

RETURN TO SEA OF KINA– INITIAL POSITION PAPER

Executive Summary

- 1 This paper proposes kina be added to the Sixth Schedule of the Fisheries Act 1996 to allow kina, when handgathered and likely to survive, to be returned to sea.
- 2 Fisheries 2030¹ describes that fishery resources are to be used in a manner that provides the greatest overall economic, social, and cultural benefit. Fisheries laws and regulations are to reduce compliance costs and improve management effectiveness.
- 3 Commercial kina fishers are currently unable to legally return small, low roe-recovery kina to sea, thereby facing significant costs in freighting these kina to processing facilities. Ultimately, small kina with low roe-recovery may be uneconomic to process and may be dumped in landfills.
- 4 By reducing industry compliance costs, this change is expected to increase economic benefit from kina fisheries. The proposal aligns management of kina with other shellfish fisheries such as oysters, mussels, rock lobster, scallops, pipi and cockles, and is believed to be neutral in terms of sustainability or environmental impact as only kina gathered by hand and likely to survive will be returned to sea.
- 5 Further information on the costs of the current regime and on any sustainability or environmental impacts arising from the proposed change is sought from tangata whenua and stakeholders through the submission process.

Regulatory Impact Analysis Requirements

- 6 This IPP required a Regulatory Impact Statement which was reviewed internally.
- 7 For more information on the Regulatory Impact Analysis Requirements and the meaning of the word ‘significant’ with reference to an IPP, please refer to the Treasury website www.treasury.govt.nz.

The Issue

- 8 Under Fisheries 2030, fishery resources are to be used in a manner that provides the greatest overall economic, social, and cultural benefit. A key task under the Fisheries 2030 five-year plan of action is ensuring fisheries laws and regulations reduce compliance costs and improve management effectiveness.
- 9 A draft fisheries plan for Southern Shellfish fisheries², has identified current management is not meeting Fisheries 2030 or the draft fisheries plan outcomes in

¹ “Fisheries 2030” provides the strategic direction for the NZ fisheries sector. See www.fish.govt.nz

² A draft plan was developed during 2008-2009. The plan has not yet been approved pending further evaluation. See www.fish.govt.nz Draft Southern Shellfish Plan.

terms of the kina fishery. Unable to return small, low roe-recovery kina to sea, fishers face significant costs in freighting these kina to processing facilities, which may be many hours steaming from remote fishing grounds. Ultimately, kina with low roe-recovery may be uneconomic to process and dumped in landfills.

- 10 Divers are unable to satisfactorily select kina while underwater, given that underwater breathing apparatus is prohibited in the kina fishery and they are limited to breath-holding. As a result it is often not possible to assess a batch of kina for roe-recovery until it has been brought aboard the diving tender. Allowing fishers to legally return small kina with low roe-recovery, after they have been brought aboard the diving tender, is an alternative approach. Kina needs to be added to the Sixth Schedule of the Fisheries Act 1996, by Order in Council, for this to occur.

Summary of Options

Option 1 – Status Quo

- 11 Under the status quo current management settings prohibiting the return of kina to sea will be retained.

Option 2 – Allowing Return to Sea

- 12 By adding kina to the Sixth Schedule, fishers will be able to legally return kina to sea. Under this option the following requirements will be included on the Sixth Schedule in terms of kina:
1. Kina must be likely to survive return to the water.
 2. Kina must be taken by the method of handgathering.

Rationale for Management Options

- 13 Section 72 of the Fisheries Act 1996 prohibits the dumping of fish. An exception is provided, however, for any stock listed in the Sixth Schedule to the Act. 20 stocks, ranging from sedentary shellfish (dredge oysters, scallops, mussels) to pelagic species (sharks, swordfish) are listed on this schedule. A common feature of these stocks (with the exception of spiny dogfish, which has a specific regime) is that they are all likely to survive return to sea.
- 14 Under Option 1 presented in this paper, no exception to the dumping prohibition under section 72 would be provided for the kina fishery.
- 15 Option 2 presented in this paper makes use of section 72(7) to include kina on the Sixth Schedule. Under this option fishers will have the flexibility to return small kina with low roe-recovery to the water, thus avoiding the costs associated with freighting such kina to processing or landfill facilities.
- 16 The two requirements included under Option 2 are designed to ensure the proposal is neutral with respect to sustainability impacts, and Fisheries 2030 and draft fisheries plan environmental outcomes. Kina are generally considered likely to survive return to sea when handgathered, however, the survival of kina taken by other methods (for example trawling) is likely to be diminished.

- 17 MFish is seeking submissions from stakeholders and tangata whenua on any sustainability or environmental impacts arising from Option 2.
- 18 The change in management proposed under Option 2 would become effective after October 2010. Notification of the change would occur through circulation of the Minister's decision letter for the October regulatory round, and the MFish website.

Assessment of Management Options

Option 1 – Status Quo

Impact

- 19 Under the status quo, commercial kina fishers will be required to continue landing small kina with low roe-recovery.

Costs

- 20 The costs associated with freighting (and potentially land-dumping) low roe-recovery kina will remain under Option 1. MFish does not have quantitative information on the costs to kina fishers of landing (and potentially dumping) low roe-recovery kina and seeks submissions, particularly from commercial stakeholders, to allow more precise estimation of costs.
- 21 With annual landings of just under 1,000t, and a port price of \$1 to \$1.50 per kg, the kina fishery is relatively low-value in greenweight terms. The profitability of fishing kina stocks, particularly in remote areas such as Fiordland, is very sensitive to roe-recovery rate. In such areas the target recovery rate (roe/greenweight) for commercial viability is approximately 10%.
- 22 On this basis, the cost associated with freighting and landing low-recovery kina appears to be a significant burden on the economic benefit gained from kina fisheries.
- 23 Kina fishers, in consultation with the Ministry, are investigating other options to help address this issue, for example, on-board processing of kina. Such processing is, however, also governed by other agencies (and no vessels have yet gained approval for this activity).

Benefits

- 24 Under Option 1 the Order in Council to add kina to the Sixth Schedule will be avoided.
- 25 A national Fishery Plan for all shellfish fisheries, including kina, is scheduled to be completed by October 2010. Retaining the status quo could allow the issue identified in this paper to be addressed as part of a package of initiatives within this fisheries plan, rather than as an isolated amendment.

Option 2 – Allowing Return to Sea

Impact

- 26 Under Option 2 commercial kina fishers will be able to return low roe-recovery kina to sea, when handgathered, provided the kina are likely to survive.

Costs

- 27 This option requires an Order in Council.
- 28 As the option reduces regulatory restrictions there are no additional regulatory, compliance or management costs. It is likely to promote compliance as a practical option for the handgathering fishery.
- 29 Informing stakeholders of the change is expected to have a low resource impact.

Benefits

- 30 Option 2 provides fishers with the flexibility to return low roe-recovery kina to sea, thereby avoiding the costs (outlined in the previous section) associated with freighting such kina to processing and/or landfill facilities.
- 31 This option reduces industry compliance costs and should increase economic benefit from the kina fishery. It aligns with the Fisheries 2030 five-year plan of action of ensuring fisheries laws and regulations reduce compliance costs and improve management effectiveness.

Other Management Controls

- 32 No other management controls are proposed. As the proposal reduces regulatory restrictions and uses existing Sixth Schedule provisions, no supporting offence and penalty provisions need to be introduced or amended.

Statutory Considerations

- 33 In considering whether to approve Option 1 or Option 2 the Minister will follow all relevant statutory criteria contained in the Act. These include sections 5,8,9,10, and 72.

Other Management Issues

- 34 Monitoring and evaluation of the management rules for the kina fishery will part of the national Fishery Plan for Shellfish, scheduled for completion in October.