13 November 2025

S 9(2)(a)

Official information request
Our ref: R001318

Tēnā koe S 9(2)(a)

Thank you for your Official Information Act 1982 (OIA) request received on 15 October 2025. You requested:

> *The Ministry's 'no more trout pout' page mentions a 'rapid review of existing rules' and an 'economic analysis' which show that commercial trout farming could generate as much as $300m in economic benefit over 30 years.*
>
> *Under the OIA I would like to request a copy of this review and economic analysis please.*

Request partially granted
The following document is in scope of your request:

- MFR2025-032 De-Regulation of Commercial Trout Farming in New Zealand

This document will be provided to you without undue delay and no later than 21 November 2025. Some information is withheld under section 9(2)(g)(i) to maintain the effective conduct of public affairs through the free and frank expression of opinions. As required by section 9(1) of the OIA, I have considered whether the grounds for withholding the information requested is outweighed by the public interest. In this instance, I do not consider that to be the case.

Right of review
If you wish to discuss this decision with us, please contact hello@regulation.govt.nz.

You have the right to seek an investigation and review by the Ombudsman of this decision. Information about how to make a complaint is available at www.ombudsman.parliament.nz or freephone 0800 802 602.

Please note that we may publish this response (with your details removed) on the Ministry for Regulation website.

Ngā mihi

S 9(2)(a)

Aisling Risdon
Head of Ministerial Services
Ministry for Regulation

Regulatory Response Issue

Ministry for Regulation

Minister and Portfolio:	**Hon David Seymour, Minister for Regulation**	**Priority**	**Medium-High**
To:	**John Brinsley- Pirie, Deputy Chief of Staff**		
Issue:	**RRT2024-0432 – Trout Farming**	**Tracking number:**	**MFR2025-032**
Date:	**27 February 2025**	**Security Level:**	**IN CONFIDENCE**
Title	**De-Regulation of Commercial Trout Farming in New Zealand**		
Purpose	The purpose of this paper is to provide initial advice to you as requested on the risks and benefits of removing the ban on trout farming in New Zealand		
Recommendations/ Options	**note** we have undertaken a rapid review and initial analysis of the risks and benefits of commercial trout farming in New Zealand and potential economic and environmental impacts of de-regulating this sector		☐
	note as requested this advice has been prepared on the basis that there is a presumption of deregulation first unless compelling evidence suggests that the risks outweigh any economic and environmental benefits		☐
	Option 1: the Minister could refer this matter to Hon. Shane Jones the Minister for Oceans and Fisheries to request that his officials provide advice on this issue.		☐
	Option 2: the Minister for Regulation could ask the Ministry for Regulation to complete further advice and a more in-depth assessment of the viability and impacts of de-regulation of trout farming. s 9(2)(f)(iv) [redacted]		☐
	Option 3: Consider our advice but take no further action		☐

Source	On 4 February 2025 you requested an initial assessment of the relevant regulatory settings and the options that could be considered for the de-regulation of trout farming following a submission to the Ministry's online portal for regulatory issues.
Engagement	In the time available to prepare this initial advice we have not engaged with any other agencies or interested parties. If the issue is progressed, we would expect engagement to include the following: • Department of Conservation • Ministry for the Environment • Ministry for Primary Industries • Fish & Game New Zealand and other angler associations • Tangata Whenua and relevant iwi and Māori organisations
Background	***Current legal and regulatory framework*** Trout farming is currently illegal in New Zealand[1]. Regulations for freshwater fish farming in New Zealand, explicitly exclude trout[2]. The importation of trout and trout products is also prohibited in certain circumstances.[3] For decades, the development of salmon and trout aquaculture in New Zealand was opposed by recreational fishers, on the grounds that disease would spread from fish farms into recreational fisheries, and that wild fish would be poached if they could be sold. In the early 1970s salmon and trout farming where both considered, but the government decided to only allow salmon farming[4]. ***Political context*** s 9(2)(g)(i) There are approximately 92,000 licenced recreational anglers[5] in New Zealand[6]. Supporters of de-regulation are of the view that job creation, sustainable economic activity and securing a food source as well as the success of deregulation of trout farming in other countries outweigh the risks of deregulation.

[1] Section 26ZI Conservation Act 1987
[2] Section 301 Fisheries Act 1996 No 88 (as at 23 December 2023)
[3] The Customs Import Prohibition (Trout) Order 2021 which came into force on 30 September 2021 continues the prohibition on the importation of trout and trout products (unless the Minister of Conservation has issued consent to do so).
[4] Trout aquaculture » Land Based Aquaculture Assessment Framework (lbaaf.co.nz)
[5] Data from Fish & Game New Zealand
[6] NIWA Client report (fishandgame.org.nz)

	The claims against deregulation include limited feed stock, disease, gene dilution, poaching, damage to spawning grounds and pollution. s 9(2)(g)(i) The New Zealand Fish and Game Council and Federation of Freshwater Anglers worry about threats to sport fishing, poaching, and biosecurity risks. ***2018 Petition on Trout Farming, consideration by the Primary Production Select Committee***[7] In 2018, Clive Edward Barker, a salmon farmer from Takaka petitioned Parliament to review trout farming legislation. The Department of Conservation suggested limiting trout farming to recirculating systems, while the Ministry for Primary Industries saw potential benefits but called for further consultation and risk analysis to be undertaken. The **Primary Production Committee's** report in response to the petition[8] outlined government support at the time as well as the economic and employment benefits of de-regulation but outlined concerns about risks to wild trout, such as disease and poaching. The report recommended the government give serious consideration to commercialising trout farming. The government at the time chose instead to prioritise the 2019 Aquaculture Strategy[9], which excluded trout farming, but advised it may revisit the issue in the future.
Initial Analysis	***Economic analysis*** In 2015 the New Zealand Institute of Economic Research (NZIER) produced a report into the economic contribution of marine farming in the Marlborough region.[10] This report found that marine farming (mussels, oysters and salmon) and processing play a crucial role in Marlborough's economy, contributing significantly to GDP, employment, and local businesses. The Ministry for Regulation has conducted some initial economic analysis and are of the view that commercial trout farming would generate $300 million in potential economic value to New Zealand in present value terms over a 30-year period.

[7] Clive Edward Barker Petition (2020)
[8] Government response to the report of the Primary Production Committee on Petition of Clive Edward Barker: Legislation to allow commercial trout farming Proposal
[9] MPI Aquaculture Strategy 2019
[10] economic_contribution_of_marlborough_aquaculture.pdf

	<u>This analysis is indicative only</u> and makes several assumptions regarding the potential growth trajectory for commercial trout farming and should be taken as indicative-only rather than a detailed and rigorous economic analysis. We note that our initial economic analysis is *not* a comprehensive cost-benefit analysis of the removal of regulatory barriers to trout farming, as we have not assessed other costs and benefits, such as any costs related to environmental impacts. Our analysis also does not calculate the *net* economic value, as we do not have sufficient data to determine the fixed and variable costs associated with commercial trout farming. The initial economic analysis also does not include any calculation of the costs of implementing an alternative regulatory regime for a de-regulated trout industry. A copy of this initial economic analysis is attached to this paper as **Appendix 1:** ***International comparisons and alternative models*** Trout farming is legal in the following jurisdictions: • Australia- with significant monitoring systems and observation[11]. They are also looking to reduce red tape for this sector [12][13] • Canada - Trout farming is comprehensively regulated at the federal, provincial and territorial levels to ensure that farms maintain the highest standards of food safety, animal health, and environmental sustainability. Provincial and territorial governments also have regulatory responsibilities in licensing farm sites and processing plants. Management of the aquaculture industry draws on scientific and traditional and local knowledge.[14] • United Kingdom- Trout farms were permitted in the 1950's and now approximately 290 trout farms exist in central and southern Scotland, southern England and North Yorkshire. • Europe- Trout accounts for about 17% of the total aquaculture production in the EU[15]. It is one of the most farmed freshwater species, alongside carp. The primary European countries involved in trout farming are France, Italy, and Denmark [16] These countries have well-established aquaculture sectors that contribute significantly to the overall production. The EU places a strong emphasis on sustainable aquaculture practices. This includes

[11] How we manage fisheries | Australian Fisheries Management Authority
[12] Red Tape | Australian Fisheries Management Authority
[13] Status of AFMA's initiatives | Australian Fisheries Management Authority
[14] Farmed Trout- Canada
[15] EU aquaculture: State of play
[16] Overview of EU aquaculture (fish farming) - European Commission

	monitoring environmental impacts, ensuring animal welfare, and using sustainable feed ingredients. s 9(2)(f)(iv) [redacted]

[18] https://www.lbaaf.co.nz/nz-aquaculture-species/modelled-species/trout/
[18] https://www.lbaaf.co.nz/nz-aquaculture-species/modelled-species/trout/

	s 9(2)(f)(iv) [redacted] s 9(2)(g)(i) [redacted] s 9(2)(f)(iv) [redacted]

[19] Trout aquaculture » Land Based Aquaculture Assessment Framework
[20] Trout farming ban continuation welcomed - Fish & Game
[21] Trout farm idea opposed due to risks | Otago Daily Times Online News

s 9(2)(f)(iv)

[redacted]

Specific overseas examples of risk mitigation strategies

Here are some examples of risk mitigation strategies for commercial trout farming from around the world:

Norway

Closed containment systems: Norway has implemented closed containment systems to prevent the spread of diseases and parasites to wild fish populations. These systems also help manage waste and reduce environmental impact.

Strict biosecurity measures: Norwegian trout farms follow stringent biosecurity protocols, including regular health checks and quarantine procedures for new stock.

Canada

Integrated Multi-Trophic Aquaculture (IMTA): This approach involves farming multiple species together, such as trout, shellfish, and seaweed. The different species help to recycle nutrients and reduce environmental impact.

Environmental monitoring: Canadian trout farms are required to conduct regular environmental monitoring to ensure compliance with water quality standards and minimize pollution[22].

Scotland

[22] How to Calculate Risks in Fish Farm Management?

	Genetic selection for disease resistance: Scottish trout farms use selective breeding programs to develop disease-resistant strains of trout, reducing the need for antibiotics and other treatments[23] **Sustainable feed practices**: Scotland promotes the use of sustainable feed ingredients, such as plant-based proteins, to reduce the environmental footprint of trout farming.
Summary	On the face of it there are benefits for de-regulation of the trout farming sector. s 9(2)(f)(iv) [redacted] As this advice has been prepared as a rapid assessment, without engaging with relevant expertise in other agencies, there is a risk that we have not fully articulated the current regulatory framework or implications.
Next steps	**Option 1:** the Minister could refer this matter to Hon. Shane Jones the Minister for Oceans and Fisheries to request that his officials provide advice on this issue. **Option 2:** the Minister for Regulation could ask the Ministry for Regulation to complete further advice and a more in-depth assessment of the viability and impacts of de-regulation of trout farming. This would include an impact assessment; an assessment of what regulation might be necessary and detailed engagement with relevant stakeholders (as outlined in the engagement section of this paper). **Option 3:** Consider our advice but take no further action

Contact	Jeffrey Scoringe, Principal Advisor, Regulatory Reviews, Ministry for Regulation
Manager/Lead	Lucy Pritchard, Principal Advisor and Acting Lead, Regulatory Reviews, Ministry for Regulation

[23] Antimicrobial Resistance in Aquaculture: Risk Mitigation within the One Health Context

Appendix 1

Ministry for Regulation

Initial Economic Analysis

February 2025

Introduction

1. This note provides a high-level economic assessment in relation to the potential removal of regulatory barriers to trout farming in New Zealand.
2. We find that allowing commercial trout farming would generate $300 million in potential economic value to New Zealand, in present value terms over a 30-year time period.
3. We note the following important caveats to our analysis. As our task was to undertake only a high-level economic assessment, our analysis makes a number of assumptions regarding the potential growth trajectory for commercial trout farming, and as such should be taken as indicative-only rather than a detailed and rigorous economic analysis. We note that our analysis is *not* a comprehensive cost-benefit analysis of the removal of regulatory barriers to trout farming, as we have not assessed other costs and benefits, such as any costs related to environmental impacts. Our analysis also does not calculate the *net* economic value, as we do not have sufficient data to determine the fixed and variable costs associated with commercial trout farming. Nonetheless, the analysis provides a broad indication of the extent of (gross) economic value that might result from commercial trout farming.
4. The remainder of this note sets out our methodology and results.

Calculation of potential economic value from commercial trout farming

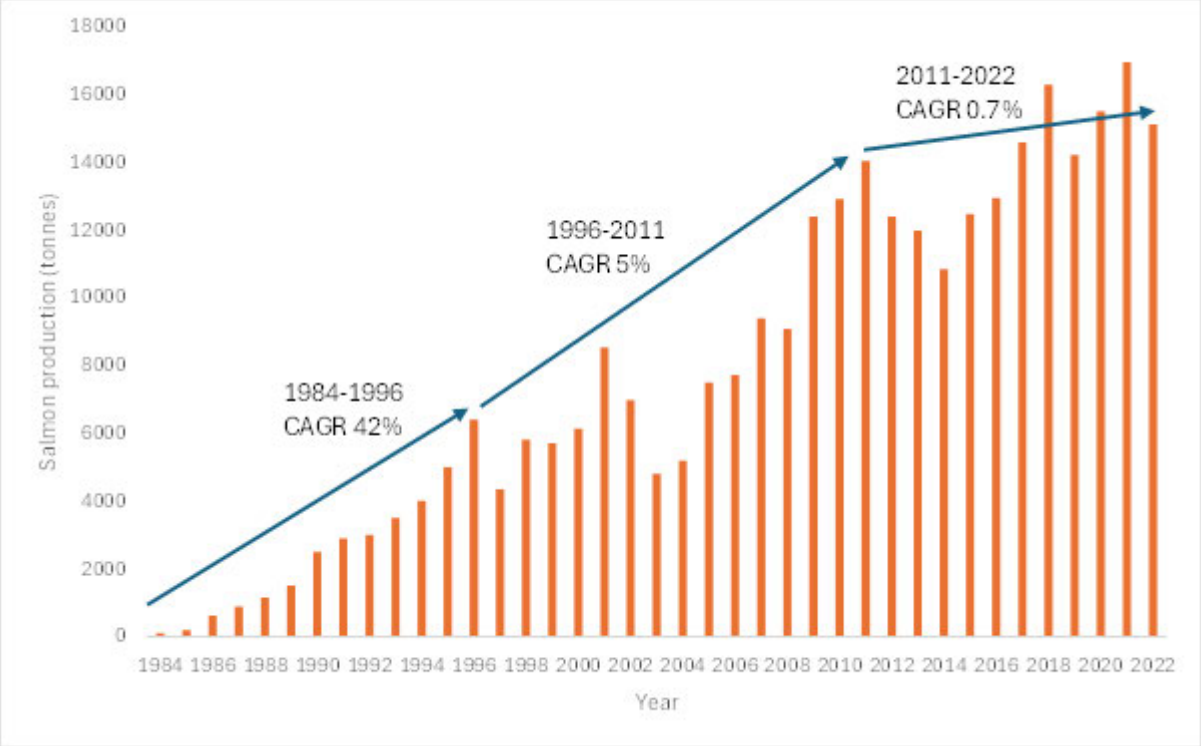
5. To calculate the potential economic value from commercial trout farming in New Zealand, we use the salmon farming industry as a baseline. Salmon aquaculture started in New Zealand around the early 1980s, and data on total production is available from the Food and Agriculture Organization of the United Nations (FAO) from 1984 onwards. Figure 1 presents the available New Zealand production data, from 1984 through to 2022, and shows:

a. An initial period of constant growth in production from 1984 to 1996 (12 years), at a compound annual growth rate (CAGR) of 42% per annum;

b. A period of slower growth, including periods where production both increases and decreases on an annual basis, from 1996 to 2011 (15 years), at a CAGR of 5% per annum; and

c. A period where production largely stabilises, from 2011 to the end of the series in 2022, with a CAGR of 0.7% per annum.

Figure 1: New Zealand annual salmon production, 1984-2022

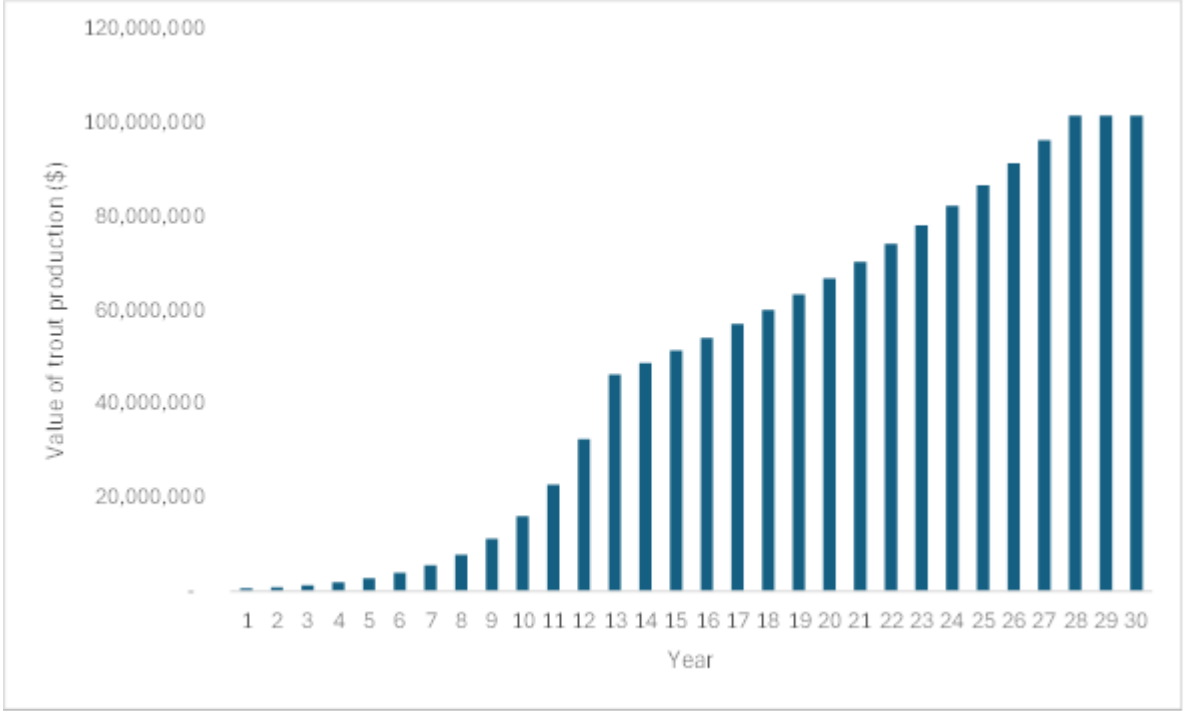


Source: MfR analysis of data sourced from FAO FishStat database, available at: FAO Fisheries & Aquaculture - Global aquaculture production

6. To estimate the potential economic value from commercial trout farming, we assume that trout farming production follows the same pattern as that shown for salmon farming in Figure 1. In particular, we assume trout production for the first year in which commercial trout farming starts is equal to the same production level as for salmon in 1984 (of 92 tonnes). We then assume trout production increases at a CAGR of 42% for 12 years, as it did for the first 12 years of salmon production. From year 13 to year 28 (the next 15 years), we assume that trout production increases at the slower CAGR of 5% per annum, again as it did for a similar time period for salmon production. We lastly assume that trout production stabilises at its year 28 level, for the remainder of our time period. We use a 30-year time period for our analysis, so as to give a sufficiently long time period over which to assess trout production, but without using a period that is so long as to make production forecasts less meaningful.
7. We note that there are elements of conservatism in our trout production estimates, because they are based on the pattern experienced by salmon production starting from 1984. At this time, the world population was smaller than it is now, leading to a smaller potential world market. Consumer tastes and preferences were also different from those of the present, which also may have influenced the rate of consumer uptake of farmed salmon. It is therefore possible that trout farming starting in the present day would show a quicker production ramp up than that for salmon in the 1980s and 1990s.

8. The above analysis yields trout production for New Zealand starting at 92 tonnes in year 1 and increasing to approximately 14,000 tonnes by year 30 of our analysis. As a reasonableness test on these estimates, we checked current aquaculture production levels for trout (specifically, rainbow trout) for Denmark, Finland, and Norway, which all have a similar population to New Zealand and for which fishing/aquaculture is considered a relatively important industry. In particular, FAO data for 2022 records trout production of approximately: 24,000 tonnes for Denmark; 15,000 tonnes for Finland; and 85,000 tonnes for Norway. We note also that the total size of the world market for rainbow trout in 2022 was approximately 1 billion tonnes. These numbers suggest annual trout production of 14,000 tonnes for New Zealand is not unreasonable.
9. To determine the value of New Zealand trout production, we use data on the price per tonne for trout sold in world markets, focusing in particular on rainbow trout, which is a key New Zealand trout species. Using FAO data on the total value (in US dollars) and quantity of rainbow trout production worldwide in 2022, we calculate a price of US$5,045 per tonne.[1] This price is broadly consistent with world prices for wholesale trout, which current market evidence suggests trade at around US$5.77/kg (US$5,770 per tonne).[2] Converting to New Zealand dollars using an OECD Purchasing Power Parity between the US and New Zealand,[3] we calculate a price of $7,233/tonne.
10. We assume that this price remains constant in real (i.e., inflation-adjusted) terms, over the 30-year period of our analysis. This is equivalent to assuming that nominal prices increase at the rate of inflation. An analysis of world rainbow trout prices over the last 10 years suggests that this is a reasonable assumption, with an average annual price change over this period of 1.9% per annum.[4]
11. Using the above data, we calculate the total value of trout production in each year over the 30-year period of our analysis. Figure 2 shows this value in each year, starting from approximately $0.7 million in year 1 (92 tonnes of production at $7,233/tonne), increasing to approximately $102 million in year 30 (14,037 tonnes of production at $7,233/tonne).

Figure 2: Annual potential value of New Zealand trout production over 30 years



Source: MfR analysis

12. We discount the stream of annual cashflows shown in Figure 2 to a present value using a real, pre-tax, discount rate of 8%, which is that recommended by the Treasury to discount commercial proposals.[5] This gives a present value of approximately $300 million over the 30-year time period of our analysis.