworks which we were definitely more across.

**CHAIR** - So you had more of a formal input into that?

**Mr RYAN** - Correct.

**CHAIR** - In terms of that planning or mapping process, is it your understanding now that we are moving towards, perhaps better late than never, a process whereby areas are identified henceforth in that more holistic way because we've some of those spatial planning tools at hand now in Tasmania?

**Mr RYAN** - Yes. That's as we understand it and again, as to the time frame and our level of involvement, we're still uncertain how that -

**CHAIR** - So it's not clear to you yet how that's going to play out?

**Mr RYAN** - Yes.

**CHAIR** - I know Ruth had some questions. Ruth, would you like to jump in?

**Ms FORREST** - Thanks. I will try to speak softly.

**CHAIR** - That's perfect.

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**Ms FORREST** - Thanks for that. I'm interested in how you think [inaudible] review should be conducted. We talked a bit about how Queensland went about but when this matter was released, it seems a very few people, if any, had any real input into it, from what we've heard. It seems like it was just some red lines around the state excluding areas that were already under either active management with salmon growing going on or someone was actually in the area exploring.

To change it, I think, is going to take potentially undoing a poor practice in the past - according to your assessment, Mark, anyway - so in terms of going anywhere near public support, which is going to be a challenge, how long do you think it needs to be considered being we were basically told at the outset, 'This is it. There will be no further expansion beyond these areas. That's it.'

**Mr RYAN** - Yes, it's a good question, Ruth. It has been one we've pondered a lot. I guess I can classify this way: if you buy a piece of land and you put, say, a prawn farm on that land - because I guess we're experienced in that now - you have a whole lot of rules and regulations are set around that land; if you don't impact your neighbour, everyone just goes, 'All right. That's your piece of land. You've bought it. You've paid a market value. Someone else could have done that, and that's yours to deal with it as you see fit.'

We see that with beef farming; we see that with any sort of agriculture products. A lot of people don't really look over the fence to see what's going on; as long as something is not coming over onto their side of the fence from the other side, they're usually quite comfortable with that. I think the difficulty with public waterways is always how much should someone pay for it, how big should it be, that has been someone's fishing spot or that's in someone's view-scape. We respect all of that because everyone equally will feel that they're right when they're putting their position on that.

It's hard to argue against someone that their perspective is not right because it is right to them and, equally, we would feel on our perspective that what we're doing is right and so we will feel quite passionate around that. This happens globally - you just have this natural tension that will happen when something is grown, and then how big should it be, how much should they be paying, how many people should they be employing, should it be offshore, should it be onshore. So there are a whole lot of metrics and understandings. For me, that's a difficult question to answer, Ruth, because I think it is inherently difficult now because of where public opinion in some areas is. Yet in some areas - if I look at, say, a heartland of Dover and, you know, when we've seen port or woodchip facilities mooted for Dover, it has been all about sustainable growth for the salmon farmers down there, including the Greens coming out and talking about salmon farming, saying it should be supported and not the woodchips.

As with anything in life, you should play to your strengths around that. Potentially it really is about consulting with the communities where we are at large and asking those communities whether they want us in that area and whether they want us to grow.

The social licence concept is always a difficult one, because it is undefined about what gets social licence - is it 100 per cent or 50 per cent or somewhere in between? The difficulty with that, Ruth, is going forward for everyone, it is now trying to put some framework boundaries around what would be acceptable and what is not acceptable. As a company, we have looked at salmon. We enjoy doing the salmon and still very much want to grow our amazing product.

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**Ms FORREST** - Mark, if I could interrupt for a second: Are you actively seeking to have other areas opened up in that area or areas marked red at the moment? We have talked about a proper process to do that, which seems to be mapping the first one, but if a proper process is to be put in place, would you be actively seeking to look at other areas?

**Mr RYAN** - We have told government that it needs to come back to us now and clearly articulate to us where the areas might be and the work that would be done in terms of doing that because for us they have put out a map that has red around some areas, so for us those red areas are red. We are not seeking to grow in those red areas. If government came back to us and said 'We have now convinced the community in that area, or we have done this and now it is a process that can be undertaken to go forward', we would have to understand what that looked like before we would even think about moving forward.

**Ms FORREST** - Are you saying, Mark, that government work and community engagement needs to be before the industry is involved? I don't understand the process you are suggesting.

**Mr RYAN** - The inherent difficulty with this - and you categorised it well, Ruth, at the start - is that it looks like someone drew red around some areas and didn't around others, so we are still unclear on how that came to pass in the first place.

**Ms FORREST** - Let's look to the future.

**Mr RYAN** - The past is always a great lesson in life, and we are guided by that. At the moment it is as it is, and for us I am unclear on how that would ever be dealt with in a different way because I am unclear about that.

**Ms FORREST** - I will clarify. The question is: if you felt there were other areas you would like at least to explore in terms of options, what is the process from here? The past we need to learn from, absolutely, but what is the process from your perspective?

**Mr RYAN** - I am really unclear of the process from our perspective, Ruth, because what sits there at the moment for us is that we have a map with red on it and we can't see past that at the minute. We have a strategic plan out to 2030. We are talking about 45 000 tonnes of growth by 2030 and, based on the leases we have in place, including making West of Wedge operate as we gradually go through that. That is where our planning is at. We haven't looked at anything further than the 45 000; at the moment we are growing about 40 000 to 41 000 tonnes. That gives you an idea - over the next eight years, we are only looking at another 4000 tonnes, which, if all the leases can be optimised, would mean we would get to that with West of Wedge

**CHAIR** - You can achieve what you have planned for growth within your existing leases?

**Mr RYAN** - Out to 2030. Past that point, we haven't even looked at. Again, we have said government has put out a map; that is how the map sits - our growth is then limited to what's on the map and we haven't looked past that 45 000 tonnes, which includes a fully utilised West of Wedge.

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If they were to come back and say we have now been able to do  $x$ ,  $y$  and  $z$ , we would look at it obviously, because it is our duty to do that for our staff and then we feel we have a duty for Tasmania to grow and help people get into a better space whether it's from an economic or education point of view or what have you. But very much for us on the counter is that we've now bought land up in Queensland to expand the prawn side of our business, which then takes the growth for us to a point where we can see salmon and prawns almost being 50:50 in terms of earnings by 2030.

How the cards are being now dealt is that we are dealing with them as they sit there at the moment and we are not actively looking to change anything. If things did change, we'd obviously look at them, but that's as best as I can tell you at the moment because that is actually our planning as we have it in place.

**CHAIR** - Can I just follow up on that, Ruth? Just to come back, you obviously have your company's growth plan, which you just described as being potentially achievable within existing leases. The growth plan or the target described in the sustainable industry growth plan from the government is that it will be \$2 billion a year industry by 2030.

Is it your understanding - obviously that is beyond just your company, but you are a major part of that - is that the \$2 billion a year target something that was arrived at by industry? We are given to understand it was an industry-suggested target. If so, does the growth you just described bring us toward that target as an industry?

**Mr RYAN** - I think it depends on where global prices go. This is part of the issue at the moment because COVID-19 has displaced a lot of markets, particularly food service markets, around the world so what you have seen is pricing being a lot lower globally.

The \$2 billion - if I look at the global pricing, it has gone from 80 NOK, which is the Norwegian krone, down to 40 NOK so if you think that is halved off the same volume. If that were to be back at 80 NOK, we would be very close to \$2 billion by 2030, I would say from the existing footprint, but if that stays at 40 NOK, it won't be \$2 billion but the \$2 billion was formulated on the basis that it was at that 80 NOK level because things like COVID-19 weren't known at the time it was put together.

**CHAIR** - Maybe bring it back to volume rather price, given that price varies and unexpected things like COVID-19 can impact on it, but that target was set by industry and proposed to government to inform the sustainable industry growth plan?

**Mr RYAN** - As an industry we said, well, what could the industry look like by 2030, with that \$1.8 billion to \$2 billion based on the domestic market, growing at 10 per cent per annum from the time it was created? I think it might have been as early as 2006-07 or 2008, around that sort of time. With a cumulative growth of 10 per cent, that delivered the \$2 billion, so it was very much an aspirational target.

I think it has obviously informed part of the growth plan from an overall ambition, but I look at the map on there and I question whether that would feed into deliver that.

**CHAIR** - That was where my next question was going to be. Given if that was an aspirational target suggested by industry as possible and presumably preferable, was that

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envisaged to be able to be undertaken and achieved within existing lease areas or was it predicated on expansion at the time?

**Mr RYAN** - It was predicated on things like Storm Bay being able to be farmed in a sustainable way; I think Storm Bay is the roughest site in the world.

**CHAIR** - Beyond Storm Bay, was it predicated on any further expansion on that or was it achievable within the current and then the Storm Bay lease areas?

**Mr RYAN** - Well, two things. One is existing leases with existing capacity - so we have seen Macquarie Harbour which has been cut in half obviously, so that has had an impact - and then Storm Bay was predicated on that being farmed in a sustainable way so nothing beyond that because we hadn't thought beyond that.

As you can appreciate back in 2006-07 thinking out to 2030 was a fair distance of time so it was about using existing thinking and that sort of thing to deliver that.

**Mr VALENTINE** - I am actually interested in you giving us a very brief, quick overview of your company, in regard to its other arms that are going out nationally and internationally. Can you paint us a picture as to how big the salmon industry component is compared to your other areas of operation?

**Mr RYAN** - If I look at tonnage, this year salmon will do, say, 40 000 to 41 000 tonnes of production and prawns will do somewhere between 4000 to 4500 tonnes of production. The difference with employees is that we probably have about 1100 people in Tasmania actively working on the salmon side, and then we have probably 400 to 500 people on the mainland, of whom 200 are in prawns in Queensland, with the balance doing salmon and prawns across Melbourne and Sydney, pretty much. That sort of gives you an idea where the people sit and the production sits.

In relation to profitability, salmon is the most profitable at the moment from a gross point but prawns are more profitable on a per kilo point. Salmon takes three years to grow out, prawns take six months. A whole balance of our company where we would like to see our company end up is almost half-and-half earnings from salmon and prawns because we have started down that process now.

Back to your earlier question, Ruth, on where we sit and other opportunities, at the moment prawns are our opportunity. We have bought 8 hectares up in Queensland to expand to get to that point by 2030.

**Mr VALENTINE** - Eight hectares, are you talking about land-based or sea-based?

**Mr RYAN** - No 8 hectares all on land. You pump from the water onto the land. That is the difference. Salmon are in the sea in pens, which you guys got to see, whereas prawns are all grown on land by pumping water into ponds, basically.

**Mr VALENTINE** - You don't see the salmon talking that route, land-based?

**Mr RYAN** - No. It is interesting, the land base. Technology will evolve and obviously we do our hatchery on land and we have been able to grow fish up to sort of around about a

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kilo on land to be comfortable that they survive, but no-one globally has been able to do a full life-cycle on land to date of growing fish all the way through.

**Mr VALENTINE** - It is being trialled, isn't it, in Norway?

**Mr RYAN** - Yes. A lot of money has been spent all around the world, but key with all those facilities, against the Norwegian cost of growing a similar size salmon farm at sea, they are about 11 times more expensive to actually pull together.

For us, whereas we might spend \$30 million on delivering a lease, it would cost us \$150 million to do the same thing on land. We are a bit more expensive to grow at sea here because we have seals to deal with and keep out of the pens, so a lot more infrastructure goes into our pens, whereas growing on land is five times more expensive. The reality is those companies have picked areas like Miami to grow some of these bigger facilities in because that is where you get a freight advantage that enables you to compete against the sea base.

The sea base is more efficient from a working capital perspective. Miami happens to be in that sweet spot between Norway and Chile, where, if you were flying product in, you could actually make money if you could grow them all the way through to five kilos. That has not been proved yet.

They have proved they can make money if they can get them through, but they have not made money. For us, if we were doing a similar facility in Australia, it would not be in Tasmania, it would be in New South Wales where we would get a freight advantage. We would not be doing full grow-out facilities in Tasmania in any respect because economically, it would not work.

**Mr VALENTINE** - You do not have any forward thinking in regard to setting up a trial for a land base?

**Mr RYAN** - We have land base growing up to a kilo, then we put them to sea. We will continue to work on those sorts of technologies, but not doing a full grow-out at this stage.

Again, technology and time and everything will ultimately change, but as we sit here now, no. We can't even contemplate that because we can't see how it can be done.

We've seen so many times now when they've gone past that kilo in size on those land facilities that no-one has been able to get them all the way through in a commercial sense. They have done it in a trial. Again, we'll keep monitoring and looking. Even if they did, we wouldn't be doing it in Tasmania, we'd do it on the mainland because you'd want some sort of freight advantage to make it work economically.

**Mr VALENTINE** - I'm thinking of that in relation to the red areas on that map - you would be able to look at a whole heap of different possibilities and scenarios that wouldn't impact on those red areas at all if you did a land-based operation.

**Mr RYAN** - Economically, they don't work - operationally and economically at the moment.

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**Mr VALENTINE** - You don't see that's where we might lead if community opposition builds up? You need a social licence to be able to farm salmon, and I think you've learnt about the tensions in the community. How are you addressing that interaction with the community and taking it with you?

**Mr RYAN** - It's a good question, Rob, and it's an interesting one. From the start we said everyone has their own ideas and ideals on what they want to have in their communities. What we've found difficult to tease out sometimes is whether it is really the view scape, or is it noise or is it something else that's causing the issue.

**Mr VALENTINE** - Certainly from the submissions we've received - and we've received 224, I think - there's a significant concern with the degradation of the marine environment in terms of the filamentous algae and all those sorts of things, but also things like noise.

They're the things that are coming to us in terms of finfish operation and the [inaudible?]. of public space in the waterways.

**Mr RYAN** - I understand. What I might do, because you've asked about the environment -

**CHAIR** - Before we move onto that, did you have your initial question in that answer, Rob? Because I think we could've covered about three areas in it.

**Mr VALENTINE** - I did. That's fine.

**CHAIR** - Before we move onto the environment, can I pick up on the area we were in through Rob's question which is around transition in the industry or things changing based on technology. Stay there for a minute because I have some associated questions, if that's all right, Rob.

I understand that it's not viable, financially, to put land-based operations in Tasmania. If we were ever to contemplate that in Australia, you'd put them elsewhere other than Tasmania, were we to go down that path. In terms of some of the other sorts of transitions based on technology, the flowthrough hatcheries compared to recirculating, at the moment what's the profile you have with your hatcheries and where are you at in terms of transitioning to what are known to be more environmentally preferable models?

**Mr RYAN** - The recirculation hatchery. Pretty much 100 per cent of our own stock comes from recirculating hatcheries. We have one flowthrough and recirculating that acts as a back-up hatchery and then we have the industry hatcheries at Wayatinah and Florentine which are the more traditional flowthrough hatcheries.

In terms of stock we ultimately put to sea, I'd say 80 per cent of the stock we put to sea is coming from recirculating hatcheries and then 20 per cent is coming from the flowthrough hatchery. That's a hatchery that's owned by all the industry.

**CHAIR** - Is there an industry intention and plan for that to be fully converted to recirculating or to move away from using that hatchery to new facilities that are recirculating?

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**Mr RYAN** - I think what's happened with that is we've reduced the amount of smolt that's put to sea from it and we've made the breed stock facility so our selective breeding program is now run through a recirculation facility there.

I think there'll be less and less smolt going to sea and then you'll have a selective breeding program that would be fully recirculated from there. There is no intent at the moment to make the whole of Saltas a recirculating hatchery but that might not be needed because the other hatcheries we have all been building would have picked up the supply of smolt and it just becomes potentially a selective breeding program facility, which is then in a recirculating facility.

**CHAIR** - Then the other transition. Rob was speaking to you about transitioning to land based but I am also interested in transitioning from more inshore to offshore models. which is more what we are looking at here in this state. In the submission you make reference to that a couple of times, just in passing, and at one stage on page 4, it say that 'we will also remain focused on optimising our current areas of operation' as you shift into higher energy waters. That implies shifting into the higher energy waters, but maintaining those inshore leases as well. In another part, on page 8, you talk about transitioning responsibly to offshore farming.

I just wondered in a longer term sense, noting that at the moment you have a mix of both, is it the intention to move away entirely from inshore lease areas and use those that we know are the more contentious spaces at the moment potentially around some of those impacts on amenity for local communities, or are you envisaging always keeping those inshore leases as part of your footprint?

**Mr RYAN** - At present we are keeping those inshore leases. The offshore farming is still very early in the piece. I think things like marine debris are obviously a key community and it is one of our concerns. All our employees are recreational boaters and they do not want to be out in their boats and coming across any marine debris either or on the beaches that they enjoy. For us, it is very much trialling as we go offshore and making sure we do it in a truly sustainable way because if we thought we could transition and there was enough room offshore and you could do it all very sustainably, that might be a thing that could be looked at.

At the moment it is so early in the piece with offshore farming that those inshore are incredibly important to keep the sustainability of the industry going and the offshore is so embryonic. Storm Bay is called Storm Bay for a reason - it is the roughest site globally. Even the gear we have in Tasmania when we compare it to Norway and the rest of the world is so much more advanced than what they have. They are talking about a whole lot of concepts around offshore farming, but what that affords them is the ability to get some more inshore farming leases. The Norwegian Government gives them these exploratory leases and with that they get some more inshore leases. The bigger and the more complicated you can make your application seems to be the more inshore leases you ultimately end up getting. I do not think it is solving the growing offshore issues.

If we thought we could do that, we would have potentially expanded out into the West of the Wedge a lot quicker than we have, but at the moment we have two pens out there and we are just monitoring that. We think we need to have a farm site out there that is movable when we get a storm event that will create massive issues. We have always had a big focus on risk and risk mitigation and safe outcomes so balancing our business at the moment by doing prawns and salmon, and then inshore and offshore and all that, is part of making sure we have

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a balanced portfolio and are not literally putting all our eggs in one basket in terms of offshore farming. That just does not make sense if you want to have a sustainable industry.

**CHAIR** - I know you had originally started asking about the profile of the company and the different aspects, and I want to come back to some employment questions around that.

**Mr VALENTINE** - Just before you go to that, are you telling me with regard to the company's activities that you are doing aquaculture only in Australia or are you doing it internationally as well?

**Mr RYAN** - No, just in Australia at the moment. We are catching brood stock as far up as the Northern Territory and growing salmon as far down as Dover.

**Mr VALENTINE** - I just wanted to clarify that.

**CHAIR** - Just to clarify because you might want to update: It has been a while since the submissions were made - and we appreciate this process has been delayed due to COVID - but in terms of your submission, I note you talk about being one of the largest employers in Tasmania -

Tassal employs around 1,200 Tasmanians and support a further 6,000 FTE jobs in both Tasmania and across the nation.

That is in the submission under the heading, 'We are part of regional Tasmanian towns'. Two pages over from that, you have a graphic showing some data around your profile in regional and rural communities.

There seems to be slightly different numbers in those two parts of the submission. Could you give us an update on what your current employment profile is in relation to Tasmanians employed in the company, and then directly and what you are extrapolating as indirectly.

**Mr RYAN** - Yes.

**CHAIR** - I am interested then, in your forward projections about where that is headed in, say, five years or through to 2030, given the plan for growth.

**Mr RYAN** - I will let Kaylene and Angela talk to the first bit and I will talk to the second.

**Ms LITTLE** - With regard to the profile here, we have roughly 1100. There is seasonal variation in that at the point of time we popped the submission in, so the graphics and everything should align. That is roughly where we sit and then there is that multiplier of 1:5.

As Mark already outlined, the lion's share of our people are in Tasmania, and prior to prawns, our satellite arm was based in Victoria, but the majority of our people are still down here. Does that answer your question?

**Ms FORREST** - Can you use the microphone, please? I cannot actually hear.

**CHAIR** -Do you want that repeated Ruth, just briefly?

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**Ms FORREST** - Yes, could you repeat that.

**Ms LITTLE** - In summary, we have approximately 1100 down here, the lion's share of our employees; prior to prawns, the only satellite area we had was predominantly in our sales and marketing and also in our Lidcombe facility in New South Wales.

There is some seasonal variation through highs and lows through processing et cetera, which maybe are some the reasons driving the variation you are pointing out there, Chair.

**CHAIR** - One of the things I am interested in, because you talk about that multiplier of 1:5, so that brings it from 1100 up to about 6000 or thereabouts, your graphic as provided has a number that talks about -

... 16,760 people are supported by the ongoing operations of our farming business ...

Can you explain that number, so I am clear about what the different categories you are describing there?

**Ms WILLIAMSON** - Thank you, Chair. Off the back of our actual job number, the industry did some socioeconomic work a number of years ago and that is where the multiplier for the 1: 5 came in.

The graphic you are talking about is based on family numbers. It is really trying to capture that broader number of not only our workers, but also the families they support. It is an average figure that is worked out over Tasmania, how many dependants associated with an individual worker. That is where the 16 has come from.

**CHAIR** -Notwithstanding those families may have other sources of income and be supported through other industries and other means as well, but you are talking about the number of people connected to people who work for your organisation?

**Ms WILLIAMSON** - Absolutely. One of the things we find is that people say everyone knows a fish farmer or knows someone who works in one of the companies, so we were looking at those attributes working with Tasmanian Government numbers.

**Mr VALENTINE** - Can I ask a question on the 5:multiplier? Where to you get that from, that the multiplier is five?

**Ms WILLIAMSON** - An economic study was done a number of years ago through the Tasmanian Salmon Growers Association on behalf of all the industry, and that was an outcome of that. That is based on, for us, the suppliers we draw from. We spend about \$330 million in Tasmania on local suppliers. Those suppliers have their own jobs and employers to deliver those resources. It is based not only on our people, but also on those resources and suppliers we draw from, so it captures those individuals.

**Mr RYAN** - The boat builders, the feed manufacturers, the hand makers [inaudible] transport

**Mr VALENTINE** - It is a figure 5 and I wanted to know what the basis for that was.

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**CHAIR** - Could you paint a picture for us? This might be something you can provide to us later if it is not immediately right at your fingertips, but those 1100 jobs in Tasmania, in regard to how that is broken down regionally. That is sort of what is captured here in this graphic, but perhaps you could provide it to us as some numbers, either by regional or even regional area, with regard to where you have a presence?

**Ms LITTLE** - Sure, we can certainly come back with that information. The lion's share is certainly down south and we have a smaller number over on the west. It is spread predominantly, but we can come back with more fulsome detail about exactly where, if you would prefer.

**CHAIR** - Yes, I would appreciate that.

**Ms FORREST** - No. I have got other areas to look over. Keep going.

**CHAIR** - I can move on from this area now if you would like to pick up a different area.

**Ms FORREST** - I might just speak, if that's all right. Just going back to an earlier conversation -

**CHAIR** - Sorry. I realised I posed another question there, and Mark was going to follow up on the second part of my question and I've moved on before he had a chance to do that.

**Mr RYAN** - Yes.

**CHAIR** - So profiling five years or 10 years out from when -

**Mr RYAN** - Yes, we still feel that that's probably relevant five to 10 years out, that sort of 1100 people -

**CHAIR** - The same numbers.

**Mr RYAN** - So you'll get more efficient at some things and then we will need more people to process fish, so I think 1100 is probably a good working number to say that's the sustainable number in Tasmania for the salmon, at least out to 2030.

**CHAIR** - Thank you. Sorry, Ruth. Back to you.

**Ms FORREST** - That's all right. This is going back to an earlier discussion about the grow and no-grow zones that were established. I'm not an expert in the Norwegian system, but I understand that they go to competitive tender when a lease is available for expansion. Do you have a view on that as a process generally? Would that be an option that could be considered in Tasmania if there is to be a review of the areas suitable for growing?

**Mr RYAN** - Yes, Ruth. I think it makes all sorts of sense to have a competitive process. It seems to be how everything else works when you're selling something, whether it's a house or farmland or whatever, so I think, yes, that's probably - I think part of this is always - you don't want people to landbank stuff, you know, people should be able to bid on something. Part of that process is you need to prove your wares, to be able to carry out them out and there should be KPIs around how many people and how much you're going to pay for that so you go

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through a fully transparent process. The outcome should be that the party who is successful gets to deliver on that but needs to be held to account in terms of those deliverables as you move forward. I think it is a sensible way to do it, yes.

**Ms FORREST** - Does that then effectively exclude smaller companies that may wish to come in? Obviously, Tassal, for example, has a much stronger - it seems to me from the outside, stronger financial position of being able to put in a bid whereas you might have a new player in the market who has less financial capacity to demonstrate some aspects of their capability, if you like. Is that an inherent problem with that sort of framework or can that sort of thing be mitigated around?

**Mr RYAN** - I think you've three competitors in the industry - Petunia, owned by a New Zealand company, Sealord, so they definitely have the financial capacity; Huon, which is publicly listed as well; and Tassal, which is also publicly listed. I think you have three players who are equal in terms of their access to capital and opportunities. I think probably the fundamental bit is that there's only three players who really have access to smolt to put to sea which is obviously what you need.

Again, no point - I don't think it's productive to have lease areas potentially owned by a whole lot of independent institutions which then have no intention of potentially growing fish on them. I don't think that makes a lot of sense. I think if you had three companies bidding for areas and, again, at the moment there are no areas, but if they were to bid for something, I think that creates enough competition to allow the industry to grow and the company or companies that put in the best competitive bid process out of that should be - as long as they hit all the criteria - afforded the opportunity to grow from that.

**Ms FORREST** - I will just come back to that - obviously, if a new area were opened up, for argument's sake, there's a lot of modelling, baseline monitoring and other work that needs to be done before you can even say, 'Well, this is actually suitable' or, 'No, it's not.'

**Mr RYAN** - Yes.

**Ms FORREST** - Who would be required to fund all of that because it could end up being that a site just isn't suitable. Mining companies do this all the time, I accept - they drill holes in the ground on their leases, they might hit ore bodies or they might get nothing.

Is it reasonable for a company to tender for a potential site - you know, a site that can be looked at - knowing that they may not end up proceeding?

**Mr RYAN** - Yes. That's effectively what happens with mining companies. There's no reason why it can't happen with aquaculture companies. There's generally a fair degree of knowledge already about where you can and can't grow because of water temperatures. It is very much sticking a few buoys into the sea with monitoring equipment so you can pretty quickly work out whether it's going to work or not. It's not a significant investment up-front that would preclude anyone from doing it. If there's a significant investment required up-front, I think your line of questioning and trying to understand is probably reasonable, Ruth, but it's not a significant amount. I think, for the companies, if there were an area, they could go in, do the exploratory stuff and that is part and parcel of that process if you like.

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It may very well be that, yes, you get to a go or a no-go position in that, but that happens a lot in life with a lot of things. I see that as a normal course.

**Ms FORREST** - I'm trying to focus on the terms of reference in (2), which is the application of the Marine Farming Act - this planning act - which is what any new lease goes through, in terms of that work that will go on in doing that. Do you believe that once a lease is allocated and becomes operational, the current structure for paying the royalties and fees to the Tasmanian taxpayer, effectively, because any fees that come back go into the government coffers is reasonable?

I understand that in your way, these allocate a lot more - no company would want to willingly give away that money. In terms of a comparative structure, if you like, what are your views on that?

**Mr RYAN** - Ultimately it will come down to each individual company making an assessment of whether they can make money out of doing that. Again, for us at the minute, we're seeing that with a combination of salmon and prawns - and that's where we have our focus out to 2030 - if the impost were too great, then that for us would mean another economic hurdle we'd have to jump over, and maybe we'd say, 'All right, we can make better money.'

If you have a dollar to invest, you invest it in where you get a higher return and more certainty. There might be a process that we go down if it were too high, Ruth, and we'd say, 'All right, we'll let that one pass us by'.

Again, it comes down to at the time. I think when you're trying to deal with stuff in a COVID world at the moment it is very difficult because everything's been displaced and it's hard to understand how things are really going to move forward past this point from a general economic worldwide perspective.

**Mr VALENTINE** - Yet your sales have gone up.

**Mr RYAN** - Sales are going up but that's because our retail has gone up and COVID has only just happened. I am still not sure how long this is all going to go for. To give you an idea, Rob, at a point in time we were paying 11 times more for air freight to get into China, so from \$1 to \$11 a kilo, and I can tell at \$11 you're not making any money and that's not sustainable.

There may be other species that come up as well, Ruth, where we're doing other things and just salmon farming. It comes back to at that point in time can you make a financial return out of it and is that financial return better than another opportunity you might look at?

I'm sorry, that's probably the best way I can answer it because it comes back to that. At that point, it's the dollars and cents of whether you invest or not in that activity versus something else.

**CHAIR** - Anything further on that.

**Ms FORREST** - In terms of the current legislative framework of the assessment, the amendment or the granting of leases, of the minister's role as well as the Marine Planning Review Panel. Do you think that is an effective mechanism or this is what we have been focusing on - the legislative framework around the industry? Do you think there could be

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changes that would make it a more effective and perhaps fairer process for companies as well as for communities, government and all the players - the key changes you think are needed?

**Mr RYAN** - From the outset I think there is always a question about how much regulation sits out there, but I like to try to think of it as not how much regulation, but how effective that regulation is. We all know you can put a whole lot of rules in place, but if they are not really relevant to what is happening, you can get a bit caught up in this is how much regulation sits there versus how effective is this regulation to start.

We would say on a global basis that we are the most regulated salmon industry globally and we pay the most on a dollar per kilo for that. Some of the stuff around more the growth side potential, Ruth, is where I don't think we have effective frameworks to actually deal with that.

I think when we've looked at some of the spatial planning stuff again carried out by the Queensland government, and we keep referring to Queensland because we are familiar with that process, we saw that as all-encompassing, with various pockets of land identified and people could go and bid for those pieces of land. They were held by current farmers who were either doing beef or cane and if they weren't prepared to sell, then there wasn't an opportunity there. If they were, then there was still a process you needed to go through, but there was a general sense of engagement with communities and people wanting aquaculture to be there.

The actual process itself became quite easy inasmuch as you go where a body of work has been done, areas have been identified and there's a willingness for the community and the property owner to want to sell.

Again, that didn't mean every person in that community was for what was happening, but there was generally a feeling that if we are going to expand aquaculture in Queensland, we need to pick the areas of least risk, and that's where they started the whole process. I think that sort of mechanism might be helpful for Tasmania.

**CHAIR** - On that, what I am hearing you say - perhaps just correct me if I am misinterpreting- is that an effective planning process that's quite comprehensive in that way and involving more stakeholders allows for a situation of more effective regulation afterwards?

**Mr RYAN** - I think so; I also think this concept of social licence needs to be defined because what ends up happening - and we see it often in Tasmania particularly and I guess our experience has been - is that people will say for various things that it does not have a social licence whatever 'it' is, but it's not definable.

I think that is part of the process. You will have proponents and opponents on both sides saying it either has or it hasn't but no-one is able to clearly define it. I think for Tasmania it might be helpful to get an understanding, not just for the salmon industry, but generally: What does social licence look for? What is it supposed to deliver? Is it jobs, is it environment, is it a combination of both, is it education outcomes? What allows that to at least have some definition to it? That would mean you could hang some KPIs, targets and boundaries and everything off it. Then I think you would have a much greater chance of getting a meeting of minds among people who actually might be opposed to something, so that you can have a discussion across the table and say, 'What if we did this? - 'Yes, well, that might work.'. I think

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it would be helpful to set that dialogue up-front rather than just coming out with a map at the end of the day without all parties feeling as though they hadn't had that sense of engagement.

**Mr VALENTINE** - With regard to licences - I will come back to social licence in a minute - at the moment, if you are releasing or renewing the lease, it doesn't have to go through a major assessment process. What is your attitude to that changing, given levels of community angst might exist around a particular lease? I am not picking one just any lease given that there may well be community concerns about algae or noise or whatever it might be, but do you see that reassessment of all leases is a reasonable thing to do?

**Mr RYAN** - We are having continual assessment of leases as we go. If that regulatory framework is set up - we always model on the fact that we need to embrace adaptive management because things change. It is getting warmer in the water. I do not think anyone is disputing that, so from that side of things, things will change. Like the way we grow our stock changes, the way we have our selective breeding program and what we are tailoring that for. Things change but as long as you can demonstrate that you have an ability to manage the lease you are on - and that doesn't mean that won't go wrong because we know Mother Nature has an amazing way of having things go wrong. In terms of on land, we have droughts and fires that people do not plan actively for it to happen, they risk-mitigate around it and they might have a couple of areas that they are not reliant just on one area, but things happen in nature that sometimes we can predict and sometimes we can't.

Mother Nature has a very real way of hitting you between the eyes. When things like COVID-19 happen there will be various theories around how and why it has happened. Again, in a marine sense that does happen as well in terms of whether it is a storm or a warm water event or an algae or whatever. What you have to be careful of with stuff like is potentially you get people investing in doing something, and salmon leases are incredibly expensive and every five years replacing nets and pens, but if you change the goalpost and say, 'All right, it gets to the end of a lease and it is no longer there', you might struggle to get people to invest in the industry because they go, there is no certainty that if we are compliant with all the rules and regulations in place but at the end of that lease term, we cannot get renewal for whatever reason, people might not want to invest in it and then you do not have the jobs and opportunity. There is a balance there. I am not sure exactly what it looks like, but the rules and regulations should be able to be as they are farmers - adapt as we go to make sure that if things do go wrong, they are fixed, there are penalties and they are dealt with, but it need to be sustainable.

**Mr VALENTINE** - That is the nub of the question: At the end of a lease, wouldn't you consider that to be a good point at which you would reassess the performance of that lease? Whether the company - not just you - was managing that lease effectively and maybe reassessing the baseline data for that lease?

**Mr RYAN** - We are doing that all the time. Pen bays are assessed all the time,

**Mr VALENTINE** - That adaptive management is still there rather than baseline data guiding that.

**Mr RYAN** - The trouble with baseline data in the past is that sometimes it was done once, things have commenced and not at the actual baseline. Sometimes it is about, 'Well, what is the base?'. For me, as long as the regulations can move along in an adaptive framework and your farming is moving along adaptive framework, just because a lease ends should not mean

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that it is a complete recut of what needs to go on because that should be happening as you go. If you are demonstrating that you are complying with the rules and regulations in place at the time as long as they are effective. This is what I mean - you can all these rules and regulations in the world but if they are not effective, what you are saying is that you might get to a point where you go, 'Well, that is not sustainable anymore', and we agree 100 per cent.

**Mr VALENTINE** - You can't do it in the middle of the lease, can you?

**Mr RYAN** - We don't even look at the rules and regulations in terms of saying, 'Well, let's just be compliant with those and don't care what's going on underneath', because again unless we have a healthy environment, we don't have healthy fish and we don't have a sustainable company so we are always doing that adaptive process.

I know different people have different views on whether we are doing that effectively or not. I understand that, and there will be videos and there will be other things. Are they really at that lease? Were they taken then or were they taken in another period of time?

What I can say is that we feel we have a lot of regulation placed upon us. We have a lot of scrutiny placed upon us and we actually have probably the best research institution in terms of IMAS that is actively participating in our leases and our stocking and looking at biosecurity and all that sort of thing. I think from all those sort of things we feel comfortable as a company that there is a general framework that allows us to proceed, but I know different people have different views on that.

**CHAIR** - I think where you were coming at with that, Rob, is that the end of a lease presents a natural point in time at which a reassessment can occur? I presume -

**Mr VALENTINE** - Well, that is what has been brought out through the submissions.

**CHAIR** - Yes, and I presume some of your thinking around asking about that is around the fact that while there's ongoing monitoring and an assessment happening within, as you say, the rules and regulations placed on that lease, what isn't done is an overarching comprehensive assessment where there can be input from a whole range of sources as there is at the beginning of allocating a lease or having it earlier assessed and a lease granted.

It was more about, I presume, again thinking of the fact that we have some leases in operation that were approved a very long time ago, and so we contemplate the idea of whether, if those same areas were brought through fresh today in a new process, would they be granted in the same way or would they be granted in a different way? Would they be not granted?

I suspect what Rob was getting at was the sense that you could at least introduce some element of that assessment at regular points if you were to reassess it.

**Mr VALENTINE** - Well, it is what the submissions say.

**CHAIR** - Obviously that is not a matter for the company to decide. As you say, it is a rule and regulation matter. It's a framework that sits around you. Do you see risks involved in that sort of proposal or concept or you then as a company going forward?

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**Mr RYAN** - There's definitely risks in that, because, albeit you have a period of time, the general framework has been that as long as you're compliant with the rules and regulations at the time, it is rolled over and you continue on. Again, if you change some of those things, it may change the way people invest in the industry and whether they invest at all.

There's a balance there that needs to be worked through because you only have three people able to grow fish in Tasmania at the moment, because there is only three companies that can actually get stock to put to sea and if it gets too hard for all three, there might not be an industry. That is just an economic reality, so there's some sort of balancing.

What we do here, Rob, is that a lot of the time people were putting their opinions. What we'd welcome is actually engaging with that to work out whether it is true or not because sometimes what is put to us may not be what is really happening for someone at the end of the day. A lot of the time we find when you get into the discussion, it is more around view scape than it is about anything else, and the other things are quite periphery but they become a point that people can attach to and that's not to say for them it's not real because that's all they'll be aware of in their thinking.

**CHAIR** - You started talking about monitoring and meeting regulation requirements. I would like us to move on to that, but before we do, can I just pick up on some areas that Ruth was touching on around the legislative system that's in place around approving leases and licences and that initial assessment of things.

I just want to check in with you - and I think Ruth may have asked this - but I am not sure if we really zeroed in on an answer to it. At the moment the way the legislation and the system is structured, the minister of the day under the act has quite a lot of discretion to make approvals or to alter proposals, and there are very few opportunities for that third party review or a review of decisions, and in some cases people may feel that's advantageous to the industry - and it may be - but then there would be an argument on the other side too that a different minister of the day, who may not be as supportive of the industry as you may wish, would also then have that power.

**Mr RYAN** - Yes.

**CHAIR** - How do you regard, as a key member of the industry, the way that's structured in the legislation, in the framework around the power of the minister?

**Mr RYAN** - It's an interesting position because, again, a lot of these have come out and there hasn't been a new lease granted so we're still very unclear as to how it all actually works in practice; that's probably the best way to answer that. We haven't tested it yet either so we're a bit in the dark about what's actually written versus how in practice it might be applied.

I think for us, as a company at the minute, and, as we answered at the start, we're clearly focused on optimising the current leases we've got in place because we're not seeing anything else that's coming up on the horizon that would allow us to say, 'That's what we're going to do and this is the process we're going to follow.'

At various times in the past we've tried to engage around what might be better processes and I'm really not sure what is the best process with this. Again, I just keep going back to Queensland - and it was set out for us to go in there to buy a property, to then get the licences

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to do what we needed to do, and then it was up to us to go and catch the brood stock to breed, to do all the things about aquaculture that we're incredibly good at, so it was sort of -

**CHAIR** - You felt like the framework there, the legislative -

**Mr RYAN** - Totally.

**CHAIR** - - structure that sat behind it was quite straightforward in terms of you knew what was involved and what you needed to do as a proponent and could follow that.

**Mr RYAN** - Yes. When you think about it, our whole base, our whole life, had been in salmon and then to just say, 'All right, there's actually an easier way to do this aquaculture and we're going to far north Queensland', which is a significant distance from here and go to a new species and do all this and still feel more certain around an outcome. It was quite perverse in our thinking but -

**CHAIR** - Although, as you say, Mark, earlier on, if things are rather more straightforward when you're talking about the purchase of private land and doing an operation on that -

**Mr RYAN** - Yes.

**CHAIR** - - as opposed to operating in a public waterway.

**Mr RYAN** - Yes.

**CHAIR** - There's naturally going to be some greater - as you identified, I think, earlier on in our conversation today -

**Mr RYAN** - Yes.

**CHAIR** - - naturally going to be some greater complexity and involvement around use of a public waterway compared to something on private land.

**Mr RYAN** - Which goes to the very heart of why we think that spatial planning exercise, the marine spatial planning, has to be done really well because it has to involve whether it's odours or fishes or recreators or shack owners or people who live there and communities and say, 'All right, what as a community do we want?', and that may very well be we don't want it'], and that's okay too.

**CHAIR** - It's nice and clear if it has been established.

**Mr RYAN** - We're not going to go anywhere that people don't want us to be in as a general thing because for that we actually look for people to work for us and, for us, Triabunna, where we've got 60-odd people working for us now, has been the place. That is where we feel the community of Triabunna wants us there, works for us, and so, again, if you can't get the workforce in, there is then no point going to an area where you can't get people to go and work for you. It's very counterproductive.

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**CHAIR** - I might move us on. We've touched into a couple of spaces I think we've probably got some more detail we're looking for. At the moment I'm thinking about things around management approaches and monitoring and collection of data. Shall we move into those spaces, members? I know, Rob, you had some questions in one of those areas.

**Mr VALENTINE** - With regard to the statement actually in, I think, your overview to your submission, page 2, you talk about -

We want younger Tasmanians to have the opportunity to aspire to having life choice opportunities moulded across professional career pathways and the 'uniquely Tasmanian' lifestyle.

Of course, a lot of the submissions we're receiving are saying that it's actually interrupting their lifestyle. So, in engaging with the community on these sorts of things - and I know, I'm well aware of the communications you've had with the North Bruny set, of course, over noise, in particular - can you give us from your side how you've engaged with them, how you've responded to them and what that process looks like from your side?

**Mr RYAN** - I'll let Ange go into the specifics given she's really been dealing with the people there. For me, growing up in Tasmania in a poor environment without aspiration and that sort of thing, I was looking for an aspiration and that took me to Melbourne, to Toronto, and to New York. For me coming back here back in 2002 when Tassal was in receivership at the time and going down to Huonville and seeing that 80 per cent of the people in that factory could not read and write, I am going 'Something is going wrong here.'. Even on a very simple basis in terms of dealing with safety and safety signs, if people can't read them, how can that be? How do we have that in this day and age? That didn't sit well with me personally.

That then brings a whole lot of issues around domestic violence, for example, because when people can't communicate, they can't use words and they'd rather use something other than words so all these flow-on effects actually happen.

When I still go into those communities today, I hear from people that they're actually sending their kids to university now because they understand the power of education. Not that the university is the be-all and end-all of life - I understand that - but to hear them and the pride in their voice that they can actually do that now is the reason we do what we do.

**Mr VALENTINE** - In terms of engaging, though. If you can talk to us about how that is -

**Mr RYAN** - For us when we're looking at the actual community that wants and needs jobs, that's what we get. I understand with the Killora residents, a lot of them are retired and they looking at a different sort of lifestyle, one which is not around having opportunity and jobs. For me, you have to see what the common purpose is there, and what they are really after.

**CHAIR** - That's fine. I think Rob is asked a few questions so maybe you could - in the interests of time, I am just going to move us through to an answer around community

**Mr VALENTINE** - I am just interested to know from the company's side how you've engaged and responded.

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**Mr RYAN** - I guess that sort of sets the framework; Angie, can you talk to the specifics of it?

**Ms WILLIAMSON** - Absolutely. I lead our engagement right across Tasmania and also in the other states we operate within. Mark's touched on some of the really important parts. I represent the 1500 staff we have operating at Tassal, and they're proud of their jobs. They are proud of their contributions, so I know that when I am dealing with the community, whether it's a one-on-one meeting or whether it's responding to inquiries or complaints, that it's about putting forward our position. It is about listening; it is certainly about understanding what those concerns are and then looking at where, from an evidence perspective, they fit within our regulatory framework and our compliance aspects, but also understanding the motivation that sits behind that as well.

Understanding whether we want to deliberate for a particular outcome - for example, with the community you were talking about where over a time there have been peaks and troughs with noise-related issues, in particular with introduction of new gear or it is the addition of the *Aqua Spa*.

**Mr VALENTINE** - Well boats and things like that.

**Ms WILLIAMSON** - Absolutely. Now, the *Aqua Spa* was new, but well boats had been operating for four or five years prior to that. We understand that when something new is coming about, we'll have various ways of engaging and listening, and we go through that process -

**CHAIR** - Perhaps you could give us some specific examples of that because what we are trying to drill down is just to hear how you engage with the community.

**Mr VALENTINE** - We've heard one side and we want to hear the other side.

**Ms WILLIAMSON** - Absolutely; for example, with the introduction of the well boat, which was more than just that particular community, we held community information sessions; rather than town hall-style, we chose to do what we call 'parent-teacher interview', where people would register an interest and they would get access to three or four of our staff at a time that allowed a more intimate -

**CHAIR** - Can I check on that? Did they have to register and provide you with contact details and those sorts of things? So that's quite a different expectation on the community as opposed to coming along to a community meeting.

**Ms WILLIAMSON** - Even at community meetings, they would still leave details.

**CHAIR** - If they wanted to.

**Ms WILLIAMSON** - So we would participate in these events. We gave them particular times they had access. It was a safe environment to have a conversation. It allowed some of the more introverted within the community to be able to communicate and conversations weren't necessarily dominated by individuals and we provided follow-up on top of that.

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We also have community advisory groups that have been established and put in place for a number of years. These community advisory groups include representatives from various groups, associations and areas in industries within the community, and they're a really important component for us in how we not just communicate what we're doing but we understand what matters from the community and that's a mutual two-way shared communication mechanism. We also have -

**CHAIR** - If we move on from those ones just so we can capture things as we go -

**Ms WILLIAMSON** - I needed to provide something in a little bit more detail as well if that's useful.

**CHAIR** - Yes, great. In terms of the community advisory groups - CAGs - what I think would be useful for us to know is how many do you have, where are they located, how are the people identified who are going to be on them and, if community members are interested to be on them, is there the opportunity for them to put themselves forward?

**Ms WILLIAMSON** - Yes.

**CHAIR** - Are there individual representatives as well as groups and industries in those local areas?

**Ms WILLIAMSON** - We have three key ones. We have one that looks after our Spring Bay areas; we have one that looks after Tasman; and we have one that has Channel and Esperance. We use an existing community forum for the west coast rather than our own. I have inherited them so there's a component there that I will talk about. If I need to dig into it further, I will come back to you.

There are particular members. There are terms of reference. There is an opportunity for someone to express interest as a guest, for that to be considered by the full CAG membership for them to make a decision. For example, we had a guest attend a Tasman one recently and we also have a guest from our Channel-Port Esperance one that's also put on the table as well. They weren't able to participate in the last meeting and I understand they will come in January.

It's an opportunity where people can participate. There are mechanisms and ways to contribute. That's one of our more formal mechanisms.

**CHAIR** - In terms of identifying who is going to be on those groups, perhaps you could provide us with an example of terms of reference later. That would be really great.

**Ms WILLIAMSON** - Yes, I'm more than happy to provide information because these are also part of our ASC and back accreditation so the way we operate within our engagement space is not just assessed by my equivalents here and my bosses and the like, it's also assessed by third parties and they look at whether we providing meaningful engagement; what does look like; how all these mechanisms come together to move us forward; and what does moving forward look like?

**Mr RYAN** - Unless we have that, we can't get our accreditation so there is a third-party aspect to making sure that the community in terms of their certification is -

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**Ms WILLIAMSON** - Yes.

**Mr RYAN** - - educated or informed or engaged.

**Mr VALENTINE** - Do they have a chance to provide feedback? Is that taken into account in how you might modify your processes and procedures?

**Ms WILLIAMSON** - Absolutely. They are the more formal arrangements, but I also meet regularly with various community members. I get regular emails, with both being cc'd on a number of those emails and you can see that question is asked. I provide evidence so there's a component where we might decide to look into an investigation as to how something changed, whether there any variables in the field, what appropriate mitigation would look like, and what costs are associated with that.

There were noise complaints, for example, around Killora with some of the gear, one of the barges in particular, and I was told it had a different hum to it than it previously did. I'm not an expert so we hired a noise expert to assess that, to measure that noise, to look at additional mitigation measures and we spent money rectifying that. That was a voluntary measure because at the same time we were still operating within our licence conditions, our regulatory setting of what those noise conditions are.

**Mr VALENTINE** - Does your licence condition have a noise limit?

**Ms WILLIAMSON** - We have, we think - for the Shepherd's lease, you're talking about or all leases?

**Mr VALENTINE** - Any of them, yes. I don't know which - you know.

**Ms WILLIAMSON** - Between our management plans and licence conditions and letters from the government there are noise limits and conditions across our leases. Some are generic, some are more tailor-specific because there might be a nearby residence or something along those lines.

Those licence conditions can mean that activities can't happen at particular times of the day. The *Aqua Spa*, for example, we don't use that at particular leases where that licence condition doesn't allow for that. But where the licence condition does allow for that noise at that particular time, we would be using the *Aqua Spa*.

**Mr VALENTINE** - What sort of noise level are we talking about?

**Ms WILLIAMSON** - I can check if you - in a few seconds.

**Mr VALENTINE** - Yes.

**Ms WILLIAMSON** - We have a variety of some of these - for example, in some areas it might be that the daytime limit is about 45 decibels; evening limit, 37; and night, 32. In others - nights, 35 and others don't have a daytime limit, so it does vary depending on where that lease is with regard to what is happening around that area.

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**CHAIR** - Can I come back more broadly to some of the community consultations. There are two things to pick up on there, I interrupted you, my apologies, when I had asked you a question about how you selected people for your community advisory groups.

**Ms WILLIAMSON** - I am not privy to how that happened. I was not in that role at that point so I would certainly need to take that on notice, but based on the community advisory groups with which I participated over the last period of time, there will be representatives from education, tourism, local community groups and some of the neighbours themselves, so it's a combination of people who have met particular criteria.

**CHAIR** - If people move on from the groups and you have to replace them, do you have a set of principles around how you maintain that membership in a way that is representative of the community?

**Ms WILLIAMSON** - I will need to check that.

**CHAIR** - It would be really good to be able to see, without identifying obviously any individuals, what the mix is in those groups. You could say an individual member or representative of education or something like that.

**Mr RYAN** - We'll go back through the process.

**Ms WILLIAMSON** - We can definitely do that.

**CHAIR** - That would be great.

I just wanted to ask more broadly in terms of your conditions and the regulation put on you - is there something that requires you to undertake a certain level of community engagement and consultation and, if so, can you describe what that requirement is under regulation?

**Ms WILLIAMSON** - Not under regulation necessarily unless you're doing a new process, but what drives us in our engagement is our third-party accreditations, who we are and the communities we operate within.

We have additional steps like Good Neighbour, concepts that sit around what we do in addition to the regulatory setting just because in 30 years of operating in some of these areas, we have come to know the neighbours quite well. We acknowledge that new people come on board and that we have to establish new relationships, but we have particular areas where we are able to respond in real time to a query. Someone might text me and say, 'Hey, I've got a light going in here.'. I can say, 'Turn a boat around, do a this, or that', and it's done. They're very grateful and thankful, and that allows us to do that trial with new additional equipment or infrastructure.

**CHAIR** - Rob, did you want to keep going in that space?

**Mr VALENTINE** - No, I think I'm right.

**CHAIR** - Can we talk a little more about monitoring and data collection?

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I am looking at our time trying to manage what else we need to cover; there is such a lot for this industry

I am interested in your submission in a number of places, but certainly I'm looking at page 7 of the submission -

This data collected exceed basic compliance obligation and provide a transparent repository from which regulators, scientists, environmental groups and the general public can assess the industry's actions.

Clearly that's a statement from you in terms of how it looks from your side of that. Of course we've heard some other views on the availability of data and monitoring information to the public. For example, in one other submission we've heard from Christine Coughanowr. Her submission it talked about

Information on salmon biomass, pollutant loads (e. g. bioavailable nitrogen) and localised impacts (impacts at 35m compliance boundary) is rarely available, and requests for this information have been denied on the basis of Commercial-in-Confidence, or diverted through onerous Freedom of information processes.

Presumably, those requests are being made to the EPA rather than to your company directly, I imagine, but I'm interested to hear your perspective on to what degree you regard that sort of information external stakeholders are looking to be able to see and access in a transparent way.

Do you regard that it is there and available for them to access and that. given the operation is in a public waterway, there's a right for the public to be able to access elements of that monitoring and data?

**Mr RYAN** - Yes, I will talk to that generally; Sean, do you then want to talk to what is done to reference all that?

Generally, I think you can see from our sustainability report that there's a lot of transparency put out there, so we're happy that transparency is there. I think sometimes people think if it comes more from a government website rather than sitting on our sustainability report, even though the sustainability report is audited to an extent, it might be - I guess - more believable.

From that, I don't think there's anything in our sustainability report we wouldn't want out there in terms of a government website because we're actually putting it out there anyway and it is no different to what's actually happening. I think a lot more information could be put up on government websites, and potentially a lot earlier too, because I think what ends up happening is people get frustrated by not getting -

**CHAIR** - The delay.

**Mr RYAN** - - real-time information. To be honest, it would be helpful sometimes because we're operating in waterways with competitors. It would actually be helpful to understand what's happening sometimes with some of their stuff, not from a competitive point, obviously, but from just an environmental or a fish husbandry perspective. If something is

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happening at a lease that might be just up the waterway, we would want to know what's happening on a real-time basis so we could take our own risk mitigation.

**CHAIR** - Can I check with you on that? In the submission from the Environmental Defenders Office, one of the things that was recommended was that regulators - and, again, this isn't a decision for your company - but regulators -

**Mr RYAN** - Yes.

**CHAIR** - - should -

... make all environmental information available to the public in a timely manner, including real-time reporting of monitoring data including the underlying scientific data and reports and compliance action.

Is that a recommendation that, as a company, you would potentially support in terms of the value it has in putting transparency around your business and helping to allay fears but also potentially because you can see then what's happening in other spaces for other elements of the industry?

**Mr RYAN** - I guess in a general concept, yes, but I think sometimes some of these things get down to specifics, what has actually happened and what is the remedy and that sort of thing. As long as it can be all-encompassing so that it allows some adaptive management and flexibility, and that's not put there - it's a bit like workers compensation or health and safety aspects to life.

If people are using it more to inform, people will ensure that reporting is done in a clear and comprehensive way, and it's not there to be attacked. It's there more for information and good practice. I think, depending on what level you need to go down to, Meg, and what's the intent of someone using it that, as a general rule, yes, but, again, without thinking through every aspect to how some information might be used, that's where we would like to sort of take on notice how that might go.

**CHAIR** - I'm interested in your thoughts on that in terms of what - when I hear these sorts of things I look, I think, 'Well, we obviously haven't had a process yet where as an industry but also as the broader community and other stakeholders, we've decided on what data and what transparency is the right amount of data and transparency.'

**Mr RYAN** - Yes.

**CHAIR** - Do you see a way forward where that conversation could occur so we have better agreement on what is appropriate to be put forward? I'm assuming it hasn't happened. Maybe you've been involved in such a conversation?

**Mr RYAN** - Yes. No, I think if everyone goes into it with the right intent, I'm sure there's a way you could actually get agreement on the things that need to be done because, again, we capture a lot of data. A lot of that data is then fed back to government so we don't feel as if we would have to recreate the wheel or provide any more information than we do. It's about how much information is enough and what's the purpose and intent for using that information. I

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think if everyone could be clear on that; it's a bit like when we put out a set of financial statements - we don't put every single line item.

**CHAIR** - Sure.

**Mr RYAN** - They're bundled up into something that is a generally accepted practice. Whether there is something that sits there from a global perspective that says, 'This is the generally accepted practice in terms of how bodies should communicate' - and I think the best way we've got to do that at the moment is through things like ASC certification and making sure that that's all complied with, but we know we're the only ones with ASC, which is the thing every global salmon company is actually aspiring to have in place. I think, again, there should be a way forward, Meg, if everyone is clear and realistic on intent and purpose and that sort of thing.

**CHAIR** - We haven't had that conversation to your knowledge to date? Is that partly why we find ourselves in this situation?

**Mr RYAN** - I don't think we've had it in a way that has been productive, no. I think everyone has been sort of coming from the point of looking at it and going, 'Well, what's it actually going to be used for?'. I don't think anyone can really articulate, you know, the purpose and intent. That has been the missing bit, I guess.

**CHAIR** - In terms of the data portal that was talked about in the growth plan and has come to fruition differently from the way it was first conceptualised in the growth plan. It initially was going to be on - I think - the IMAS - website and now it's on the Government website.

**Mr RYAN** - That's right.

**CHAIR** - Was Tassal involved or consulted in the development of that portal, what would appear there, and how it might be utilised?

**Mr RYAN** - Do you want to speak to that, Mark, because you're part of that process.

**Mr ASMAN** - We were. I wasn't involved in a great detail but we were involved in that process to understand what we could put up that's not commercial-in-confidence and that kind of thing and what aligned with the data we were collecting anyhow. So, we were very involved with that process at the start.

**CHAIR** - In terms of that concept of data you would regard as not being appropriate to be in the public domain because it may be commercial-in-confidence, what sort of categories of data does that encompass that you don't believe belong in the public domain and wouldn't be appropriate to put on a portal or elsewhere?

**Mr ASMAN** - An example might be a farm where it would give a prediction of how much we will harvest in a particular month so that might be something we would want to keep to ourselves.

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**CHAIR** - Information like salmon biomass in different locations - is that something that can be transparent and in the public domain potentially or does that come into the category you've just identified?

**Mr RYAN** - Again, that comes into that category. I think if you said, 'What's your general biomass?', that's okay, but I think when you go to lease-by-lease, people can figure out when it's going to be harvested and then that creates commercial sensitivities because we're both publicly listed companies.

**Mr VALENTINE** - Not if it's a cap.

**Mr RYAN** - No, if there's -

**Mr VALENTINE** - If you had a biomass cap on it.

**Mr RYAN** - No, no. If there's a cap there, clearly the Government can call out what the caps are, whether it's nitrogen or biomass or what have you in a particular area. Then the level of public transparency around that would be 'Are they compliant or not', not exactly what they're carrying because I think that then gives a commercial-in-confidence issue - then ACCC issues might then come into that as well. We all know from our various leases, because we see when stock is being inputted, when harvest vessels will be going. If we actually knew what everyone had, that would be a level of information that would be a bit too much. If you knew that everyone was within - it's audited and everyone is within a biomass cap or a nitrogen cap, that should be quite easily done.

**CHAIR** - Do you have those caps currently on your leases or any of them?

**Mr RYAN** - Yes, there are caps on some. Obviously Macquarie Harbour has a biomass cap, the Channel has a nitrogen cap. There will be a nitrogen cap, as we understand it, for Storm Bay so there are different areas.

**CHAIR** - What's your understanding of why those caps aren't already in place for all leases?

**Mr RYAN** - That's a really interesting question. I think everyone is trying to understand what is the best cap - what's going to be the cap that actually makes the most sense in that area. Is it biomass, is it nitrogen, is it something else?

**CHAIR** - Is there any reason there wouldn't be both?

**Mr RYAN** - Sometimes they're not mutually the same in terms of the way they're used. Mark, you might want to talk about it more from a practical salmon-farming point.

**Mr ASMAN** - I'm just not sure they would align because the nitrogen cap is a 12-month rolling total, where a biomass cap is a point in time.

**CHAIR** - Please forgive my ignorance in the question, but if you had both, the biomass cap would say 'You can't at any point have more than this number of fish in the lease or in the pen' - correct? And then the nitrogen cap would say 'And the levels we monitor of nitrogen in the water can't exceed this amount'. Why can't those two things be at play at the same time?

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**Mr ASMAN** - I think before something like that happened, you would want to understand how each one drives a behaviour or a practice. For example, a biomass cap might drive continuous input to smolt over time so you're maximising your output from a biomass standpoint whereas you would operate differently if you had a nitrogen cap.

We see that in how we practice in Macquarie Harbour versus the south-east here. I think it would just be understanding how those would drive different outcomes. I guess one of the things I'm thinking about in outcome is very importantly the industry's focus on biosecurity to a large degree over the last few years. You would want to come out with the best outcome from a biosecurity standpoint.

**Mr RYAN** - It might be doable and it might not, and that's the bit we're trying to understand. If you think about a biomass cap, if you continually ran up against the cap, that might not be a great biosecurity or an environmental outcome. If most people are saying, 'That's the cap' and you gradually go up to it, that might work okay and then you might be able to set a nitrogen cap around that to actually encompass it.

But, again, what ends up happening if you have too much regulation is that you don't actually know why you're setting it. You can then put yourself in a position where you might get to an unsustainable outcome and it might not be the outcome you intended to go through because you've got this live animal working in a live environment. This is where adaptive management is key.

**CHAIR** - When you say 'unsustainable', do you mean financially unsustainable, for instance, or do you mean -

**Mr RYAN** - No, fish unsustainable.

**CHAIR** - Okay.

**Mr RYAN** - If you had a mass mortality because you've pushed something too hard, that's not a great outcome for anyone.

**CHAIR** - Sure. Yes. It's still not clear to me why those two things can't interact together well to manage both parts of that biosecurity and environmental impact.

**Mr RYAN** - Only because they're calculated differently. Even the nitrogen cap - you can get a lower nitrogen feed and grow more biomass on something that when the biomass cap might have been set based on a particular level of nitrogen -

**CHAIR** - Right.

**Mr RYAN** - - so are they complementary or not.

**CHAIR** - I see.

**Mr RYAN** - Again, things change and so if it's a nitrogen cap, the lower nitrogen feeds are much more expensive and obviously they let off less nitrogen, so if nitrogen is an issue in a particular area, you go with the nitrogen cap. If it's something like Macquarie Harbour where

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you're worried about the actual biomass - you know, the carrying capacity of the waterway versus the nitrogen going into the waterway, a biomass cap fits best.

**CHAIR** - Okay.

**Mr RYAN** - Again, they might not be complementary, and things change so that's why we're saying this may work but it may not.

**CHAIR** - Ruth, I know you were interested there.

**Ms FORREST** - Yes, thanks, Meg. Just to pick up on a point that was raised. I thought this was the best time to ask it. I'm interested on what your plan is, Mark, for mass mortality, whether it occurred, you know, at any of the leases whether it's Macquarie Harbour or other. What is the plan?

**Mr RYAN** - Yes. We think about that a lot, Ruth, because, obviously, you know, we do have livestock. Summer is probably the riskiest time and, look, there's not a facility in the state that's going to take a mass mortality in terms of, let's say, all the salmon in the state died, there's just not a facility to be able to deal with that.

**Ms FORREST** - Well, it wouldn't even take that many, would it, Mark? It would be less than that.

**Mr RYAN** - Yes, you're right, Ruth. At the moment, we're working on mass mortalities of 400 or 500 tonnes. If that happened, we would be able to deal with that through our various sources but if you said 1000 tonnes -

**Ms FORREST** - I'm interested in what sources there are and what would happen if it was a bigger event.

**Mr RYAN** - In terms of the sources we've got, in terms of capturing them, we've obviously got the well boat and harvest boats so we can actually hold them and then it's about how you dispose of those fish. So, we've things like our rendering plants and obviously we've got land facilities where they can be composted in at the minute but, much beyond that, that's where it becomes a bigger issue.

I guess we saw that with the mass whale stranding at Macquarie Harbour. The outcome of that was to take the whales out of the heads and deal with them in the natural environment. How it would go much beyond that sort of 500 tonnes, Ruth - we're a little unclear on how that would transpire if it happened all at once. If it sort of continually happened, we would obviously have the ability to keep churning it through, but if you think -

**Ms FORREST** - Hopefully you would find out what was causing it by that time and address it.

**Mr RYAN** - Yes. Well, it's interesting. Normally in a typical year we might deal with survival levels of only 80 per cent, so 20 per cent mortality. We've dealt with a significant number of fish and biomass of fish but that has been over the life-cycle of the fish, but we've equally had mortality events where you might lose 100 000 fish in an event, and we've been able to deal with them.

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Yes, in that total catastrophic scene, I think we would all have much bigger issues to deal with than how we're going to dispose of the fish - the very viability of everything would come into question.

**Ms FORREST** - I'm concerned with the environmental impact of not having a mechanism to deal with a mass mortality.

**Mr RYAN** - Well, I think if we dealt with the whales that way, if it was so big that it couldn't be contemplated on land, you would have to contemplate something at sea in the natural environment. I don't see another logical process for that - they would die in the pens anyway and over a time they would leach out of the pens if you didn't deal with them anyway so. To me, they would just go into the natural environment somehow in any event.

**Ms FORREST** - Yes.

**Mr RYAN** - The best way to do that would be to take it to an area that potentially has less risk and deal with it.

**Ms FORREST** - We're running out of time. Have there been discussions with the EPA around such an option, should that occur? With climate change and rising temperatures, we do not know what that will do to the harbour overall. For example, you can't just say 'Wait for the pandemic to come before we think about how we might deal with it.'. There were plans in place for years around living with a pandemic, okay, so you can't say it's not going to happen. Have you had discussions with the EPA?

**Mr RYAN** - Yes, we have continuing discussions with the EPA around what may or may not happen. The way I see that is we can deal with a 500-tonne event but much beyond that the EPA would have to make a call on how it wants that to be dealt with, whether, if it's on land and you just have a big pit in a low-risk area, or whether you have to dispose of them at sea and take them far enough out. I think logically they're the only two ways we would be able to deal with them.

I wish I had your confidence around plans around COVID, because I hadn't seen anything dealing with a pandemic, and I think that's why we're probably in the position we are today but, yes.

**CHAIR** - Right. I'm mindful -

**Ms FORREST** - I'm not sure about that.

**CHAIR** - I'm mindful we've run out of time.

**Ms FORREST** - Yes. All right. We will leave it.

**CHAIR** - I'm mindful we've run out of time. Time flies when we're in these hearings and we never quite get through all the things we would like to, but this hearing has been very useful and we appreciate the time you've given us today. I think there's probably a range of things we haven't quite touched on and covered today so we would like to follow up with you with some further written questions, if that's all right.

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**Mr RYAN** - Yes.

**CHAIR** - We will send those through to you once we've had a chance to consolidate them and make sure we've got some clarity amongst the committee members on those.

**Mr RYAN** - Yes.

**CHAIR** - We appreciate your team being here with you today, Mark, and for your time. Is there anything you would like to say in wrap-up before we close the hearing?

**Mr RYAN** - Yes. On behalf of our company I would like to thank you, Meg, and the other members for conducting this in a respectful and safe way because for us, our people and our families are really important. Personally I've respected the way this morning has worked so I'm very thankful for that.

I am really appreciative of the fact this has been conducted in the way it has so thank you. We're really happy to answer any further follow-up questions and happy to participate around that. As a company, we feel we are there to be approachable and to inform, and we understand everyone has different views on whether it's salmon farming or Tasmania or pandemics or - you know - all sorts of things, so we're comfortable everyone has their own opinion on it. That's okay - equally we will have an opinion on stuff, which is also okay. We thank you very much for affording us this respectful forum.

**CHAIR** - You're welcome and we're happy to do so. You appreciate from today too that the value for us in having this interactive discussion beyond what we could get from you in written questions is really valuable.

**Mr RYAN** - Yes.

**CHAIR** - That's a useful thing for us to have engaged in.

**Mr RYAN** - Again on that, just for us to be assured it was a safe way to do it, that was very important for us, so thank you.

**CHAIR** - All good. Thanks. We will close the session. Thank you.

**THE WITNESSES WITHDREW.**