

RURAL ECONOMY AND CONNECTIVITY COMMITTEE

SALMON FARMING IN SCOTLAND

SUBMISSION FROM STEWART GRAHAM, GAEL FORCE GROUP

As the founder and owner of the Gael Force Group, which today employs well over 200 people directly and many more indirectly and with expected 2018 annual sales in excess of £30Million, I believe we and all those that are supported by this business are a key stakeholder in the future of Salmon Farming in Scotland. Though two thirds of our business today is aquaculture based, the business was founded as a one man operation in the Hebrides manufacturing commercial fishing equipment – principally creels, some 35 years ago. Alongside the growth of salmon farming I have direct experience of the decline in size of the fishing industry, across Scotland and internationally over that period and the effect that had on many rural communities. The fishing industry was unsustainable as it was then and on a global level cannot sustainably contribute any more to the worldwide demand for seafood protein than its current level of ca. 90 Million tonnes per annum. Globally, it is only aquaculture that can provide the increase in demand for seafood to avoid unsustainable pressures on wild stocks and or indeed their collapse. Locally, it is only aquaculture which has allowed small businesses like ours grow into a business of scale supporting many beneficiary stakeholders.

At a Scottish level I have witnessed first-hand, over 35 years the hugely positive social and economic transformation of many of our rural areas in the Highlands and Islands, due to the growth of aquaculture, yet we allowed our position in Scotland to fall significantly behind that of other Salmon producing nations despite producing the best farmed Salmon in the world and one of the most environmentally friendly and low environmental impact major sources of farmed protein as compared to all other major sources of farmed meat protein such as chicken, pork and beef. The industry is still a very young industry and has of course made many mistakes and learned many lessons and there are and will be many more lessons to learn too. There is nothing we do in life that does not have some environmental impact. The issue however is, what do we get in return for a given environmental impact and it is clearly demonstrable that salmon farming has one of the lowest environmental impacts per kg of food produced of any major sources of meat production.

1. I would like to summarise my general views of the farmed salmon industry in Scotland thus:

- Salmon Farming has been transformative and hugely positive on the economy and communities of the rural highlands and islands of Scotland over the past 30 years and today employs and supports 10,340 jobs. There are approximately five jobs in the wider supply chain for every job in direct production. Few commentators will recall or care about the times before aquaculture's success when unemployment in some west coast communities

such as the Hebrides topped 20%. Few critics will care about the dying communities up and down the Highlands and Islands which are now revived and sustained in large part because of aquaculture.

- There is simply no reliable evidence linking the decline of wild salmon with salmon farming, just screaming assumptions from a small number of people who do not want to engage in finding the facts and being part of the solution for declining wild salmon stocks. The declines in wild salmon populations occur where there is no fish farming too and occurred for long periods prior to fish farming even existing. Commercial fishing, poaching, increasing seal populations, angling catches, ducks taking large numbers of smolts in rivers, huge increases in competing pelagic stocks however, have all had tangible negative impacts on wild salmon populations. We do not know what impact climate change has on wild salmon stocks and neither do we yet understand the impact it has on farmed salmon's health either.
- Farmed Salmon has the lowest environmental impact of any major source of protein production in terms of Carbon Footprint: Salmon 2.9kg of CO₂ / kg of edible meat; Chicken 3.4kg; Pork 5.9kg and Beef 30kg. Water consumption: Salmon 1,400Lt / kg of edible meat, Chicken, 4,300 Lt, Pork 6,000 Lt and Beef 15,400 Lt.
- While research and experimentation will no doubt continue, there is no commercially viable Recirculation Aquaculture System of any scale for growing out salmon thus far and suggestions that this is how the industry moves forward are completely ill informed. If RAS however were established at some point in the future as viable, facilities would be set up next to population masses and would negate the USP of Scottish Farmed Salmon.
- While Salmon Farming has grown our tourism industry has flourished and continues to grow. Our fishing industry in Scotland is now at a sustainable effort level and operates very profitably alongside aquaculture. The highest levels of cetaceans ever measured on the West of Scotland are now being reported – thriving alongside our aquaculture industry. Despite the hysteria which exists around the subject of seals, fishing communities around the Highlands and Islands will report populations almost out of control.
- Salmon is a very healthy dietary choice and is the largest food export we have in Scotland and the largest in the UK with exports of £600M in 2017. Scottish Salmon commands a premium because of its provenance Demand continues to grow in the domestic and International markets and Scottish Salmon sits as a flagship at the heart of Scotland's highly successful and ambitious food and drink industry.

- There is a huge economic opportunity for Scotland to sustainably double the economic value of the industry to Scotland and create around 6,000 additional jobs, as set out in the Vision 2030 strategy. However no industry stakeholder advocates blind growth to a target tonnage number; rather that all stakeholders work together to unlock the economic, social and environmentally sustainable growth opportunity that farming Scottish Salmon presents to Scotland.

2. The Aquaculture Growth to 2030 Strategy sets out a clear ambition to double the economic value of the industry to Scotland by 2030. The strategy is founded on the three pillars of sustainability: Environmental, Social and Economic. No industry stakeholder expects to focus only on tonnage targets without limiting the impact on the environment, ensuring communities and the wider stakeholder group sustainably benefit from the growth of the industry and of course the social and political imperative for Scotland to benefit economically from the growth. As a co-chair of the strategy group and industry leadership group I am committed to ensuring that the industry growth delivers optimum economic and social benefits for the widest group of stakeholders possible while minimising the environmental impacts of producing this world renowned food. Government and its agencies and other stakeholders should continue to work together closely with all other industry stakeholders to deliver on the 2030 strategy and of course review and refresh the strategy from time to time.

3. The farmed salmon industry is currently managing a range of fish health issues and the industry would reasonably expect, as might be the case with agriculture for example, that government resource, specifically Marine Scotland Science is tasked with working with the industry to solve the current challenges but also perhaps more importantly are tasked and resourced with researching future fish health challenges. Should agricultural farmers face the kind of animal health challenges recently faced by fish farmers there would be a huge outpouring of sympathy and significant resources would be brought to bear to help solve the challenges. As it is, ill-informed critics would seem to suggest that the farmers conspire to diminish their own stock and nothing could be further from the truth. The industry has for example invested massively in non-medicinal treatments for lice which appear to be showing strong signs of early success.

4. The current national collection of data on salmon operations and fish health would appear to be adequate and there has been a significant further reporting level of data recently. The threat of malicious use of published data by minority rogue elements to commercially harm companies, target farms and individuals is a risk however to publishing data.

5. The regulatory regime which applies to the farmed salmon industry in Scotland while robust is extremely complex, not joined up and demonstrates almost no innovation. Regulators should depend on science to challenge limits rather than the precautionary principle. Regulators can and must adopt an enabling view which supports business growth in order that the economic benefits can be developed in order to support the larger social imperative. Innovative projects to deploy and monitor to challenge precautionary assumptions should be undertaken. The regulatory framework however along with the industry Code of Good Practice, independent audits and fish health inspections carried out by Scottish Government Fish Health Inspectors, retailers, RSPCA and other quality assurance schemes all form a key part of the provenance and assured quality of Scottish Farmed Salmon. The thriving of the other marine species sharing the same environment as we farm salmon in demonstrates the environmental impact of salmon farming is sustainable.

6. Salmon Farming is one of the few industries of scale in Scotland which export on a world wide basis. Regardless of our departure from the EU we as a country and an economy can only grow and develop if we can grow our economy and international trade will be a key driver for that growth.

Scottish Salmon self-evidently can only be grown in Scotland and the sector provides a unique and sizeable opportunity for sustainable economic growth. An opportunity which delivers in a uniquely powerful and inclusive way for the rural economy of the Highlands and Islands and wider Scotland. It is currently a profitable, though high risk industry in which we have operators prepared to invest significantly and who endeavour to support the wider Scottish economy, its supply chain and the communities in which it operates. It does not require government assistance to do this, it simply requires government and politicians to get beyond the scaremongering headlines, understand the facts and support and enable the industry to grow.

The capital required to produce farmed salmon is huge and is mobile. The worldwide growth in demand for farmed salmon is strong and Scotland has lagged behind the growth of other countries. We have several new challenger countries entering the market with supportive governments and if we do not have the political leadership to match industry aspirations we may very well lose the current compelling opportunity which the industry presents Scotland.

Stewart Graham, Gael Force Group
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