



## Office of Hon Nathan Guy

**MP for Otaki**

Minister for Primary Industries

Minister for Racing

Dear Stakeholder,

### **Sustainability measures and other management controls for 1 October 2016**

I write to inform you of the decisions I have made as a result of the review of sustainability measures and management controls for the 2016/17 fishing year commencing on 1 October 2016. Any changes to sustainability measures and management controls will come into effect at the start of the new fishing year on 1 October 2016. Copies of the discussion documents and information papers providing final advice are available on the Ministry for Primary Industries' (the Ministry) website ([www.mpi.govt.nz](http://www.mpi.govt.nz)).

The decisions I have made reflect my desire to maximise the benefits obtained from New Zealand's fisheries whilst ensuring sustainability. Where I consider there to be opportunities for increased utilisation, I have increased TACs and where I consider there to be a sustainability risk or a need to better reflect the purpose of the Fisheries Act, I have decreased TACs. I have also reviewed deemed value settings for a number of stocks to encourage fishers to balance their catch with appropriate Annual Catch Entitlement.

In reaching my decisions I have considered the submissions received on the Ministry's discussion documents and the final advice provided to me by the Ministry. This advice included the Ministry's analysis of submissions received during the consultation process. This analysis resulted in the consideration of some new options in response to views put forward in submissions. I also considered the relevant legislative provisions and my obligations under the Fisheries Act 1996 (the Act). I would like to thank everyone who took the time to make submissions or has been involved in discussions during the consultation period for this process.

The specific decisions for each stock are attached.

Yours sincerely

Hon Nathan Guy  
**Minister for Primary Industries**

### Arrow squid jigging (SQU 1J)

I have decided to decrease the TACC for SQU 1J from 50,214 tonnes to 5,000 tonnes for the 2016/17 fishing year. Within a new TAC, I have introduced an allowance for other sources of fishing-related mortality of 10 tonnes, a Māori customary non-commercial fishing allowance of 10 tonnes, and a recreational fishing allowance of 10 tonnes.

The SQU 1J TACC was set during high levels of squid jigging in the 1980/90s and has remained essentially unchanged since. The current TACC is not suitable in the context of current capacity in the squid jigging fishery, which is a fraction of 1980/1990s levels. The new TACC of 5,000 tonnes provides for any potential development of a domestic squid jigging fleet in the future.

I do not consider it necessary to alter the existing annual or interim deemed value rates this year.

2016 TAC (t)	TACC (t)	Other Sources of Fishing-Related Mortality (t)	Māori Customary Allowance (t)	Recreational Allowance (t)
5,030	5,000	10	10	10

### Barracouta (BAR 5)

I have decided to increase the TAC for BAR 5 from 7,475 tonnes to 8,370 tonnes for the 2016/17 fishing year. Within this TAC, I have increased the TACC from 7,470 to 8,200 tonnes and set an allowance for other sources of fishing-related mortality at 165 tonnes. I have retained the Māori customary non-commercial fishing allowance at 2 tonnes and the recreational fishing allowances at 3 tonnes.

The result from a 2016 catch per unit effort (CPUE) analysis suggests that BAR 5 abundance remains high after a significant increase in 2007-09. There is an opportunity to better provide for utilisation in the fishery an increase to the current TAC. A modest increase to the TACC will cover both increased catch in the commercial barracouta fishery and increased bycatch in the commercial squid fishery.

No increase is proposed for the Maori customary allowance and recreational allowance as the best available information suggests that current settings will provide for current levels of catch.

I have decided to set the allowance for other sources of fishing related mortality at 2% of the TACC. This is consistent with the approach to other fish stocks of this nature.

I do not consider it necessary to alter the existing annual or interim deemed value rates this year.

2016 TAC (t)	TACC (t)	Other Sources of Fishing-Related Mortality (t)	Māori Customary Allowance (t)	Recreational Allowance (t)
8,370	8,200	165	2	3

### Jack mackerel (JMA 3)

I have decided to decrease the TAC for JMA 3 from 18,000 tonnes to 9,000 tonnes for the 2016/17 fishing year. Within this TAC, I have set the TACC at 8,780 tonnes and the allowance

for other sources of fishing-related mortality at 180 tonnes. I have set the Māori customary non-commercial, and recreational fishing allowances at 20 tonnes each.

Jack mackerel stocks are managed as a complex made up of three species, two New Zealand species and a third species more commonly found in South American waters. The South American species became much more prevalent in New Zealand waters in the 1990s, which led to a six-fold increase in the JMA 3 TAC. Since that time it has been much less prevalent. I consider that the current catch limit is no longer appropriate due to the sustained period of decreased abundance of the South American jack mackerel species, and I have decided to reduce the TAC to a level that will allow utilisation while not compromising the sustainability of these three species.

I do not consider it necessary to alter the existing annual or interim deemed value rates this year.

2016 TAC (t)	TACC (t)	Other Sources of Fishing-Related Mortality (t)	Māori Customary Allowance (t)	Recreational Allowance (t)
9,000	8,780	180	20	20

### Rubyfish (RBY 3)

I have decided to increase the TAC for RBY 3 from 3 tonnes to 32 tonnes for the 2016/17 fishing year. Within this TAC, I have increased the TACC from 3 to 30 tonnes and the allowance for other sources of fishing-related mortality from 0 to 2 tonnes. I have retained the Māori customary non-commercial and recreational fishing allowances of zero.

I have decided to increase the nominal TAC for RBY 3 based on recent catches taken while fishing for related species such as redbait. I consider that this increased TAC for RBY 3 is unlikely to pose a sustainability risk while providing increased ability for fishers to cover catch with ACE.

I have decided to increase the interim deemed value rate for RBY 3 from \$0.10/kg to \$0.25/kg and the annual deemed value rate from \$0.19/kg to \$0.28/kg for the 2016/17 fishing year.

2016 TAC (t)	TACC (t)	Other Sources of Fishing-Related Mortality (t)	Māori Customary Allowance (t)	Recreational Allowance (t)
32	30	2	0	0

### Scampi (SCI 2)

I have decided to increase the TAC for SCI 2 from 140 tonnes to 161 tonnes for the 2016/17 fishing year. Within this TAC, I have increased the TACC from 133 to 153 tonnes and the allowance for other sources of fishing-related mortality from 7 to 8 tonnes. I have retained the Māori customary non-commercial and recreational fishing allowances of zero as best available information suggests that no Māori customary non-commercial and recreational catch occurs in SCI 2.

The results from the 2016 stock assessment suggest that SCI 2 biomass is very close to unfished biomass and is well above the management target set for the fishery. There is therefore the opportunity to better provide for utilisation in the fishery with an increase to the current TAC and TACC for this fishery.

I do not consider it necessary to alter the existing annual or interim deemed value rates this year.

2016 TAC (t)	TACC (t)	Other Sources of Fishing-Related Mortality (t)	Māori Customary Allowance (t)	Recreational Allowance (t)
161	153	8	0	0

### **Bluenose (BNS 1, 2, 3, 7 and 8)**

I have decided to decrease the combined TAC for BNS 1, 2, 3, 7 and 8 from 1,195 tonnes to 990 tonnes for the 2016/17 fishing year. Within this TAC, I have decreased the combined TACC from 1,100 to 900 tonnes and the combined allowance for other sources of fishing-related mortality from 23 to 18 tonnes. I have retained the combined Māori customary non-commercial fishing allowance at 9 tonnes and the combined recreational fishing allowance at 63 tonnes.

For stock-specific sustainability decisions, see the table below.

I am concerned about the status of bluenose. Management measures to ensure its rebuild began in 2011 where the Minister at the time decided on a rebuild plan based around a phased reduction to the catch limit over a three year period. Only two of those phased reductions were completed because new information suggested that the stock may be recovering more quickly, or was in better shape than initially thought. There was a pause on further management action while the information was reviewed and more data gathered. The latest update to the stock assessment does not support the view that the fishery has improved significantly. The latest information suggests that the stock remains well below its target level, with little sign of increase in abundance. This is a valuable fishery to the commercial sector, and also increasingly important to recreational fishers. I do not wish the rebuild in this fishery to be delayed any longer. I have therefore decided to reduce the catch limits by an amount I consider provides a reasonable probability of the fishery showing more positive signs of rebuild.

I am aware that the industry have developed a management procedure that shows some promise. I am supportive of a management procedure approach in that it provides the opportunity for more certainty around targets, rebuild timeframes and most importantly, when and what management action is required to stay on track. However, I am also aware that the industry proposed procedure adjusts the rebuild target and time frame agreed in 2011. While I have considerable discretion, I would need to be convinced of the merits of any change from the target and timeframes set out already in the rebuild plan given the current state of the fishery and its importance to all sectors.

I have not taken stronger action this year because I want to provide the opportunity for a management procedure/decision rule to be developed. However, if such a procedure cannot be agreed over the coming year then I will look to review the stock again based on the best available information and make whatever changes are necessary to ensure rebuild of the fishery with the timeframe and targets currently set. These targets are in line with the Harvest Strategy Standard defaults for low productivity stocks like bluenose, and reflect international best practice.

I have decided to maintain the recreational allowance at the current levels as the best available information suggests that these settings will provide for current levels of catch.

While bluenose is recognised as a tāonga species, no increase is proposed for the Maori customary allowance as the best available information suggests that current settings will provide for current levels of catch.

I have decided to set the allowance for other sources of fishing related mortality at approximately 2% of the TACC. This is consistent with the Ministry's approach to other fish stocks of this nature.

I do not consider it necessary to alter the existing annual and interim deemed value rates this year.

Stock	2016 TAC (t)	TACC (t)	Other Sources of Fishing-Related Mortality (t)	Māori Customary Allowance (t)	Recreational Allowance (t)
<b>Combined</b>	990	900	18	9	63
<b>BNS 1</b>	351	327	7	2	15
<b>BNS 2</b>	392	358	7	2	25
<b>BNS 3</b>	162	140	2	2	18
<b>BNS 7</b>	57	51	1	2	3
<b>BNS 8</b>	28	24	1	1	2

#### **John dory (JDO 7)**

I have decided to increase the TAC for JDO 7 from 161 tonnes to 206 tonnes for the 2016/17 fishing year. Within this TAC, I have increased the TACC from 150 to 190 tonnes and the allowance for other sources of fishing-related mortality from 8 to 10 tonnes. I have increased the Māori customary non-commercial allowance from 1 to 2 tonnes and the recreational fishing allowance from 2 to 4 tonnes.

Available information on the status of JDO 7 suggests that the stock is experiencing a period of elevated biomass. Increasing the TAC, TACC and allowances during periods of abundance creates opportunities for greater value to be derived from the fishery while continuing to ensure sustainability.

I do not consider it necessary to alter the existing annual and interim deemed value rates this year.

2016 TAC (t)	TACC (t)	Other Sources of Fishing-Related Mortality (t)	Māori Customary Allowance (t)	Recreational Allowance (t)
206	190	10	2	4

#### **Paua (PAU 7)**

I have decided to decrease the TAC for PAU 7 from 220.24 tonnes to 133.62 tonnes for the 2016/17 fishing year. Within this TAC, I have decreased the TACC from 187.24 to 93.62 tonnes and increased the allowance for other sources of fishing-related mortality from 3 to 10

tonnes. I have retained the Māori customary non-commercial and recreational fishing allowances at 15 tonnes each.

Based on the most recent stock assessment there is a need to decrease catch limits in the PAU 7 fishery because the assessment indicates that the stock is well below the target level. The reductions to the TAC and TACC provide a high probability of moving the stock above this limit over the next three years. I acknowledge the significant levels of shelving of catch that the industry has already undertaken voluntarily over the last four years to improve abundance in the fishery, and their support for the large reductions to commercial catch limits needed to ensure a sustainable fishery for the future.

At this time I have not adjusted the allowances for non-commercial interests. The information suggests that the customary allowance more than provides for current levels of catch. I am retaining the current recreational harvest allowance (as the recreational harvest estimate is approximately 15 tonnes). However, I recognise the uncertainty around this estimate and that there is insufficient information to determine the amount of additional harvest beyond the estimate provided.

While I do not expect recreational harvest to pose a risk to the rebuild of the fishery in the short term (1-3 years), I am aware of the concerns raised in submissions on the recreational harvest pressures in this fishery, and how those pressures may impact on the rebuild of the fishery. For any TAC reduction to be effective, fish need to stay in the water. A portion of the increased numbers of paua remaining in the water as a result of the TACC reductions could be taken as increased recreational harvest (rather than supporting stock recruitment and rebuild). In shared fisheries where all sectors take a reasonable share of the resource, I think it reasonable for all sectors to contribute meaningfully to a rebuild. Accordingly, over time I expect all sectors to play a role in rebuilding abundance in this fishery.

I have therefore directed the Ministry to begin a shared fishery approach this year to discuss these matters, and investigate what, if any, additional management controls may be required to ensure any rebuild of the stock is not undermined by increasing recreational harvest.

I note that a rebuild of this fishery is likely to take some time. Consequently, regular monitoring will be required (examining the catch-per-unit-effort and fine-scale data logger information in the fishery), to ensure the Ministry is in a position to respond if required. The next stock assessment (scheduled for 2019) will provide a further opportunity to assess progress of the rebuild.

The increase to the allowance for other sources of fishing-related mortality better accounts for all sources that contribute to this mortality. The previous allowance only considered incidental mortality from commercial harvest. I note this adjustment does not imply that those other sources did not previously occur, rather that they weren't accounted for within the allowance.

I do not consider it necessary to alter the existing annual or interim deemed value rates this year.

<b>2016 TAC (t)</b>	<b>TACC (t)</b>	<b>Other Sources of Fishing-Related Mortality (t)</b>	<b>Māori Customary Allowance (t)</b>	<b>Recreational Allowance (t)</b>
133.62	93.62	10	15	15

## **Snapper (SNA 7)**

I have decided to increase the TAC from 306 tonnes to 545 tonnes for the 2016/17 fishing year. Within this TAC, I have increased the TACC from 200 to 250 tonnes and increased the allowance for other sources of fishing-related mortality from 0 to 25 tonnes. I have increased the Māori customary non-commercial from 16 to 20 tonnes and recreational fishing allowances from 90 to 250 tonnes.

The SNA 7 stock is at the southern limit of New Zealand's snapper distribution, but this stock has been performing very well in recent years. The latest stock assessment indicates that while it remains below the target level, abundance has been increasing rapidly over the last 9 years. The increase in abundance has resulted in difficulty for the commercial sector in avoiding snapper when fishing for other species, and a significant increase in recreational catch. There is uncertainty around the current level of recreational catch but anecdotal information and some preliminary estimates from the local area survey undertaken by NIWA suggest that it is well above the current allowance. The current Total Allowable Catch is therefore more than likely being exceeded by a considerable amount.

I am aware that snapper throughout New Zealand is an important and therefore valuable species for all sectors. I am conscious this particular fishery has been at very low levels of abundance for an extended period of time and fishers have therefore had significantly reduced catching opportunity. My primary objective is to rebuild abundance to the target level. However, given the value of this fishery to all sectors I would also like to provide for current, or marginally increased, harvest levels where they are sustainable and do not significantly impede the rate of rebuild.

There is robust science information that indicates that the fishery can support a larger TAC while continuing to rebuild. In this situation I believe it is reasonable to allow for an increase. In reality, the majority of increase to the TAC is likely to simply reflect current catch as opposed to promoting a significant increase in fishing effort or harvest. This decision acknowledges that there is potential to allow for increased catches as a fishery rebuilds to target. However, the decision is also being made in the context of continued monitoring and a further stock assessment within the next few years to ensure that the stock remains on track.

Within the TAC I have decided to make increases to all allowances. The most significant change is the allowance for recreational fishing which will increase from 90 to 250 tonnes. I consider this change better reflects the relative level of catch and value that the recreational sector should enjoy from a healthy SNA 7 fishery. It likely reflects current catch, but given uncertainty in catch information, also provides the opportunity for some growth in recreational catch as the stock continues to rebuild. I have also increased the Maori customary allowance from 16 to 20 tonnes in response to increased abundance.

I have increased the TACC from 200 tonnes to 250 tonnes in acknowledgement of the changes within the commercial mixed fishery. However, I consider that both the recreational and commercial sectors should carefully consider how they can get best value from their fishery and whether fishing activities can be altered to maximise benefits within their respective allocations. My decisions give these sectors equal shares in a larger fishery and I am very interested to see how they make best use of this opportunity.

I am increasing the allowance for other sources of fishing-related mortality from 0 tonnes to 25 tonnes to better recognise the incidental mortality of snapper that is likely to be occurring

currently. It will be important to increase understanding of this aspect of the fishery to inform future management.

MPI again trialled the shared fisheries engagement approach to review the catch limits in this fishery. While I understand this process could be further refined I was pleased to hear that iwi, commercial and recreational fishing interests were broadly supportive of the approach and the opportunities it provided for greater stakeholder involvement. I would particularly like to thank the people involved in the multi-sector SNA 7 group who provided their time and expertise. I would like to see that approach built on to help inform the next steps for managing the SNA 7 fishery. There is new information scheduled to become available over the next two years and I would like to see all those with an interest being provided with an opportunity to become involved through a multi-sector engagement process. A number of topics were also raised in submissions including fishing methods, rules and spatial restrictions that should be worked through as part of this process.

I do not consider it necessary to alter the existing annual or interim deemed value rates this year.

2016 TAC (t)	TACC (t)	Other Sources of Fishing-Related Mortality (t)	Māori Customary Allowance (t)	Recreational Allowance (t)
545	250	25	20	250

#### **South Island longfin eels (LFE 11-16) and shortfin eels (SFE 11-16)**

I have decided to set TACs for South Island longfin and shortfin eels, as set out in the table below. This is the first time TACs have been set for separate longfin and shortfin stocks in the South Island, as previously eels in the South Island have been managed as combined longfin and shortfin stocks (ANG). Managing them separately will help ensure the ongoing sustainability of both species.

I have decided to retain the existing apportionment of TAC between the TACC, Māori customary non-commercial and recreational allowances (78%, 20% and 2% respectively of the TAC). Where the calculated allowance is less than one tonne the allowance has been rounded up.

I have also decided to set the annual deemed value rate for LFE 11-16 at \$10.00/kg and the annual deemed value rate for SFE 11-16 at \$8.00/kg.

A stock assessment of south Island eels was undertaken in 2015 to inform my decision on catch limits. The assessment outlined stock status with differing levels of uncertainty in the information on current abundance and trends. This varying level of uncertainty is reflected in my decisions.

There was a high level of public interest in the proposals MPI put out for consultation. The majority of submitters expressed a clear view that utilisation of longfin eels should be prohibited to maximise the opportunity for population to increase. In some areas there was robust scientific information to support catch limiting setting. For the remaining areas the catch limit setting was based on historical catch compared to the potential catch and also compared to the percentage of each QMA that is commercially fished.

I have carefully considered the difference in biology and stock abundance between shortfin and long fin eel when setting these TACs. I have also considered the uncertainty in information on stock status and trends. I want to support a rapid increase in abundance for longfin eels

therefore, I have decided to be cautious in regard to catch limits for this species, particularly where information is uncertain on current stock status.

For four of the six longfin stocks (LFE 11, 12, 13 and 14) the TACs I have decided to set will eliminate the commercial targeting of longfin eels (a TAC close to zero). However, the abundance of longfin eels in the remaining two areas (LFE 15 and 16) is high, and I believe these areas can support some levels of continued utilisation while still increasing abundance. There are reliable trends in relative abundance showing these stocks are well above any sustainability limit and stable or increasing, and a large percentage of suitable longfin eel habitat are not commercially fished in these areas (63% and 70% respectively for LFE 15 and 16). The unfished areas are within the conservation estate, or they are inaccessible to fishers for other reasons, and act as refuges where eels can grow to maturity without commercial fishing pressure. In combination with regulatory measures that protect juvenile and migrating eels they further protect the longfin eel population.

For five of the six shortfin stocks, TACs have been set at a level that maintains future catch at around recent levels. There are reliable trends in relative abundance showing these stocks are stable or increasing. For the remaining stock (SFE 13) the TAC allows for increased shortfin catch of 10% compared to recent levels. This recognises the sizeable increase in abundance of shortfin eels in this QMA.

Overall, the new TACs will result in a significant reduction in longfin eel catch. This takes into account the biologically vulnerability of longfin eels, and the public interest in seeing a rapid rebuild in their abundance. I note that there will be an economic impact on commercial eel fishers, but I consider a reduction is necessary to ensure the long term sustainability of the longfin eel. Negative economic impacts may in part be mitigated by the ability to trade quota and increased catch of shortfin eels in SFE 13.

<b>Stock</b>	<b>2016 TAC (t)</b>	<b>TACC (t)</b>	<b>Māori Customary Allowance (t)</b>	<b>Recreational Allowance (t)</b>
<b>LFE 11</b>	3	1	1	1
<b>LFE 12</b>	3	1	1	1
<b>LFE 13</b>	3	1	1	1
<b>LFE 14</b>	3	1	1	1
<b>LFE 15</b>	66.54	52	13.27	1.27
<b>LFE 16</b>	32.41	25	6.41	1
<b>SFE 11</b>	24.87	19	4.87	1
<b>SFE 12</b>	26.1	20	5.1	1
<b>SFE 13</b>	171.94	134.12	34.38	3.44
<b>SFE 14</b>	13.57	10	2.57	1
<b>SFE 15</b>	37.42	29	7.42	1
<b>SFE 16</b>	38.69	30	7.69	1

## Deemed Value Rates (multiple stocks)

I have decided to adjust deemed value rates for a number of fish stocks to ensure they provide an effective incentive for commercial catch to be balanced with Annual Catch Entitlement (ACE). Table 1 summarises my decisions on deemed value rates.

My decisions are consistent with both the Deemed Value Guidelines and my statutory obligations. For the stocks reviewed, I have given particular consideration as to how best to avoid creating incentives to misreport, whilst still ensuring the long term value of the stocks.

Table 1: Deemed value rate changes to apply on and from 1 October 2016 (changes highlighted)

Species	Stock	Current				Proposed			
		Interim \$	Annual \$	Annual at maximum excess \$	Differential	Interim	Annual \$	Annual at maximum excess \$	Differential
Rubyfish	RBY 1	0.14	0.28	0.56	Standard	0.25	0.28	0.56	Standard
	RBY 2,5,6,9	0.11	0.21	0.21	Not set	0.25	0.28	0.56	Standard
	RBY 3	0.10	0.19	0.19	Not set	0.25	0.28	0.56	Standard
	RBY 4,8	0.21	0.42	0.84	Standard	0.25	0.28	0.56	Standard
Long-finned freshwater eel	LFE11-16	Not set	Not set	Not set	Not set	9.00	10.00	20.00	Standard
Short-finned freshwater eel	SFE11-16	Not set	Not set	Not set	Not set	7.20	8.00	16.00	Standard
Blue cod	BCO 3	2.50	3.75	7.50	Special	3.38	3.75	7.50	Special
Frostfish	FRO 4	0.12	0.24	0.24	Do not apply	0.22	0.24	0.24	Do not apply
Green-lipped mussel	GLM 9	3.00	6.00	12.00	Standard	5.40	6.00	12.00	Standard
Jack mackerels	JMA 7	0.08	0.15	0.30	Standard	0.14	0.15	0.30	Standard
Kahawai	KAH 8	0.31	0.61	1.22	Standard	0.55	0.61	1.22	Standard
Ling	LIN 7	1.20	2.38	6.00	Special	2.14	2.38	6.00	Special
Oreo	OEO 4	0.39	0.78	1.56	Standard	0.81	0.90	1.80	Standard
Ribaldo	RIB 7	0.40	0.80	2.50	Special	0.72	0.80	2.50	Special
Silver warehou	SWA 3	0.50	1.22	3.00	Special	1.57	1.74	3.00	Special*
Tarakihi	TAR 2	1.38	2.75	5.75	Special	2.48	2.75	5.50	Special

\*: SWA 3: Deemed value rate at 10-30% excess catch of ACE: \$2.00/kg