



THE HUSKISSON
On Jervis Bay

Kamsley Pty Limited
abn 64 103 228 413
75 Owen St, HUSKISSON NSW 2540
p: 02 4441 5001
f: 02 4441 6754
e: admin@thehuskisson.com.au
www.thehuskisson.com.au

13 November 2013

Director General of Planning
Planning NSW
GPO Box 39
SYDNEY NSW 2001

andrew.hartcher@planning.nsw.gov.au

Dear Sir,

**Objection - SSI 5657, Commercial Shellfish Aquaculture Leases
Jervis Bay, NSW**

I am writing to object to the proposed development of commercial aquaculture leases in Jervis Bay as noted above.

We are a significant private business (probably the largest private employer in the area) and a major tourism asset for the area. We have recently invested substantial funds in our tourism asset in the area.

The Huskisson (Husky Pub) is the major food outlet in the area in terms of volume and revenue. Our input on the potential restaurant or outlet market was not sought. This places a major question mark over the validity of the broad assertions in the EIA regarding additional revenue and jobs from outlets as a result of the proposed project.



Background

1. The proposal is in essence for NSW Fisheries to obtain an asset which it can lease to 3rd party on commercial terms. The risks have been identified as negligible, low or moderate.
2. Currently there is no risk as there are no approved projects.
3. The area is considered important enough to be a National Park.
4. The area is now getting traction in building a suite of water related events that bring enormous recognition, employment and financial benefit to the area. These include sailing regattas, paddle boarding, triathlon and long distances swims. These are take place in the and around the proposed lease areas. This proposal puts all of this at risk.

We object on the following grounds:

- 1) 50 ha (122 acres) of submerged cable structure presents a real danger to recreational users of Jervis Bay. Entanglements of marine mammals (e.g. whales, dolphins) in aquaculture infrastructure are also known to occur. Also drifting of recreational users into the area is stated as low risk. But the relationship of entanglement and water is too high a risk to assume away. These areas are used for sailing and paddle boarding by many recreational tourists. The risk to human life is classed as low. There should be some comment on whether this low risk is considered acceptable risk.
- 2) There will be visual pollution presented by 50 ha (122 acres) of floating buoys. The photos are deficient and should have been taken from higher vantage points (not at the water level) with the project superimposed on the photos to give a true assessment of the visual impact.
- 3) Page V of the EIA notes that with regard to the environmental risks 5 are negligible, 14 are low and 3 are moderate. The moderate risks are water quality, disease and entanglement. It admits these require further investigation.

Mitigation measures mainly relate to the small scale of the operation - 0.4% of the bay area.

The EIA does not state that these risks are managed to a negligible level but that these measures mitigate risk. To what level of risk are these risks mitigated? There is also no comment on whether these

mitigation measures are effective. Just that the measures will be implemented. Whilst this may seem a small point – it would be very comforting for the author of the EIA to state that these measures bring the risk to a negligible level. Or even to a nonexistent level as is the current situation

- 4) Part 3.2 of the EIA claims that NSW paid almost double the national price for Mussels in 2010. It also point out the large level of imported Mussel and Scallop stock. However, such facts in isolation are unhelpful to proper consideration of this project. We need to know more details as to why imports are high, what the environmental and regulatory conditions are at the place of production, the method of production of the imported stock and also what diseases and other natural and unnatural issues have caused shortages in NSW. For example, oysters wiped out by disease and excess nutrients flowing down river, flood wiping out stock, the nature of the farming production activities in the countries of production. This can then allow a proper assessment.

For example, if the imported product is from places with little environmental control then we are not matching like for like. We are importing product from a producer that does not have the Australian overheads and restrictions but then expect Australian producers to be able to produce product at the same cost level. This will never happen because of the different regulatory and cost conditions.

The point is that broad sweeping statements without proper research and context are not helpful in any way. Broadly one would expect Australian product to be more expensive because of greater regulation; but consumers do not want to pay. This is not a reason to start production in Jervis Bay when in fact the real issue is that Australian production just costs more; or costs so much more that no one wants to make the investment.

- 5) The EIA does not provide a feasibility analysis of the project. Part 8.2.1.6 of the EIA deals with Economic benefit. But the only points identified are commented on below:
 - a) All projects are required to give a feasibility study. There is no feasibility study and in fact there is inference that a project of this size is not economically feasible. The EIA is then **materially defective** by not having a financial feasibility study. To effectively evaluate the project we must know what the project is proposed to generate economically. If the project is not economic then why do the project?

No jobs will be created in the long term and no long term benefit will be created. If the aim of the project is to do a larger project of 440ha then this needs to be explicitly outlined.

- b) The EIA notes that the project will have estimated gross income of \$176,000 pa. If this is correct and it employs even 10 FTE people then it will not survive as after wages alone it will be insolvent. In addition there will be no funds to decommission the infrastructure or pay for any damage done. It is a very poor decision to approve a project that will fail.
- c) If the project generates only a small profit then why put the environment and associated tourism events and businesses at risk? The economic feasibility is critical in making this evaluation.
- d) If the project is not sufficiently economically viable then why will a private sector lessee take up the lease and make the investment? This would only be done with the option of then taking up a larger lease to become economically viable. Again this should be explicitly outlined and considered in detail in the EIA.
- e) General comments about other areas and multiplier effects are all very informative; but not directly relevant to this project under assessment now. These additional comments only become relevant when the initial financial feasibility of this project is done and agreed as being reasonable. Then the flow on effects and comparisons to other areas can have some meaningful relevance.
- f) Additional jobs of between 20 and 35 people are claimed. In fact this is a questionable number and some detail as to how it is derived would be very informative. Twofold Bay, used as an example, has 2-3 FTE and 2-3 part-timers. This is on leases of 20 ha. Using this example the Jervis Bay project will result in 5 – 8 FTE and the same number of part time jobs. This is less than half the number of jobs claimed by the project proponent.

Is this level of job created significant in the context of the environmental and financial risk being created? I suggest not. The jobs created are the same as a small sized restaurant.

- g) Purchases of \$850,000. This is a one off purchase at set up. There is no amount given for recurrent purchases. To put this number into context this is the cost of one major house or and nowhere near the cost of a commercial tourism venue. The point is this is a small amount in comparison to the tourism businesses, events and opportunities that being put at risk.

- h) A suggested seafood trail is interesting as in Eyre Peninsula. But the distances in NSW are great and not effective for a tourism trail. In addition such a venture would need state government funding to support the establishment. This is a misrepresentation of the opportunity.
- i) There is no evidence of new tourism opportunities'. Just broad assertion that new tourism ventures will develop. The fact that the area is a marine park adds enormously to the tourism case for the area. No account or consideration has been taken of the reduction in tourism as a result of the project.

The conclusion of negligible impact when compared to the potential economic developments in other parts of Australia is a misdirection and leap of faith. There is no consideration of the opportunity loss from future sailing, swimming and paddle board events. No evaluation of the general loss of tourism through the "tarnishing" of the National Park and the vista. No evaluation of the loss of general tourism through fear of drifting into the area and subsequent damage to person or property or loss of life from entanglement. These are all very real and relevant considerations that have just been brushed away or ignored.

- 6) Meetings were held with a range of government and community groups. Also a face to face meeting was held with 1 private business. We are a significant private business. We have not been consulted. This brings into question the true effectiveness of the "consultation".
- 7) Jervis Bay is a well known international sailing venue and has been for approx. 30 years. Sailing and other recreational water-based activities such as scuba diving and kayaking, contribute significantly to the local and regional economy. For instance in February 2014 it is estimated that sailing events alone, such as the Hobie World Titles, will contribute more than \$1,000,000 to the local economy. The estimated gross turnover of the commercial aquaculture proposal of 50 ha, is a mere \$173,000. Not only will the proposal contribute little to the local and regional economy, it may compromise attracting future national and international events such as the Hobie World Titles.
- 8) Jervis Bay is the last body of water in proximity to Sydney that has no commercial aquaculture leases in place. The Bay is well known for its high water quality. The community, and governments, have fought

for generations to protect Jervis Bay and keep it free from primary industry.

Summary

Page viii of EIA states that there is no significant social, environmental or economic impact. Then why approve the project when there is no benefit and assumption of additional risk in a range of sectors? There should be at least a proper consideration of the quantified economic effect of the project and then a comparison to the additional risk being assumed by approving the project. .

Yours sincerely,

Kamsley Pty Limited

Steve Bartlett

Director