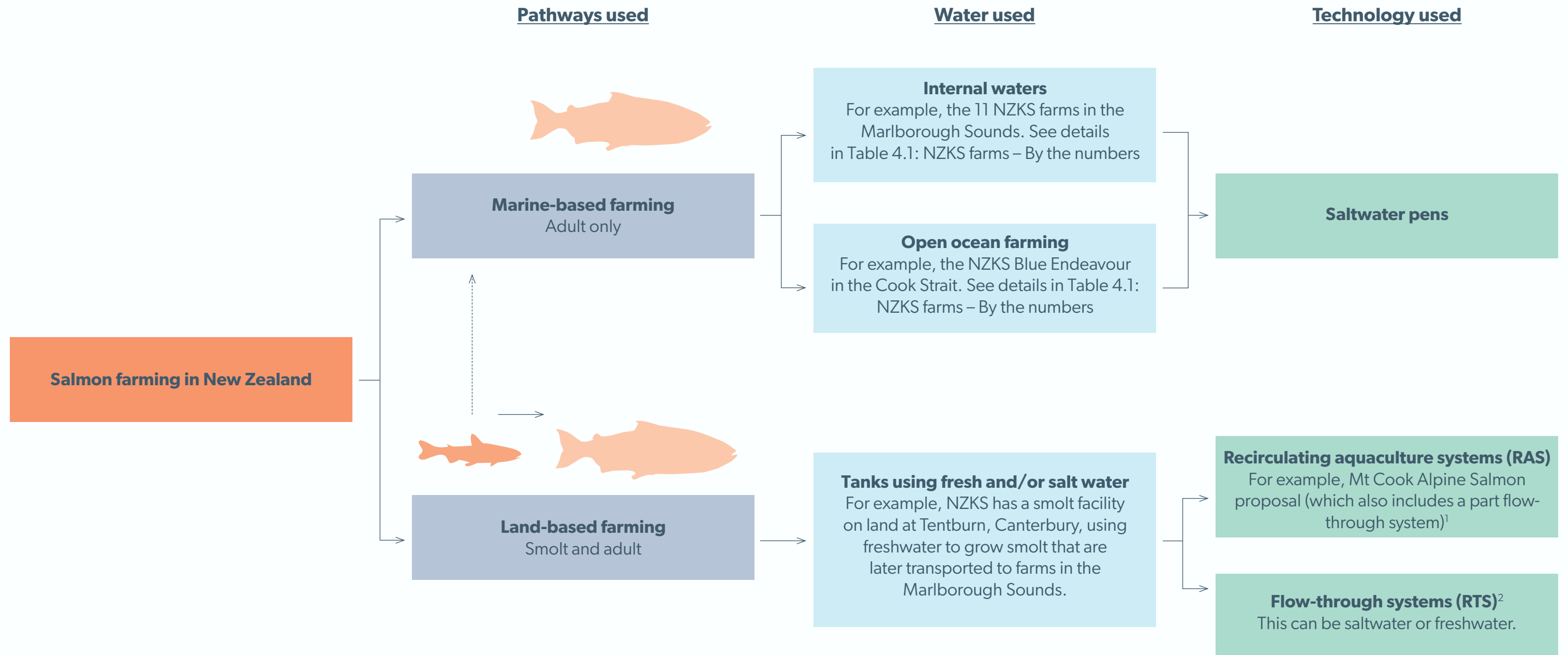


Infographic 7: Future of salmon farming – strategic options

This infographic forms part of the McGuinness Institute’s OneOceanNZ project. For references see www.mcguinnessinstitute.org/publications/infographics



Potential changes that may emerge within the next five years

- Higher sea surface temperatures and concerns over biodiversity. This is likely to mean that companies will need to re-establish their social licence to operate³
- More applications for ocean farming, and land-based farming using water from the ocean⁴
- More compliance costs for marine-based farming⁵
- Feed discharge becomes a stronger focus of conditions. This is due to feed being a key determinant of the quantity of faeces (which is a foreign input into the existing environment)
- Faeces being collected rather than discharged into the marine space or at least discharged further out to sea. For example, MDC require all faeces to be collected in the Tory Channel and only discharged on an outgoing tide
- Coastal charges/resource rent tax applied uniformly across all marine-based farms (e.g. Norway has introduced a resource rent tax, meaning that the marginal tax rate on aquaculture will increase from 22% to 47%)⁶
- Feed costs and supply issues increase, solution is to produce feed in New Zealand⁷
- Cost of salmon farming infrastructure increase (e.g. MPI suggests the cost of establishing an entire value chain for an open ocean salmon farm is \$150 million or more for an operation that can produce 10,000 tonnes)⁸
- Increased legislation of marine space and protected areas⁹ (e.g. a Marlborough Sounds Marine Protection Bill, along the lines of the proposed Hauraki Gulf/Tikapa Moana Marine Protection Bill)
- New rules across all marine farms under a similar set of national rules
- More government support and incentives for land-based farming