Social License to Operate:
What does it mean for the Australian commercial seafood industry?

Industry Research Report

26 May 2016

EXECUTIVE SUMMARY

The Australian commercial seafood industry harvests resources from the marine environment and in turn has a stewardship responsibility. The community, through government and their development of legislation and licencing systems, give its consent to industry to access resources for a commercial gain. A *social license to operate* relates to the level of implicit approval that industry has from the community to operate and is demonstrated through the level of community support exhibited for the industry. A lack of action does not necessarily indicate a robust social license. Rather, it should be regarded as indicative of a level of instability in the social license that exists, and steps to improve and engage with relevant community(ies) should arguably be undertaken.

A clearer understanding of what 'social license to operate' means needs to be determined for industry. Discussions at the 2015 Seafood Directions conference, held in Perth (October 2015), along with growing anti-fishing sentiment in Queensland, New South Wales and Victoria suggests that the Australian industry's social licence is diminished and needs to be improved. Or put another way; fishers, fishing businesses and the seafood industry as a whole, need to improve the community's trust in them to be responsible stewards of the marine resource, for the long haul. To attain and retain a social license to operate the industry as a whole have to be actively engaged with their communities to address trust and resultant social license to operate issues.

An online survey was undertaken in early 2016 to examine the issue of a social license to operate. A list of key findings are outlined below.

1. The commercial seafood industry needs to become more effective and visible with engagement strategies that extend well beyond interactions with government and regulators.

2. Industry is faced with a conundrum – industry operators want community acceptance but do not fully understand their role in building social license to operate let alone see their role as leading the charge to build social license.

3. Individual commercial seafood businesses have to accept that responsibility for better engagement lies at all levels.

4. The notion of 'acceptance' from the communities in which industry operates is important.

5. Developing positive social license will require a long-term commitment from industry.

6. Improving social license was identified as a responsibility of industry bodies, Fisheries Research and Development Corporation (FRDC) and OceanWatch. Respondents also indicated that improving social license could also be achieved through linkages with the education system, fisheries management and media.

7. Creating linkages between industry bodies, media and government were identified as important to maintain social license to operate.

1. INTRODUCTION

The Australian commercial seafood industry (comprising the wild harvest, aquaculture and post-harvest sectors) and how these sectors conduct their business is under constant scrutiny. Industry is accountable to the primary stakeholder – the Australian community.

The reality facing the commercial seafood industry is that its activities are also scrutinised by government through environmental and fisheries management bureaucracies, environmental non-government organisations (eNGOs), other marine resource users including recreational fishers, politicians including Local, State and Federal members. Pressure can also come from individuals and groups who have varying positions regarding the ongoing extraction of renewable ocean resources (e.g. eNGOs, animal rights groups etc).

This report was conducted using a survey to examine social license to operate from an Australian seafood industry perspective by addressing the following questions:

- How important is a social license to operate – is it a peripheral concern or central to how industry operates?
- What are current views held by industry of social license?
- What are we doing as an industry to improve our levels of social license?
- What can be done to maintain industry's social license to operate?
- What can we learn from one another?

The report consolidates industry's views on the questions above and issues raised by respondents, and are presented as follows:

- Social license to operate and the commercial seafood industry (Section 2);
- The method used to survey industry (Section 3);
- Results provided by industry respondents (Section 4); and
- A discussion of the results, issues identified by industry and additional questions raised within the response data (Section 5).

2. SOCIAL LICENSE TO OPERATE AND THE SEAFOOD INDUSTRY

2.1. DEFINING SOCIAL LICENSE TO OPERATE

The definition of social license to operate varies considerably. One reason for this variation can be traced to the mining sector; with two examples outlined in Box 1.

Box 1. Defining social to operate – a mining industry definition

Bice (2014, p. 63) defines the concept of a social license to operate as:

- Values and ideals (i.e. what is important to your business);
- Activities (i.e. what your business behaviours says about what you value); and
- These values, ideals and activities must be espoused within society to ensure the successful operation of a business enterprise.

Pike (2012, p. 3) argues the definition as including community consent which is ongoing, 'The World Bank suggests that a social license to operate is the acquiring of "free, prior and informed consent of local communities and stakeholders" We would contend that this is part, but not the whole, of the social license. The whole consists of both the acquisition and on-going maintenance of the consent of the local stakeholders. The maintenance of consent is especially important as the criteria by which local stakeholders give their consent may change over time'.

The definitions outlined in Box 1 were developed for a very different industry with a focus on a non-renewable resource. The commercial wild catch seafood sector for example access a *re*newable resource that is owned by the Australian community. Box 2 provides an alternate set of definitions of the concept from an Australian seafood perspective.

Box 2. Defining social license to operate – a commercial seafood industry definition

Sen (2013, Slide 3) defines the concept in terms of acceptance as the 'ongoing acceptance or approval from the local community and other stakeholders. The concept is dynamic and intangible'.

Mazur, Bodsworth and Curtis (2013, Slide 2) defined the concept in terms of:

- Judgements about 'what is' & how that compares to what 'should be'.
- Different degrees of approval.
- Whose judgements? – identifiable parts of society.
- Those judgements can and do change.
- Cannot have social license without being trusted and trustworthy.

Warren (2013) expands upon the definition by arguing that social license relates to community trust regarding the ethical conduct of industry and ongoing environmental stewardship of the resource which is owned by the community and is subject to competition between sectors. The question that these technical definitions cause us to ask of the industry in relation to the concept is; what are Australian seafood businesses doing to engage their respective communities in order to influence public trust and hence social license?

2.2. APPLICATION OF SOCIAL LICENSE TO OPERATE

In every State and Territory, fisheries and conservation managers apply various legislative and regulatory controls on commercial seafood businesses. Non-government organisation (NGOs) push for greater accountability from users of the marine environment. Box 3 clearly states that NGOs expect more from industry than basic adherence to legislation or regulation.

Box 3. Social license minimum standards

Murphy-Gregory (2015, paragraph 3): 'Perhaps the simplest way to understand the social license concept is to see it as an avenue for NGOs and communities to instil operating standards and codes of conduct on business actors and their commercial undertakings that exceed what is legally required by the state'.

Commercial seafood businesses that assume basic compliance with fisheries regulation is enough to meet public expectations on issues like sustainability for example, but must contend with the approach adopted by eNGOs as outlined in Box 4.

Box 4. Pressure to exceed minimum sustainability standards

Murphy-Gregory (2015, paragraph 3): 'The social license strategy is very much dependent upon rapid dissemination of information by environmental activists largely via social media platforms, which allows eNGOs to access and engage with the public, other NGOs, and corporations in order to build common understandings of appropriate behaviour and practices'.

The following section will draw from presentations at the 2013 and 2015 Seafood Directions event[1].

2.3. SOCIAL LICENSE AND INDUSTRY

Does a social license to operate matter to the Australian seafood industry? The 2015 Seafood Directions conference provided a range of presentations focussing on the issue of a social license to operate. A commercial fishing presentation provided by Mr Damien Bell outlined his perspective on the topic in the Peel Harvey estuary fishery in Western Australia. According to Mr Bell, building social license to operate involved (1) community engagement (seafood donations, Mandurah CrabFest, Youth Intervention Program and improving community communication), (2) industry activity (memberships, unity amongst fishers, Environmental Management Systems and Marine Stewardship Council) and (3) a resource sharing agreement[2].

The 2013 Seafood Directions conference took place in Port Lincoln, South Australia and from an aquaculture perspective, Tassal provided a process for understanding and securing a social license by identifying a baseline of activities required to secure community support. Fiona Ewing, Community

[1] Seafood Directions is the Australian seafood industry national conference.
[2] Bell (2015, Slide 7).

Engagement Officer, Tassal Operations, identified that for them the key elements of success in terms of community engagement involve[3]:

- Transparency;
- Investing in relationships;
- Listening to stakeholders/consulting with them;
- Company culture – innovation;
- Company culture – complaints;
- Everybody is on this journey together;
- Avoiding conflict – arguing – mudslinging; and
- Relationships with environmental non-government organisations.

Both these examples suggest the positive outcomes that can be achieved by engaging with the community. The following section provides an example of the negative outcomes an absence of social license can generate.

2.4. AN ABSENCE OF SOCIAL LICENSE

The net fishing closures in Port Phillip Bay in Victoria[4] and in Mackay, Rockhampton and Cairns in Queensland[5] demonstrate that a lack of social license may have negative consequences for industry and for communities.

1) Both sets of closures were targeted at net fishing

Despite the targeted and sustainable nature of net fishing, the variety of species caught and minimal bycatch, opposition to this fishing method is ongoing. This grouping of opposition creates a perfect storm of 'anti-net fishing' sentiment – (a) governments will make claims that the removal of a viable food producing industry will improve other industry sectors such as tourism or recreational fishing and (b) recreational fishers will make claims that removing netting will lead to increased recreational ability to catch fish and increased recreational fishing participation[6].

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[3] Ewing (2013, Slides 13 and 14).
[4] Seafood Industry Victoria website, 'Save Bay Seafood: Your fresh local seafood is under threat'. Link: http://siv.com.au/savebayseafood/
[5] ABC Rural, 'Tensions reach boiling point over net-free fishing zones', 2 November 2015.
[6] (a) Daily Mercury, 'Tourism will receive boost from net-free zones: Bill Byrne', 16 October 2015 Link: http://www.dailymercury.com.au/news/net-free-debate-is-finally-reeled-in/2808790/ and Agriculture Victoria, 'Removal of net fishing from Port Phillip Bay', accessed website 24 April 2016. Link: http://agriculture.vic.gov.au/fisheries/commercial-fishing/removal-of-net-fishing-from-port-phillip-bay, and (b) BoatPoint,com,au, 'Rec-fishing haven for Port Phillip Bay', 20 October 2014. Link: http://www.boatpoint.com.au/editorial/news/2014/rec-fishing-haven-for-port-phillip-bay-46915 and Mackay Recreational Fishing Alliance, home page, accessed website 24 April 2016. Link: http://www.mackayrecfishersalliance.org/net-free-zone.html.

2) Loss of access to community owned local seafood for the community

In the Mackay, Rockhampton and Cairns regions an estimated 590 tonnes of fish has been denied to the community and the Port Phillip Bay figure is in excess of 700 tonnes of fish[7].

3) Scientific evidence was disregarded by the Victorian and Queensland governments

The net closures were not based on scientific evidence which forms the basis of good fisheries management, including any resource allocation process. The political process that these net fisheries have been exposed to (complete disregard of scientific data) is not limited to the net fishing sector, and in the long-term is a threat to the commercial seafood industry as a whole.

Whether having a greater social license to operate would have changed the outcomes in Queensland and Victoria net fishing closures is unknown, however greater community support would have provided the politicians with reason to retain access to these fisheries.

The following sections focus on the methods, results and a discussion of responses provided to a commercial seafood survey regarding social license to operate.

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[7] Sourced from Qfish (Queensland government commercial and recreational fisheries catch data), accessed 24 April 2015. Link: http://qfish.fisheries.qld.gov.au/. ABC News, 'Ban on commercial net fishing in Port Phillip and Corio Bays 'gut wrenching', industry body says', 25 November 2015. Link: http://www.abc.net.au/news/2015-11-25/ban-on-commercial-net-fishing-in-port-phillip-bay-gut-wrenching/6971952

3. METHOD

The following section outlines the methodology used to survey commercial seafood business owners across Australia in an attempt to develop a better understanding of social license to operate relevant to the seafood industry.

3.1. SURVEY TOOL

An online survey instrument was developed with the assistance of industry and academic contacts. The aim was to ensure the questions were relevant to an industry audience.

3.2. INDUSTRY ENGAGEMENT

The survey was open to commercial seafood business operators (wild harvest, aquaculture and post-harvest sectors) for an 8-week period (mid-January to mid-March 2016). The survey was distributed through multiple channels including the National Seafood Industry Alliance (NSIA), FRDC and Facebook through AFFECT - Leadership Graduate Group. Respondents were asked to pass on the survey link to others in a sampling technique known as snowball sampling (Atkinson & Flint 2001).

3.3. DEMOGRAPHICS

The information in this section provides a detailed demographic breakdown of respondents. In some cases, the respondent did not provide demographic information. The average time worked in industry was 27 years with a range of 6 – 60 years.

Three sectors were invited to participate in the survey: (1) aquaculture, (2) wild harvest and (3) post-harvest. Aquaculture respondents included individuals with interests in Abalone, Barramundi, Oyster, Southern Bluefin Tuna and Prawns. Wild harvest respondents included individuals with interests in the inshore (e.g. Crab, Spanner Crab, Mud Crab and net), line (e.g. fin fish), trawl, ocean trap and Pipi sectors. Post-harvest respondents included individuals with interests in retail, wholesale, combination retail/wholesale and fishing cooperatives.

The total number of respondents was 80. State and Territory responses included: QLD – 23; NSW – 12; VIC – 4; TAS – 4; SA – 7; WA – 6 and NT – 1. Twenty-three respondents did not indicate their State or Territory place of operations.

4. RESULTS

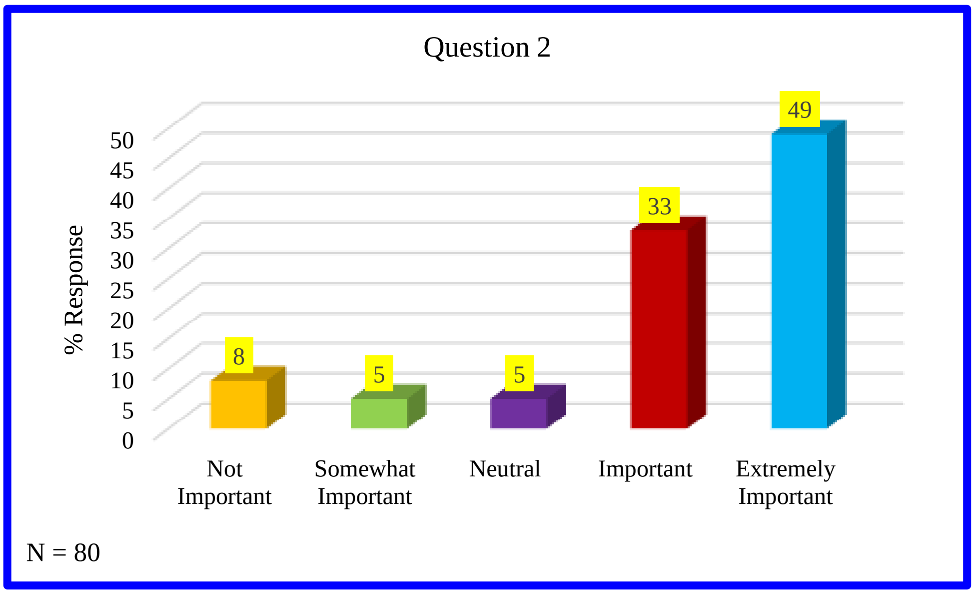
This section provides the responses to the survey tool on a question by question basis. More detailed analysis will be provided at Section 5.

Question 1. How do you define social license to operate?

Industry Response	Details
Industry definitions suggest similar views of what a 'social license to operate' means. Number of Respondents (N); N = 74	62 respondents (84%) cited positive definitions of social license to operate, examples included: • 'Acceptance of community stakeholders'. • 'Community confident that industry is sustainable and responsible'. 12 respondents (16%) cited negative definitions of a social license to operate, examples included: • 'The absence of public resistance'. • 'Any recreational fisher that catches fish not for sale'.

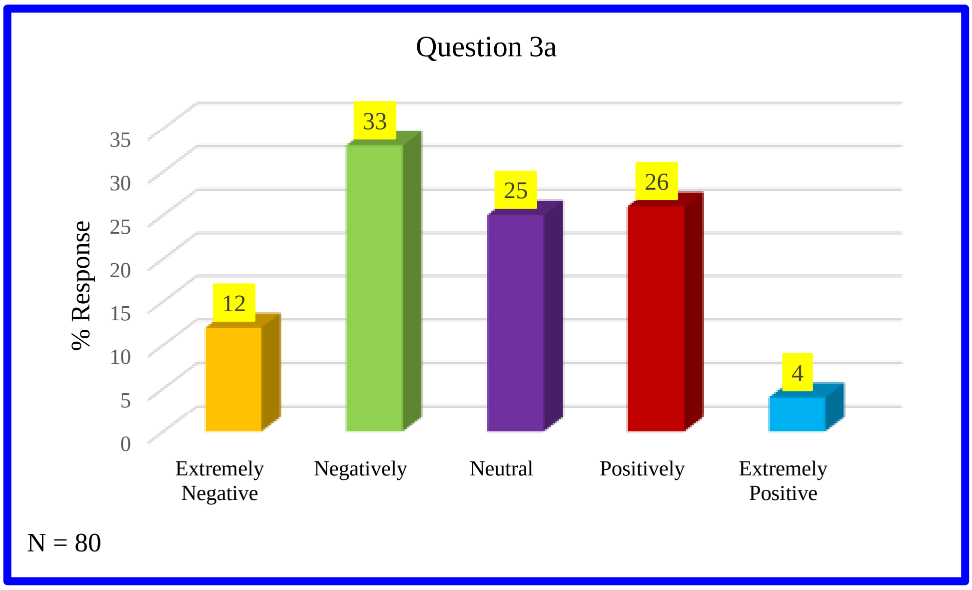
Question 2. Importance to you of social license to operate – How important is a social license to operate?

Industry Response – 66 respondents (82%) indicated that social license was important to them.



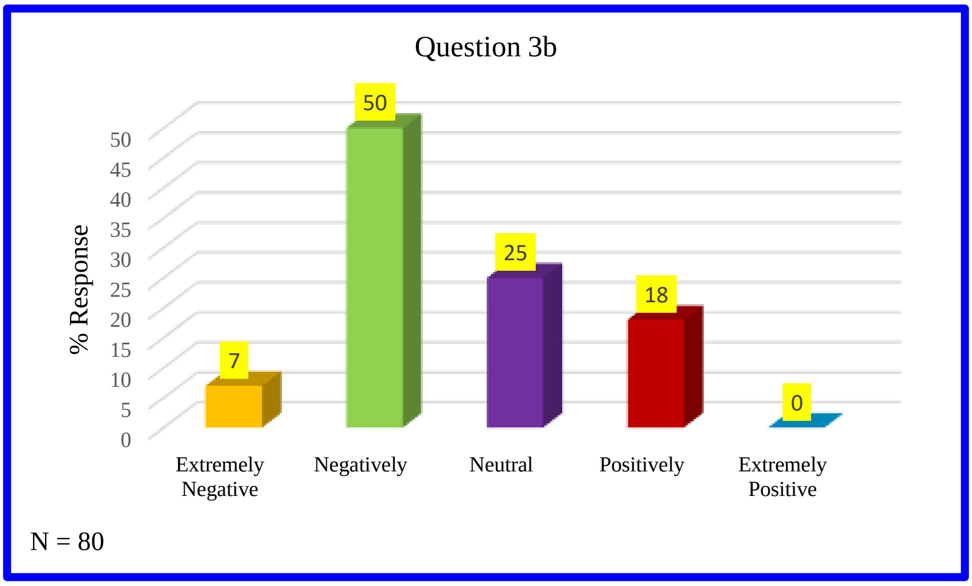
Question 3a. Public perception of the commercial seafood sector – How do you think most people in your local or regional community perceive the commercial seafood industry?

Industry Response – 36 respondents (45%) indicated that they believed local or regional community have a negative perception of the commercial seafood industry, compared with 24 respondents (30%) who indicated that they believed their local and regional community have a positive perception of industry.



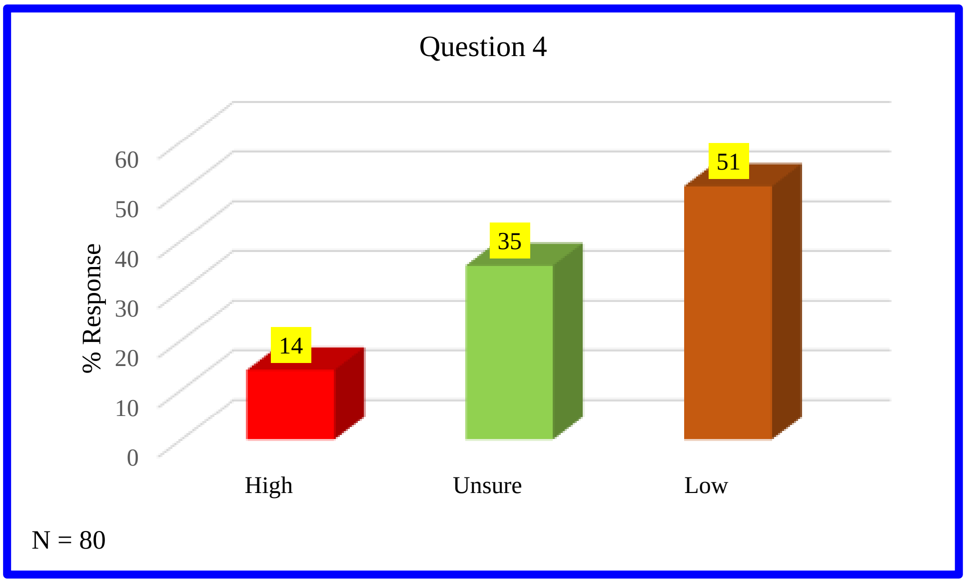
Question 3b. Public perception of the commercial seafood sector – How do you think most people in your State perceive the commercial seafood industry?

Industry Response – 46 respondents (57%) indicated that they believe most people at a State level have a negative view of the commercial seafood industry mirroring industry perceptions at a local and regional level.



Question 4. Community Support – What do you feel is the level of support from the community for the commercial seafood industry?

Industry Response – Half of the respondents perceived there is a low level of support for commercial fishers in the community.

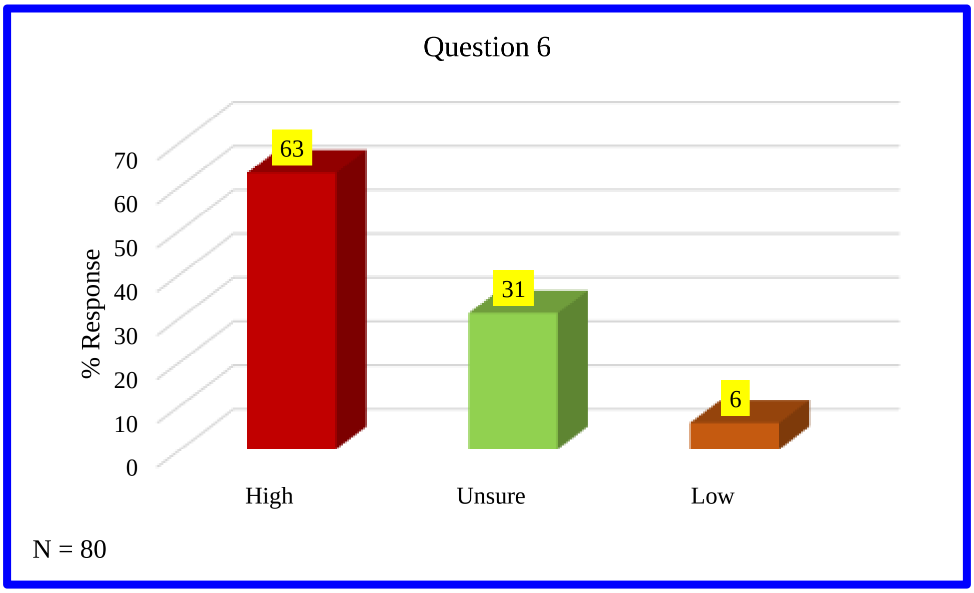


Question 5. Can you provide details regarding your response?

Industry Response	Themes
N = 59	• Community myths and misconceptions – 17 respondents (29%). • Resource access issues – 5 respondents (8.5%). • Poor or uninformed media coverage – 5 respondents (8.5%). • Anti-fishing sentiments from green groups – 3 respondents (5%). • A mixture of individual responses were provided that could not be grouped into themes – 29 respondents (49%).

Question 6. Reputation of the commercial seafood industry – What do you feel is Australia's international reputation with respect to how it manages its commercial seafood resource?

Industry Response – Almost two-thirds of respondents indicated that industry's reputation is positive.



Question 7. Can you provide details regarding your response?

Industry Response	Themes
N = 44	23 respondents (52%) cited positive perceptions regarding international reputation and marine management. Some example responses: • High standards of industry led fisheries management – 3 respondents (13%) • 20 respondents provided answers without a common theme (87%). 21 respondents (48%) cited negative perceptions regarding international reputation and marine management, themes include: • Highly regulated fisheries – 14 respondents (32%). • Underutilised fisheries resources – 3 respondents (7%). • Diminishing industry reputation because of green groups – 4 respondents (9%).

Question 8. Support for the commercial seafood industry.

Industry Response – In terms of support for industry from government and Ministers respondents, were almost evenly split on the questions. 72 respondents (90%) indicated that industry bodies were publicly supportive of industry. Respondents were almost evenly split on whether the absence of social license impacts seafood demand.

Table 1. Support for the commercial seafood industry

	% Response				
	Almost Always	**Sometimes**	**Every Once in a While**	**Rarely**	**Never**
Does the Department of Fisheries in your State publicly support the commercial seafood industry? – (N = 78)	23	23	16	28	10
Does the Minister for Fisheries in your State publicly support the commercial seafood industry? – (N = 78)	18	27	14	28	13
Does the retail sector in your State publicly support the commercial seafood industry? – (N = 80)	23	45	13	16	3
Does the wholesale sector in your State publicly support the commercial seafood industry? – (N = 80)	28	31	20	20	1
Does your industry body publicly support the commercial seafood industry? – (N = 80)	76	14	9	1	0
Is your industry's level of social license impacting the decisions Government is making for your fishery? – (N = 78)	50	22	16	8	4
Is your industry's level of social license impacting the markets and demand for your seafood products? – (N = 80)	21	28	18	22	11

Question 9. What is the level of responsibility of the following stakeholders to improve the commercial seafood industry's social license to operate?

Industry Response – In terms of a high level of responsibility regarding social license: 70 respondents (88%) indicated that industry bodies have a critical role; and 64 respondents (80%) cited the FRDC as playing a key role. Government was also identified as having a high level of responsibility with primary responsibility. According to 55 respondents (71%), the primary responsibility lies with the Federal government.

Table 2. Level of Responsibility for Social License

	% Response				
	None	**Limited**	**Moderate**	**High**	**Very High**
Wild Catch (commercial fishers) – (N = 80)	6	5	10	26	53
Aquaculture (farmers) – (N = 80)	9	6	17	24	44
Seafood wholesalers (post-harvest) – (N = 79)	6	8	16	32	38
Seafood retailers (post-harvest) – (N = 79)	6	4	19	29	42
Peak industry bodies – (N = 80)	6	3	3	23	65
Local government – (N = 79)	10	8	20	28	34
State government – (N = 79)	8	8	16	19	49
Federal government – (N = 78)	8	5	16	24	47
Natural resource management groups (e.g. OceanWatch) – (N = 79)	10	9	14	30	37
FRDC – (N = 79)	4	5	11	28	52
Third Party Certifiers (e.g. Marine Stewardship Council) – (N = 79)	16	8	20	19	37

Question 10. Can you provide details regarding your response?

Industry Response	**Themes**
N = 33	11 respondents (33%) indicated a partnership approach / joint responsibility which was the dominant theme amongst respondents for this question. Example cited from respondents include: • 'Everybody in the industry shares a responsibility to inform the community of the efforts the industry to ensure sustainability and educate people in the methods used to combat misunderstanding and misinformation'. • 'It's team work, we all work for a common goal, a profitable and sustainable sector'. Mixtures of individual responses were provided that could not be grouped into themes, 22 respondents (67%).

Question 11. Engagement practices.

Industry Response – Government representatives are the stakeholder group most likely to be engaged by commercial seafood operators with the exception of seafood consumers. At the Local government level 36 respondents, at the State government level 45 respondents and 36 respondents at the Federal government level.

Table 3. Support for the commercial seafood industry

	% Response				
	Almost Always	**Sometimes**	**Every Once in a While**	**Rarely**	**Never**
My local government representative to discuss commercial seafood industry matters – (N = 78)	20	26	17	18	19
My State government representative to discuss commercial seafood industry matters – (N = 78)	36	22	19	15	8
My Federal government representative to discuss commercial seafood industry matters – (N = 78)	23	23	20	17	17
Schools in my region to educate, discuss and/or promote issues relating to commercial seafood industry – (N = 78)	17	9	19	15	40
Local community organisations to educate, discuss and/or promote issues relating to the commercial seafood industry – (N = 78)	13	18	18	20	31
Environmental organisations to educate, discuss and/or promote issues relating to commercial seafood industry – (N = 77)	10	20	18	17	35
Natural resource management groups (e.g. OceanWatch) – (N = 77)	13	20	20	15	32
Seafood consumers – (N = 75)	33	31	16	11	9

Question 12. What is the opportunity for the following groups to improve the social license/acceptability of your industry?

Industry Response – 61 respondents (82%) indicated that industry bodies had the best opportunity to improve social license followed by 49 respondents (67%) citing the FRDC and 22 respondents (60%) citing other groups.

Table 4. Improving social license to operate

	% Response					
	Extremely Unlikely	**Unlikely**	**Neutral**	**Likely**	**Extremely likely**	**N/A**
Regional tourism organisation – (N = 74)	8	15	18	28	31	0
Environmental Group – (N = 74)	20	30	9	19	20	.1
Chamber of commerce and industry – (N = 73)	13	13	28	25	18	3
Commercial seafood industry body – (N = 74)	4	3	8	19	63	3
Natural resource management groups (e.g. OceanWatch) – (N = 74)	9	9	15	29	37	1
FRDC – (N = 73)	8	7	12	22	45	6
Other – (N = 37)	13	3	11	19	41	13

Question 13. Please identify the other group.

Industry Response – Respondents identified other groups including universities, primary and secondary schools, fisheries managers and the media (N = 27).

- ‘Local govt/shire councils, frequent communication with your state and federal MP. University groups e.g. natural resources & environment students. Local High School & Primary School. There are opportunities for “work experience” students from high schools to be involved in the seafood business. This initiative develops trust and a communication line between industry and educators. As previously mentioned, Industry has to drive the initiatives/strategies’.
- ‘State fisheries managers’.
- ‘Media for sure if they could write stories from both sides of the fence and real facts would be a great start. In other countries fishing is respected by the community but I think that respect was set in concrete well before the computer warrior, cowboy age but media is the key’.

Industry Response – The dominant forms of engagement include government particularly State government with 61 respondents, 66 respondents engaging media and 6o respondents engaging industry bodies.

Table 5. Industry engagement points

Activities	**% Response**	
	Yes	**No**
Joined a regional tourism organisation – (N = 73)	21	79
Joined an environmental group – (N = 72)	28	72
Joined a local chamber of commerce and industry – (N = 72)	26	74
Joined a commercial seafood industry body – (N = 73)	82	18
Presented an industry information session at a primary school – (N = 73)	37	63
Presented an industry information session at a secondary school – (N = 74)	31	69
Initiated an environmental management system (EMS) – (N = 71)	61	39
Be the focus of a media story – (N = 74)	89	11
Met with your Local government representative – (N = 73)	66	34
Met with your State government representative – (N = 72)	85	15
Met with your Federal government representative – (N = 73)	71	29
Met with your State's Senator – (N = 73)	56	44
Participated in a farmers markets – (N = 72)	39	61
Participated in a school fair/fete – (N = 73)	22	78
Managed a seafood festival – (N = 74)	34	66

Question 15. Other groups you may have interacted with?

Industry Response – Respondents identified a variety of groups industry might engage.

- ‘Regional Development Australia’.
- ‘Service groups and churches’.
- ‘TAFE colleges and restaurant groups’.
- ‘Super market, community management and marine parks action groups’.

For the purposes of this analysis, responses to Questions 16 and 18 have been combined. This process has also been applied to Questions 17 and 19. The responses provide a range of challenges and opportunities facing the Australian commercial seafood industry and where possible themes within the data set have been identified.

Questions 16 and 18. What are the 3 critical challenges facing industry?

Industry Response – Respondents stated that the three most critical challenges facing industry:

Challenge 1 – Themes – N = 78

- Access to the resource – 22 respondents (28%).
- Social license – 4 respondents (5%) and political intervention – 4 respondents (5%).
- Public perception of the industry – 6 respondents (8%).
- 42 respondents (54%) could not be grouped into themes. Some examples of responses include:
  - 'Inadequate representation'.
  - 'Keeping up with changes'.

Challenge 2 – Themes – N = 74

- Regulatory impact – 9 respondents (12%).
- Fisheries management – 7 respondents (10%).
- Conservation groups – 4 respondents (5%).
- 54 respondents (73%) could not be grouped into themes. Some example of responses include:
  - 'Improving the security and tenure of our license'.
  - 'Marketing'.

Challenge 3 – Themes – N = 70

- Environmental concerns – 6 respondents (9%).
- Poor market conditions – 6 respondents (9%).
- Accessing skilled labour – 3 respondents (4%).
- 55 respondents (78%) could not be grouped into themes. Some examples of responses include:
  - 'Competition for the resource'.
  - 'Investment unattractive'.

Questions 17 and 19. What are 3 opportunities facing industry?

Industry Response – Respondents stated that the most cited challenges facing industry include:

Opportunity 1 – Themes – N = 69

- Buy local promotions – 6 respondents (9%).
- Accessing export markets – 6 respondents (9%).
- Community engagement to obtain community support – 4 (6%).

- 53 respondents (76%) could not be grouped into themes. Some examples of responses include:
    - ‘Build trust with others’.
    - ‘Co-operative marketing’.

Opportunity 2 – Themes – N = 58

- Marketing and storytelling – 9 respondents (16%).
- Social license to operate – 6 respondents (10%).
- 43 respondents (74%) could not be grouped into themes. Some examples of responses include:
    - ‘Social media for message’.
    - ‘Sector cooperation’.

Opportunity 3 – Themes – N = 54

- Country of Origin Labelling – 3 respondents (6%)
- Demonstrating sustainability – 3 respondents (6%).
- 48 respondents (88%) could not be grouped into themes. Some examples of responses include:
    - ‘Value adding of product’.
    - ‘Improving technology’.

Question 20. What activities are you undertaking to improve your social license to operate?

Industry Response – Multiple activities were noted by respondents.

Activities 1 – Themes – N = 57

- Communication outside of the business:
    - Engaging in community events – 12 respondents (21%).
    - Speaking with customers – 6 respondents (11%).
    - Interacting with media (print, television and social) – 4 respondents (7%).
    - Participating in sustainability programs – 4 respondents (7%).
    - 31 respondents (54%) could not be grouped into themes. Some examples of responses include:
        - ‘Developing a seafood centre/tourism business’.
        - ‘Joining industry bodies’.

Activities 2 – Themes – N = 52

- Forging links with industry stakeholder groups:
    - Recreational fishing groups – 7 respondents (14%).
    - Joining industry bodies– 5 (9.5%).
    - Conservation groups – 4 (7.5%).

- 36 respondents (69%) could not be grouped into themes. Some examples of responses include:
    - ‘Building stronger brands’.
    - ‘Branding linked to environmental management systems’.

Activities 3 – Themes – N = 40

- Engaging the media:
    - Media messaging that industry can coordinate – 4 respondents (10%).
    - Media messaging that are external to industry (print and television media) – 4 (10%).
    - 32 respondents (80%) could not be grouped into themes. Some example of responses include:
        - ‘Community engagement’.
        - ‘Discussions with allied industry particularly chefs’.

In terms of Question 21, respondents were asked for website links or Facebook addresses and due to a limited response this item was removed from the analysis.

5. DISCUSSION

Five questions relating to a social license to operate across aquaculture, wild harvest and post-harvest sectors were posed at the beginning of this paper.

5.1. RESEARCH QUESTIONS

How important is the issue – is it a peripheral concern or central to how industry operates? Over 80% of respondents indicated that a social license to operate is important. Underlying the importance of the concept was a consistent theme of 'acceptance' from the communities in which industry operate. Over 50% of respondents indicated that they thought the community perception of the seafood industry at the local, regional and State levels is negative. Respondents also indicated that they perceive a low level of support from the community for the commercial seafood industry.

What are current views held by industry? Changing industry and community perceptions may require long-term engagement strategies. Respondents indicated that there is a perceived low level of community support based on their experience within their communities. This was highlighted by the following response, *'I believe the community is unaware of, and uninterested in the commercial seafood industry. Without positive insight being provided to them of the commercial sector, via mainstream media and government, this will not change'*. This comment suggests industry has a community audience that is divided amongst those who know little about industry and those who have a negative view of industry. Steps should be taken to engage both sets of groups to improve social license.

Respondents were also asked about support from other sectors of industry and government. It was noted that the post-harvest sector (retail and wholesale) are seen to provide public support to the commercial seafood sector. Industry bodies are viewed as providing the most public support. Fisheries management were identified as marginally more publicly supportive of industry than State Fisheries Ministers. Respondents indicated that the industry's level of social license impacts on government decision making but were evenly split on social license and its impact on markets.

Table 2 compiled responses from industry with respect to the level of responsibility for social license. Respondents indicated that peak industry bodies and the FRDC have a high level of responsibility for social license which was supported by aquaculture, wild harvest and post-harvest respondents. A partnership or the idea of shared responsibility theme was identified by half of the respondents.

What are we doing as industry to improve our levels of social license? Improving social license was seen as a responsibility of industry bodies, FRDC and OceanWatch. Respondents also indicated that social license could also be improved through linkages with the education system (universities, primary and secondary schools), fisheries management and media.

Communication with specific groups may help to improve social license including engagement with: community events, schools, chefs, community and politicians. Respondents also noted that improvements could come from creating linkages with recreational fishing and conservation groups. The use of industry media products and the use of traditional media were seen as ways to improve social license to operate.

What can be done to maintain our social license to operate? Some insights were provided by respondents in terms of the engagement points. Respondents indicated that joining an industry body was a part of maintaining social license. Engagement with media was also considered important. Creating linkages with government was also noted as important to respondents.

What can we learn from one another? Industry is actively engaging within and across communities. What is not clear is to what extent this is common practice across industry.

5.2. ADDITIONAL FINDINGS

Information source for industry. The range of responses suggest that industry uses multiple engagement pathways to maintain and improve social license. Industry might benefit from one information source that collects the various methods used by industry to engage with the community. Ultimately, successful strategies and behaviours will increase businesses and industry social licence to operate.

Ongoing engagement with the community is a new reality of doing business. The data outlined in Table 4 suggests that industry operators see industry groups as a way to improve social license to operate. Industry is faced with a conundrum – industry operators want community acceptance but do not fully understand their role in building social license to operate let alone see their role as leading the charge to build social license.

This does not equate with the funding reality faced by industry groups across Australia – funds are limited and directing them to local and regional engagement would fundamentally change the role of peak bodies. Perhaps peak bodies in collaboration with FRDC can become information and practice enablers providing the tools and processes that members can adopt but ultimately the responsibility for local engagement cannot be undertaken by peak bodies. Perhaps the reality of improving social license requires a coordinated industry effort at all levels.

Ongoing focus on the commercial net fishery. The recent focus on net free zones by policy makers is the culmination of multiple industry stakeholders working together to marginalise the commercial seafood sector. If the commercial seafood industry was in the front of mind of the community, policies to remove net fishing, or other forms of fishing or aquaculture, may not be opposed by the community. The fact that there was no mass community movement to help industry could be a function of:

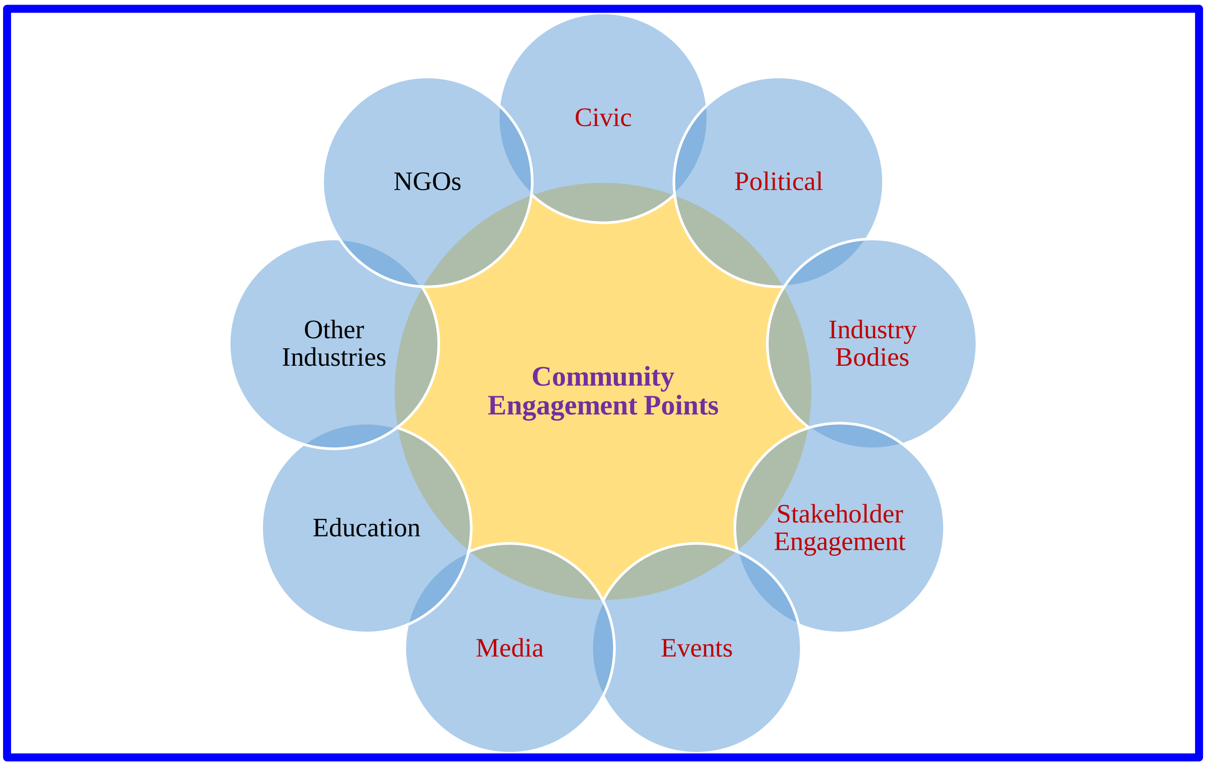
- Minimal levels of support within the community;
- Use of the media by government, eNGOs and recreational groups to marginalise net fishers;
- Limited understanding of where and how local fish are caught for sale and mad available to the community;
- No public debate regarding the motives of government (securing recreational votes), eNGOs (seeking the elimination of net fishing anywhere it exists) and recreational fishers (obtaining almost sole access to the marine resource).

It is clear that the commercial seafood industry has to do more to develop connections within and across communities and that those connections are seen to be actively declaring their support for the sector.

5.3. ENGAGEMENT POINTS

The responses provided by industry and the presentations reviewed in Section 2.3 suggest industry has been using multiple engagement points. Figure 1 outlines these multiple engagement points identified by industry.

Figure 1. Community Engagement Points



Each area of engagement leads to opportunities and challenges for industry. Each level of engagement has additional sub-levels of engagement as identified by respondents.

- Political: Local, State and Federal.
- Industry Bodies: regional and State industry groups.
- Stakeholder engagement: resource sharing agreements.
- Events: farmers markets, seafood markets and seafood festivals.
- Media: radio, print, television and social media.
- Education: primary and secondary schools, TAFE and Universities.
- Other industries: tourism.
- NGOs: environmental / conservation groups.
- Civic: Regional tourism organisations, chambers of commerce and industry, service and youth groups, churches and giving to charitable organisations.

Figure 1 is a simplification of the real world in which industry interacts with all, some or none of the community engagement points. The presentation provided by Mr Bell suggests that his ongoing engagement of his community[8] could be grouped under six of the nine engagement points (highlighted in maroon in Figure 1).

It should also be noted that industry may focus on some areas such as political, media or civic with little to no engagement at any other level. Further investigations are needed to determine if there is an optimal mix of engagement points or whether industry should engage with the community at all levels?

5.4. LIMITATIONS

The sample size of 80 limits the extension of findings but does point to potential trends that require further exploration. With a sample size of 80 a State and Territory breakdown of responses would not be appropriate. A breakdown comparing sectors (aquaculture, wild harvest and post-harvest) is also limited by sample size. The range of business and the fisheries they are based in provide some balance to the sample size issue insofar the views and issues identified by industry were drawn from a cross section of seafood industry businesses.

[8] Mr Bell's presentation (Slide 7) provides a list of the many community engagement activities in which he is involved. For the purposes of this report they have been grouped under certain engagement points and only reflect the author's interpretation.

6. ACKNOWLEDGEMENTS

I wish to thank Mr Keith Harris, Senior Vice President, Queensland Seafood Industry Association (QSIA) and the QSIA Board for their support and encouragement. I would also like to express my deepest appreciation to all those who provided me the feedback to complete this paper. I wish to convey my gratitude for the patience and guidance of Emily Ogier, Research Fellow and Manager, FRDC's Social Sciences and Economics Research Coordination Program.

I would also like to acknowledge with much appreciation the feedback from Mr Brad Warren (Executive Director, OceanWatch), Joshua Fielding (Projects Manager – Research, FRDC), Kate Brooks (Managing Director and Social Scientist – KAL Analysis), Stephanie Williams (Corporate Social Responsibility and External Relations Manager – Sydney Fish Markets), Suzie McEnallay, Operations Manager, Wallis Lake Fishermen's Co-operative and Margaret Stevenson, QSIA member and industry advocate. Finally, I would like to thank feedback I received from my colleagues in the National Seafood Industry Alliance.

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