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Ministry for Primary Industries

Aquaculture.submissions@mpi.govt.nz

Dear Advisory Panel

My name is Karen Mant, Environmental Project Manager for NZ King Salmon, and I am writing in support of the Marlborough salmon relocation project.

Employment / Company History

I have been employed by NZ King Salmon and its predecessors since 1990. My role at this time was receptionist / junior administration assistant. Our office was based in Nelson city and the team consisted of a General Manager, Export Sales Manager, Domestic Sales Manager, Management Accountant, Financial Accountant, Accounts Clerk and me! That was the team back then in 1990.

At this time we had three separate entities; Southern Ocean Salmon (SOS - Te Waikoropupū Springs salmon farm), Marlborough Salmon Company (MSL - Hallam Cove / Waihinau Bay & Forsyth Salmon farms), and Pacific Salmon Processors (PSP - Bullen Street, Tahunanui factory). Each company was a separate entity with individual financial accounts, which bought and sold to and from each other. The two salmon farms in the Pelorus were serviced each day by staff ex Elaine Bay. The three companies merged soon after I started in 1990 and traded as Southern Ocean Seafoods (SOSF).

In the next few years (early 1990's) we bought the neighbouring Skeggs factory in Bullen Street to allow for increased production and it also had room for corporate offices and the small office team in Nelson city moved to Bullen Street. During the salmon 'off season' (winter) part of the factory was contracted to shuck scallops. We could do everything in the one factory back then, scallops, gilling & gutting salmon and packing smoked salmon. I remember a floor to ceiling curtain that separated the areas in the one factory. Food safety requirements were stepped up and the stand-alone Ready to Eat (RTE) processing factory / smokehouse was built off Merton Place and the scallop shucking was no longer.

As the business grew the small corporate team also grew, and there were many benefits having everyone in the same location – sales teams and production manager's co-ordinating supply and demand and the company had established year round supply – a first of its kind in New Zealand. Over the next few years the corporate team grew out of the offices in a factory, and we leased an office building on the opposite side of the road in Bullen Street.

In 1996 when Regal Salmon Company (RSL) which had salmon farms at Ruakaka, Otanerau, Te Pangu and head office in Picton, was purchased by SOSF. The company began trading as The New Zealand King Salmon Co. Limited (NZKS). We merged retaining many RSL office staff as well as the team in Picton which included the net making and engineering services.

In 2012 we were overflowing in Bullen Street and expanded our corporate offices to Beatty Street nearby to accommodate the growing teams that we are today.

My roles within the NZKS

My roles over the past 26 years have been varied. I started fresh out of Nelson Polytechnic into a junior admin role, and have progressed to payroll, accounts payable & receivable, credit controller,

IT projects, IT helpdesk before I started my family in 2004. I came back to NZKS in the Finance department before taking a role in the Sustainable Management Team. My role in this department has grown considerably over the past 5 years, with the EPA process, increased science and technology in the aquaculture field, international certifications. In my 26 years, I have been through three mergers and worked under three CEO's:

- David Nelson – General Manager Southern Ocean Seafoods
- Paul Steere – CEO NZ King Salmon (current Board Member)
- Grant Rosewarne – current CEO.

There are probably not many companies of this size that has had such a low turnover at CEO level.

Diploma in Environmental Management

For the past 3 years I studied through the Open Polytechnic and completed a Diploma in Environmental Management. The company fully supported and paid for my diploma which I am truly grateful for. While studying my diploma I completed a paper on Global Sustainability.

The world is facing a growing food crisis with the prediction of global population likely to be nine billion by 2050. Demand for animal proteins will be twice the amount of what we are capable of producing today. (Riddet Institute, 2010)

Global seafood production has been struggling to keep up with increasing consumption and a rising interest in finfish farming and aquaculture has been identified as a way to close the gap between supply and demand by supplementing the harvest of capture fish populations. Figure 1 shows the steady growth of global aquaculture over recent decades compared to capture production with future predictions of aquaculture overtaking wild fish catches. (The State of World Fisheries and Aquaculture 2014, 2014)

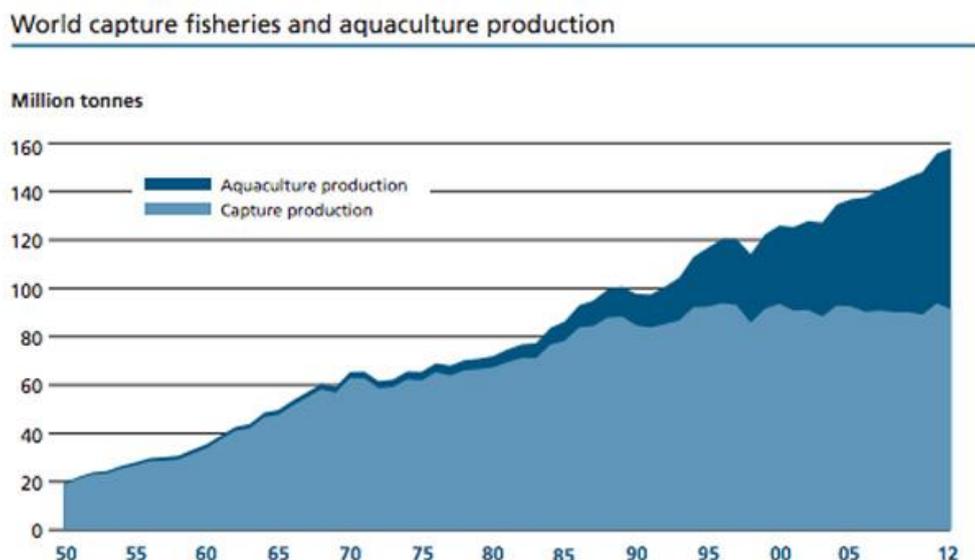


Figure 1 – World capture fisheries and aquaculture production. (Unsustainable Fishing, 2012)

The global production of aquaculture has significantly increased over recent decades and many people believe that such growth has relieved pressure on the ocean fisheries.

Certification / Community

My role also incorporates certification, and in the past four years NZKS has been accredited with the internationally recognised BAP (Best Aquaculture Practice) certification, with all seafarms and processing facilities being independently audited. In 2016 we added our three hatcheries (Waikoropupū Springs, Tentburn and Waiau) to the BAP certification, and thus NZKS was the first company in Australasia to be awarded BAP certification to this standard.

We are proud to have an active and focused sponsorship and community support programme. We support various community organisations, charities and events, with financial and product sponsorship. Geographically our sponsorship focus is on the Marlborough region, followed by the greater top of the South and our freshwater locations. I believe that salmon farms in the Marlborough Sounds are as much of the community as the baches. Our staff often come to the aid of recreational fishers / boaties for assistance. Recently our divers were asked to untangle a rope wrapped around the prop of a boat, we assisted in the rescue of a small plane that crashed in Ketu Bay and saved the pilot from drowning and barges have a defibrillators on board available for anyone to use. Many recreational fishers / boaties are very interested in the salmon farms.

Therefore I support this relocation project in many ways:

- Science. Having the science to position a salmon farm in the most suitable area rather than in areas that were easy to obtain, converted mussel farms, or seemed to be a good place at the time. This can only create a positive environmental outcome for a sustainable future.
- Social amenity. Many of us enjoy the Marlborough sounds for recreational use and the amount of residential baches is growing as bays become more accessible by road and boat. Moving the salmon farms out of these bays will provide better social outcomes for many residents – especially Bulwer near the Waihinou Bay farm.
- Economics. The growth over my time in this company has been huge and I'm very proud to be a founding member of the Company.

Ownership

I just want mention my opinion of Tiong family and its part ownership of NZKS. The Tiong family has had part ownership of NZKS and its predecessors ever since I can remember. They have stood by this company through thick and thin. At times when things weren't looking so bright back in the late 1990's of GDAS, the Tiong family came to our aid to ensure the survival and continued employment. The Tiong family love fishing and all they ever wanted was to go to the salmon farms and catch a fish on a rod. As for the criticism they receive for taking profits offshore – I can ensure you in the past this has been quite the opposite. I fully support their ownership and am very grateful for it.

It is exciting times for King Salmon, and I would definitely like the opportunity to be heard by the advisory panel.

Karen Mant

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