

RURAL ECONOMY AND CONNECTIVITY COMMITTEE

SALMON FARMING IN SCOTLAND

SUBMISSION FROM NORTHWARDS LIMITED

Northwards Limited is a logistics company based in the Northern Isles (Lerwick and Kirkwall) with further depots in Aberdeen, Glasgow and Inverness.

www.NorthwardsLtd.co.uk

Our business, has at its heart a reliance on the aquaculture industry where we bring essential retail goods to the islands and efficiently transport salmon south.

Northwards employs 85 people throughout the depot locations with the majority based in the Northern Isles. We have invested over £4m over the last 6 years and continue to grow the business. The lifeline ferry service, which is essential for the economic development progress of the islands, is substantially buoyed by the freight revenues from the salmon industry. Removal or reduction of this element would have a significant detrimental impact on the economies of both Orkney and Shetland.

Scottish salmon production in 2016 was 162,817 tonnes according to Scottish Government official statistics. Exports of Scottish salmon in 2017 were valued at £600m maintaining salmon's position as Scotland's and the UK's largest food export.

The industry supports 10,340 jobs throughout Scotland, with the majority being in the Highlands and Islands. Earnings arising from these jobs amount to £270 million per annum.

Long term industry confidence is evident in the continued level of company investment in people, skills training research and technology. Capital investment by farm companies has remained steady at around £63m over the past two years.

Consumer demand for high quality Scottish salmon continues to grow in domestic and overseas markets. Salmon is the most popular fish in the UK shopping basket. Its full traceability, provenance and production standards ensure that it commands a premium in many high value international markets.

All farmers work to the independently audited CoGP which addresses around 500 compliance points covering all aspects of salmon farming and processing. Audits and fish health inspections are carried out almost every day of the year by Scottish Government Fish Health Inspectors, retailers, RSPCA, CoGP, and other quality assurance schemes. Daily fish health checks are carried out on every single farm in Scotland by fish farmers. The combination of professional health checks and audited schemes means that the standard of fish husbandry on Scottish farms is very good and independently monitored.

Salmon farming has transformed the Scottish food sector and the rural communities of the West Highlands and Islands and Argyll & Bute with jobs, investment and business opportunities. Families are now able to live and work in the communities where they were brought up in. Salmon farming companies list nearly 2,500 companies in the Highlands and Island area they do business with. Last year, salmon farming donated £735,000 to local sports and community groups.

Northwards supports local charities and sports clubs in the Northern Isles areas as well as the mainland depot locations.

The industry offers modern apprenticeships, training, and career opportunities, with second and third generations of families joining the sector. From engineers to fish health managers, from marketing to vets, the range of jobs in salmon farming is impressive. But to capitalise on these opportunities the Highlands and Islands must improve its transport and digital connectivity. International business emanates from these remote areas, so they need high quality systems to communicate and deliver high quality salmon. Northwards has pioneered innovation in equipment in order to move chilled salmon from the Northern Isles towards the markets. The recent acquisition of insuliners (trailers) is now being adopted by others. Some 70k tonnes of feed is transported efficiently to the isles. These movements are a key part of the logistical supply chain. If this is disrupted, it will have detrimental consequences to the other traffics moving to and from the Northern Isles.

Northwards Limited
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