

An update on the progress of the Sydney Rock Oyster Breeding Program Reference Group

September 2024



Mark Boulter
Chair - SROBPRG

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Sydney Rock Oyster Breeding Program Reference Group

Sydney Rock Oyster Breeding Program Reference Group

Set up by the NSW Shellfish Committee

Remit

- Is to inform the Government of industry needs for the breeding program
- As well as focus on commercialising the outputs of the breeding program
- This is to ensure reliable spat supply to industry
- To provide the advantages of selection as a means of improving productivity and profitability, resilience in the face of disease and climate change
- and management of the risk of inbreeding.

- The committee has held 12 meetings from August 2021 – to date

SROBPRG Members

NSW oyster operators	Interstate oyster operators	DPI Fisheries	External experts	Chair
Justin Welsh / Brad Verdich East 33	Gavin Partridge Harvest Road WA	Stephen O'Connor Mollusc Hatchery Manager	Curtis Lind CSIRO	Mark Boulter
Pip Boyton Australia's Oyster Coast	Kim Weston Sea Gen Aquaculture VIC	Laura Parker Senior Fisheries Scientist	Peter Kube, former CSIRO	
Brandon Armstrong Armstrong Oysters	Jason Murray Victorian Shellfish Hatchery	Emma Wilkie Senior Policy Office Aquaculture		
Shane Buckley Wapengo Rock Oyster Company	John Wright Tasmanian Oyster Co	Wayne O'Connor Senior Principal Research Scientist		
James Brown Broken Bay Pearls		Mike Dove Research Leader Aquaculture Research		
Robert Redmayne East Coast Oyster Nursery		Ian Lyall Program leader Aquaculture		
Todd Graham Macleay River				
Ian Duthie Sea Perfect (Tas and NSW)				
Andrew Williamson				

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Sydney Rock Oyster Breeding Program

Sydney Rock Oyster Breeding Program Technical Review

- The breeding program has achieved the breeding goals that were established ten years ago.
- The program is considered a biosecurity necessity and an insurance policy.
- An independent Technical Review is being planned of the breeding program.
- The objective of the Technical Review will be to inform necessary changes to the technical aspects of the breeding program to meet future needs.
- A funding application to FRDC / OA has been developed to fund this review process.

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Sydney Rock Oyster Breeding Program Funding proposal

Sydney Rock Oyster Breeding Program Funding

The cost of running the breeding program has been around \$400,000 pa in recent years.

The NSW industry contribution to the breeding program through the \$3/1000 spat service fee has been fairly small, at around \$15,000 - \$30,000, compared to a government contribution to the program in the order of \$400,000 pa.

At the February 2024 Shellfish Committee meeting the NSW government committed \$250,000 per annum for the breeding program for the next two years.

Combined with the current income from the service fee and leverage from some grants and research contributions, the program is funded for two years.

But beyond two years there is no firm commitment from NSW government. The future funding of the breeding program therefore needs to change to address these realities.

Sydney Rock Oyster Breeding Program Proposed Hybrid Funding Framework

For the last 2 years the Reference Group have looked at various funding options.

The option that has shown most promise has been termed a so-called Hybrid model, because it incorporates the industry service fee component (on spat sales) and also a flat fee across all industry participants.

What is being proposed is a funding framework that raises the spat service fee from \$3/1000 to \$4/1000 and also a flat fee raised across all of industry of \$100,000 pa.

The industry contribution of \$100,000 per annum could be charged on a per hectare, or on a per permit holder basis. Costs could range from about \$35 per hectare, or a fixed cost of around \$400 per permit holder to cover about 25% of breeding program costs.

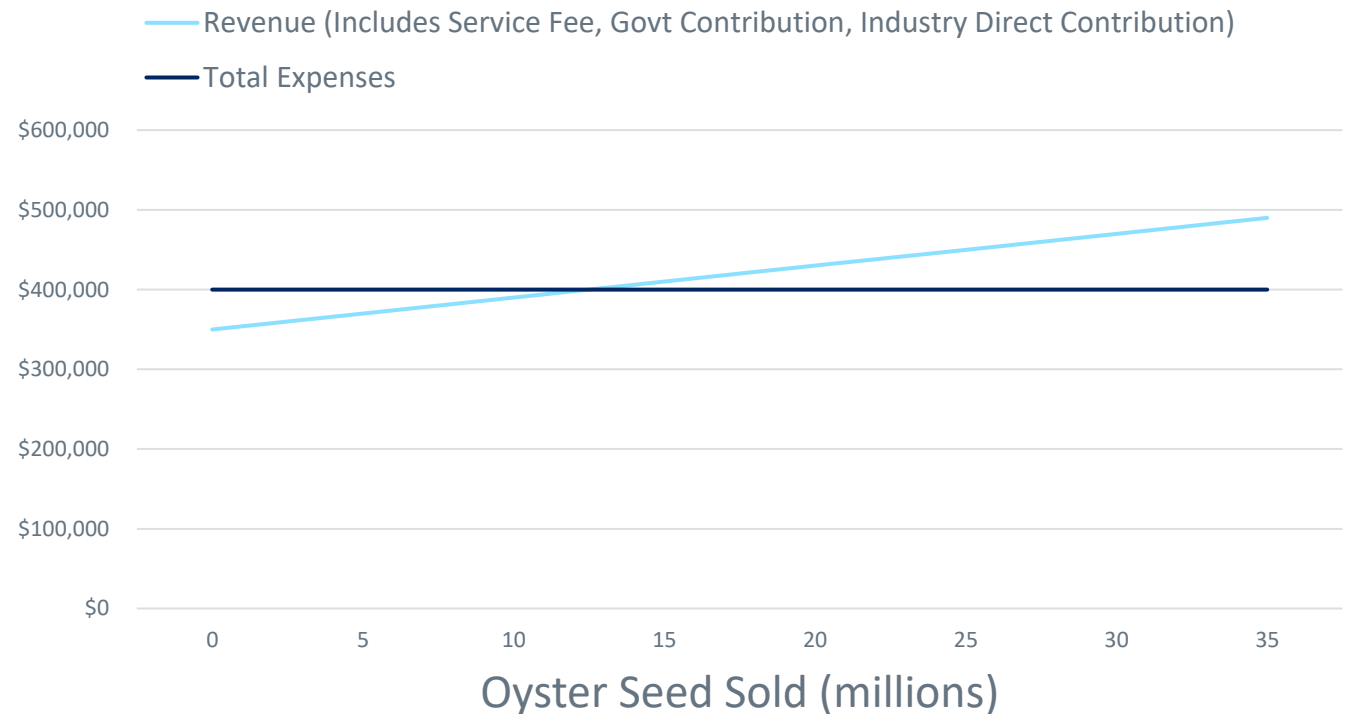
This is on the basis that the program acts as a whole of industry biosecurity and disease risk ‘insurance policy’.

There is also scope for some interstate funding of the program through interstate sales and funding.

Sydney Rock Oyster Breeding Program Proposed Hybrid Funding Framework

With this proposed hybrid model the breakeven point is around 12.5 million spat per year

Break-Even Analysis SRO Breeding



Sydney Rock Oyster Breeding Program Proposed Hybrid Funding Framework

The Reference Group has requested that as a condition of the Hybrid model being pursued:

- NSW DPIRD will produce breeding line brood-stock spat ex-hatchery for industry nursery rearing
- Assist with the nursery and lease rearing before distribution to Industry
- Develop an 'Access Policy' or equivalent for distribution of broodstock

The Reference Group supported the Hybrid Model conditional to:

- That the broodstock supply issues will be addressed :- The Reference Group did not consider it justifiable to charge industry if there were significant impediments to broodstock supply
- A technical review of the breeding program be undertaken to identify known impediments and opportunities for growth and/or efficiencies

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Sydney Rock Oyster Breeding Program Consultation process

Sydney Rock Oyster Breeding Program Consultation

Industry consultation paper:

The consideration of the Hybrid funding model has been communicated to industry via:

- The Sydney Rock Oyster Breeding Program update April 2024 sent to all oyster aquaculture permit holders via post, and published on the DPIRD website in April 2024.
- The NSW Shellfish Committee meeting summary or outcomes 28 February 2024
- The OceanWatch NSW Oyster Newsletter March and May 2024 editions.

Sydney Rock Oyster Breeding Program Consultation Process – Next Steps

The ‘Have you say’ process:

This online consultation process on the funding framework is now live and can be found at:

<https://www.dpi.nsw.gov.au/dpi/fishing/aquaculture/publications/general-publications/research/the-sydney-rock-oyster-breeding-program-industry-contribution>

The Reference Group and NSW DPIRD will consider all submissions made and make a recommendation of the appropriate next steps based on the outcomes of the consultation period.

Industry will be informed of the consultation outcomes and next steps.



Sydney Rock Oyster Breeding Program Consultation Process – Preliminary findings

- Only 8% of voters have so far responded to the survey.
- More responses are required.

<https://www.dpi.nsw.gov.au/dpi/fishing/aquaculture/publications/general-publications/research/the-sydney-rock-oyster-breeding-program-industry-contribution>



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