



Review of Sustainability Controls for 1 October 2015

Proposals to Alter Total Allowable Catch, Allowances,
Total Allowable Commercial Catch and Deemed Value
Rates for Selected Fishstocks

MPI Information Paper No: 2015/11

Appendix II

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16th July 2015

To: Steve Halley
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Re: **Review of Sustainability Controls for Selected Inshore Finfish Stocks**
MPI Discussion Paper No: 2015/24

1. Area 2 thanks you for the opportunity to comment on the above Discussion paper. Our submission relates only to the TAC review for SPO2.
2. Area 2 **supports Option 2** that includes an increase to the TAC/TACC to 148 t/124 t.
3. As noted in your Discussion Paper 2015/24, the CPUE for SPO2 has been updated in 2009, 2011, 2013 and 2015 and the Working Group concluded that current catches are unlikely to cause the stock to decline. A CPUE update is fixed for 2016/2017 along with all other rig stocks meaning this stock is closely monitored through the Inshore Finfish Management Plan [draft] and NPOA- sharks. Given this frequent monitoring, Area 2 sees no risk to increasing TAC/TACC.
4. Thank you for reviewing SPO2. We are confident the increased harvest will be sustainable.

Sir,

Ceebay Holdings Ltd is a Hoki quota owner holding 4.6% of the TACC. We have read and discussed the sustainability discussion paper and our views are as follows:

- 1) **Option 2** – This is our preferred option given the possible decrease in hoki abundance in the western/southern stock and the need to be cautious.
- 2) **Transfer of effort.** We do **not** support the transfer of 5000mt to the eastern stock as proposed in Option 3.
- 3) **Shelving.** Some industry participants have suggested ‘shelving’ the proposed reduction of 10000mt. In our opinion, shelving rarely works successfully because of the number of participants required to do the paperwork but our main objection is that underfishing rights are **not** extinguished by shelving as this can only be done by a quota reduction. Last year industry carried forward 3667mt of underfishing rights when the TACC was 150000mt. This year judging by catches to date, that figure could be 7500mt which would negate much of the proposed reduction of the TACC.

A quota reduction is the only way to achieve the best outcome for the fishery.

We trust our views will be considered when final proposals are put in front of the Minister for him to make his decision,

Tks & rgds
Kerry Potter

Ceebay Holdings Ltd

17 July 2015

Deepwater Fisheries Management
Ministry for Primary Industries
PO Box 2526
Wellington 6011

Review of Management Controls for HOK1 2015-16

The Deepwater Group Ltd (DWG) represents Shareholders who collectively own 93% of HOK1 quota.

The goal of quota owners, through DWG and MPI, is to have [all of New Zealand's main deepwater fisheries independently certified as sustainable](#). New Zealand is well on our way to achieving this with 75% of the catch from deepwater fisheries either MSC certified or undergoing assessment.

DWG Shareholders remain committed to the ongoing sustainable utilisation of New Zealand's hoki fisheries. New Zealand hoki fisheries have led this initiative as the first New Zealand fisheries to be MSC certified (in 2001) and now having been certified for a third time (in 2012) and without conditions. Ongoing MSC certification is a testament to the commitment of both quota owners and MPI to continuous improvement through our collaborative partnership.

DWG and HOK1 quota owners have met to discuss the proposals in your Discussion Paper dated June 2015.

DWG provides this submission on behalf of Shareholders owning HOK1 quota who:

1. Accept the 2015 stock assessment 'base case' model to represent the status of hoki stocks and that these results are supported by observations being made by the majority of fishers
2. Acknowledge the low biomass index from the Sub-Antarctic survey in 2014 as a matter to take into account when forming a view on future management
3. Support ongoing biennial surveys on the Chatham Rise and in Sub-Antarctic, along with the collection of biological data by observers, particularly from the western stock, to inform and to validate stock assessment estimates
4. Propose that an updated Management Strategy Evaluation be undertaken by DWG and MPI during 2015-16 to refine the management targets for New Zealand's hoki fisheries
5. Advise that they do not support MPI's Option 3
6. Advise that there are a range of views amongst DWG Shareholders on whether to retain the current TACC of 160,000 tonnes (MPI's Option 1) or to reduce the catch from the western stock by 10,000 tonnes (MPI's Option 2)
7. Advise that any reduction of catch from the western stock could be undertaken by shelving of ACE rather than by a TACC reduction.



DWG asks MPI to consider submissions from individual HOK1 quota owners on this matter.

Regards

A handwritten signature in black ink, appearing to be "G. Clement", written in a cursive style.

George Clement
Chief Executive
Deepwater Group Ltd

17 July 2015

Deepwater Fisheries Management
Ministry for Primary Industries
PO Box 2526
Wellington 6011

Review of Management Controls for Smooth Oreo in OEO4

The Deepwater Group Ltd (DWG) represents Shareholders who collectively own 94% of OEO4 quota.

The goal of quota owners, through DWG and MPI, is to have [all of New Zealand's main deepwater fisheries independently certified as sustainable](#). New Zealand is well on our way to achieving this with 75% of the catch from deepwater fisheries either MSC certified or undergoing assessment.

DWG Shareholders remain committed to the ongoing sustainable utilisation of New Zealand's oreo fisheries and the enhancement of their management performance where required to meet the MSC Fisheries Standard.

DWG has asked MPI for additional scientific information including additional projections from the 2014 stock assessment of the time to rebuild the stock size under different catch options, to better inform the outcomes of a range of catch options to promote stock size rebuilding.

Pending receipt of this information and consideration by OEO4 quota owners, DWG provides this interim submission on behalf of Shareholders who:

1. Acknowledge the 2014 stock assessment estimates the SSO4 stock is declining under recent catch levels and that the catch needs to be reduced,
2. Accept the need to rebuild the SSO4 stock in size,
3. Note the use by MPI of 40% B_0 as the default management target and note that this has yet to be properly evaluated for SSO4 and, until this has been completed, the proposed target has not been accepted by quota owners,
4. Recognise the need for the development and implementation of a comprehensive management strategy for SSO4 to rebuild this stock, with the following key elements:
 - A staged reduction for the catch of SSO4,
 - The first stage is to reduce the SSO4 catch by 50% by setting the 2015-16 OEO4 TACC at 4,000 t, and
 - Industry to collectively manage their SSO4 harvest within an agreed 3,000 t catch limit – to be monitored by FishServe and audited by MPI (as is done in OEO3A), and then
 - During 2015-16, Industry and MPI to implement the [Fisheries Improvement Plan](#) for SSO4, and within this
 - Undertake a new stock assessment (with more age data), and

- Undertake a MSE (to assess a management target for SSO4 consistent with the requirements of both the Fisheries Act 1996 and the MSC Fisheries Standard), and
- Develop a rebuilding plan (to rebuild the SSO4 stock size to the agreed management target range within an agreed timeframe), and
- Implement accordingly from 1 October 2016, including further adjustments to the catch limit for SSO4 as may be required.

DWG and OEO4 quota owners will be in a position to will provide MPI with final submissions once the further information has been received and considered.

Regards



George Clement
Chief Executive
Deepwater Group Ltd

24 July 2015

Deepwater Fisheries Management
Ministry for Primary Industries
PO Box 2526
Wellington 6011

Final Submission to MPI: Review of Management Controls for SSO4

The Deepwater Group Ltd (DWG) provides this final submission to Ministry for Primary Industries (MPI) on behalf of Shareholders, who collectively own 94% of OEO4 quota.

This submission supplements DWG's interim submission of 17 July 2015.

OEO4 Quota Owners support MPI's proposed Option 3

DWG's position remains supportive of a staged reduction – MPI's Option 3.

The information in MPI's Discussion Paper No. 2015/21 and that provided to DWG by MPI on 16 July 2015 and 21 July 2015 are neither adequate nor robust enough to inform future management decisions.

As the 2014 stock assessment has been fully reviewed and considered it can be used to form the basis for management decisions. However, we urge managers to be cautious when advising the Minister on future management options as further work is required to assess future stock size under different management options.

DWG recognises and supports the need for a considered, structured and scientific approach that meets MPI's Research and Science Information Standard for New Zealand Fisheries for decision making on rebuilding the SSO4 fishery. Much of this work has not yet been undertaken.

Information incomplete and inadequate to inform management decisions

MPI's discussion paper reports the SSO4 stock status to be 27% B_0 but that is B_{2013} and the stock size is likely to have declined further since then. The five year biomass projections provided in the discussion paper are not adequate to inform management decisions as they are based on 2013 and only project stock for three years from 2015.

What is now required are robust updated estimates of the SSO4 stock status and projections of the stock trajectories under different catch scenarios to the agreed management target, along with estimates of the required probabilities that the stock is above the soft limit and has reached the target level.

Additional SSO4 Biomass Projections towards Management Target

In order to better inform management options for SSO4, DWG requested further information from MPI. This included updated projections under constant annual catch options of 0 tonnes, 1,000 tonnes, 2,000 tonnes, and 3,000 tonnes from 2015 to the time when the stock size is estimated to rebuild to 40% B_0 .

From this information it can be seen that the stock size in 2015 is estimated to be ~23% B_0 (i.e. lower than the 27% B_0 reported in MPI's discussion paper). This suggests that the SSO4 stock size is close to the soft limit and, therefore, a formal rebuilding plan may need to be considered. The probability of being below 20% B_0 has not yet been estimated and needs to be before managers can proceed.

MPI's discussion paper states that: "...the SSO4 stock status will continue to decline under the current catch and will likely decline below the soft limit (20% B_0) before 2018. These projections indicated that the declining biomass trajectory would be halted by reducing the harvest to 2,000 tonnes or less."

This information is not entirely correct.

The projections MPI have relied upon extend only for three years (i.e. to 2018) and not to the time when 40% B_0 would be reached as is necessary.

Projections beyond 2018, based on the information provided by MPI (from NIWA), estimate the SSO4 stock size does not decline below 20% B_0 and increases under all four constant catch options (see Figures 1, 2, 3, and 4).

The estimated annual yield to maintain the SSO4 fishery at the management target is ~3,000 t.

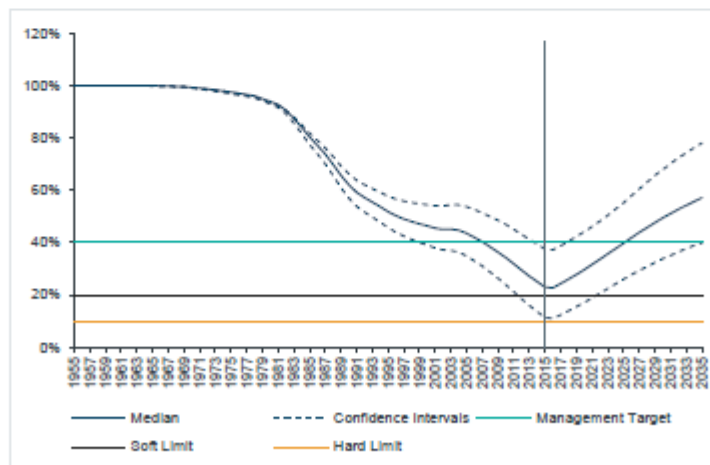


Figure 1 Biomass Projections for SSO4 with an Annual Catch of 0 t for the years 2015-16 to 2029-35. Vertical grey line indicates where the projections start.

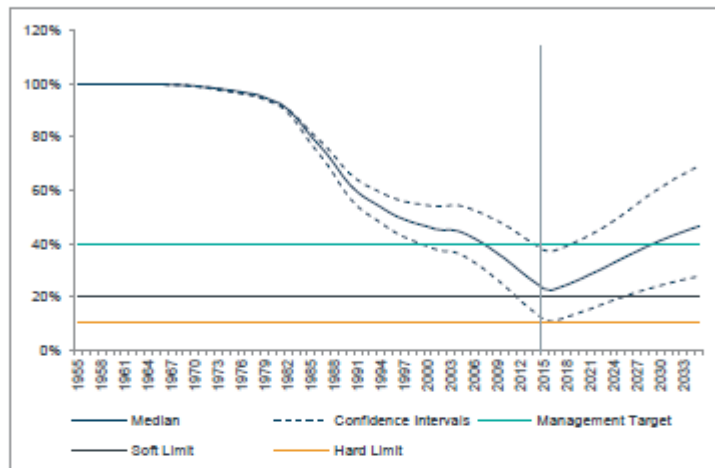


Figure 2 Biomass Projections for SSO4 with an Annual Catch of 1,000 t for the years 2015-16 to 2029-35. Vertical grey line indicates where projections start.

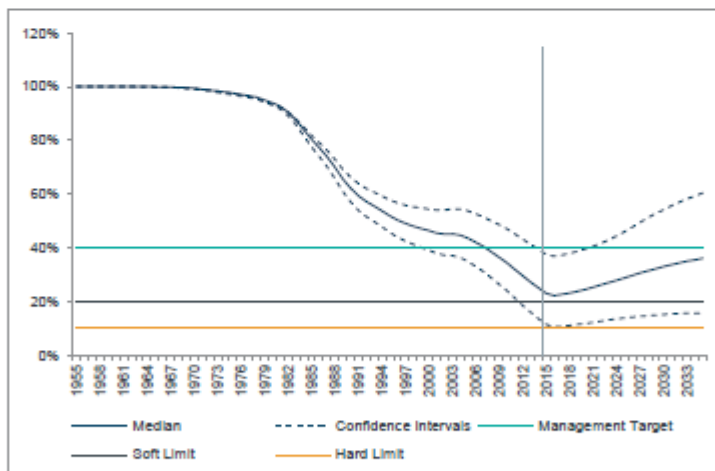


Figure 3 Biomass Projections for SSO4 with an Annual Catch of 2,000 t for the years 2015-16 to 2029-35. Vertical grey line indicates where projections start.

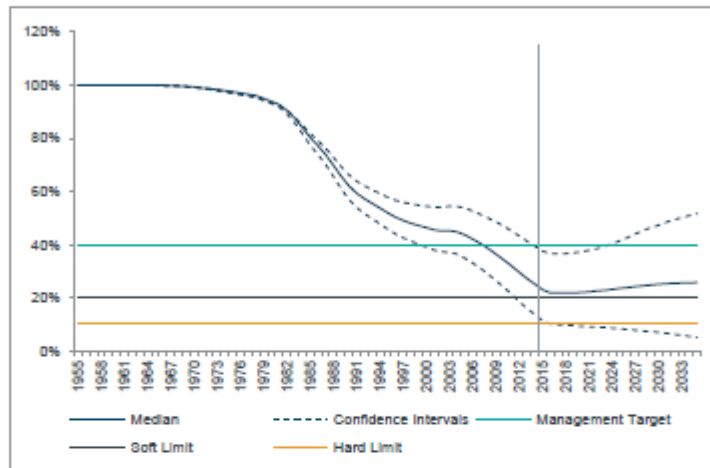


Figure 4 Biomass Projections for SSO4 with an Annual Catch of 3,000 t for the years 2015-16 to 2029-35. Vertical grey line indicates where projections start.

Formal Rebuilding Strategy Likely Required

Under the requirements of MPI's Harvest Strategy Standard, a stock is considered to have breached the soft limit when there is a probability greater than 50% of the stock size being below 20% B_0 .

If the soft limit is breached, MPI's Harvest Strategy Standard requires a stock size to be rebuilt to the management target in not more than twice the time that it would take to rebuild in the absence of fishing (i.e. between T_{min} and $2 \times T_{min}$).

Figure 1 estimates that with no catch the stock size would rebuild to 40% B_0 (the interim default management target) by ~10 years. On this basis a rebuilding strategy for SSO4 would need to be complete by 20 years or 2035 (with a 70% probability that the target has been achieved and there is at least a 50% probability that the stock is above the soft limit).

No estimates of these probabilities have been made at this time.

Similarly, the MSC Fisheries Standard requires rebuilding timeframes to be the shorter of 20 years or twice the generation time. For smooth oreo the generation time is 31 years. To meet the MSC requirements the SSO4 stock would need to be rebuilt to the agreed management target within 20 years (i.e. prior to 2035).

No robust estimates of the management target for SSO4 have been made at this time, nor have any robust analyses of management options and Harvest Control Rules (HCRs) been made at this time.

Further analyses are required based on the 2014 SSO4 stock assessment (or on an updated/revised stock assessment) in order for managers to establish:

- Current stock status
- Whether or not a formal rebuilding plan is required

- The optimal target size/range for this stock
- The HCRs to ensure ongoing optimal management, and thus
- The required long term remedial management actions to rebuild the stock size and ensure both sustainable and utilization outcomes are optimised.

Reducing the SSO4 catch limit to 3,000 tonnes will provide a one year holding pattern, one that will provide for stock rebuilding, albeit slow, giving fisheries managers and decision makers the required time to develop a fully considered, structured, and robust scientific approach for rebuilding the SSO4 fishery.

Fishery Improvement Plan for SSO4

As part of DWG's Fisheries Certification Programme, SSO4 is in a formal Fishery Improvement Plan (FIP) (see Appendix One).

The objective of the FIP is to ensure the performance of this fishery meets the MSC Fisheries Standard and subsequently achieves MSC certification. This means that its performance will more than meet the requirements of the Fisheries Act 1996.

The SSO4 FIP was jointly developed by DWG, MPI, and independent scientists and has been provided to MSC Stakeholders for their consideration. The consultation period closed on 17 July.

The FIP is now finalised and discussions are underway between MPI and DWG to align MPI's Annual Operating Plan for 2015-16 (July 2015 – June 2016) with DWG's Annual Business Plan (October 2015 – September 2016) to give effect to the required scientific projects and management considerations.

The agreed FIP provides for time-bound remedial management actions for SSO4, which include (see page 7, SSO4 FIP):

- 1.1 *Review biomass survey methodologies, undertake improved SSO4 biomass surveys.*
- 1.2 *Validate ageing information and age estimation method for SSO4.*
- 1.3 *Develop and update stock assessment methodology appropriate for SSO4 stock and fishery.*
- 1.4 *Acceptance of SSO4 stock assessment methodology by MPI.*
- 1.5 *Conduct a Management Strategy Evaluation to define appropriate harvest strategy and harvest control rules. Review the SSO4 harvest strategy and harvest control rules to align with Management Strategy Evaluation.*
- 1.6 *Implement harvest strategy and harvest control rules through a Management Procedure.*
- 1.7 *Review the need for, and implement if deemed necessary, a rebuilding plan.*

In summary, DWG recognises the need to develop and implement a comprehensive management strategy for SSO4 to rebuild this stock, with the following key elements:

- A staged reduction for the catch of SSO4,
- The first stage is to reduce the SSO4 catch by 50% with immediate effect by setting the 2015-16 OEO4 TACC at 4,000 tonnes,
- This will allow the SSO4 stock size to stabilise and to slowly rebuild and will prevent it declining further or below the soft limit,
- Industry to collectively manage their SSO4 harvest within an agreed 3,000 tonnes catch limit and this to be monitored by FishServe and audited by MPI (as is done in OEO3A),
- During 2015-16, Industry and MPI to jointly implement the [Fisheries Improvement Plan](#) for SSO4,
- Within this FIP:
 - Undertake a new stock assessment (with more age data),
 - Undertake a robust MSE to assess a management target/range for SSO4 consistent with the requirements of both the Fisheries Act 1996 and the MSC Fisheries Standard,
 - Develop a rebuilding plan to rebuild the SSO4 stock size to the agreed management target range within an agreed timeframe,
 - Implement any further required management measures from 1 October 2016, including further adjustments to the catch limit for SSO4, as may be required.

Regards



George Clement
Chief Executive
Deepwater Group Ltd



APPENDIX ONE



Fishery Improvement Plan SSO4 Oreo Trawl Fishery

For all enquiries please contact

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Overview

Deepwater Group (DWG) and the Ministry for Primary Industries (MPI) are committed to the ongoing sustainable management of New Zealand's deepwater fisheries. To this end we have jointly embarked on a Fisheries Certification Programme (FCP) with the objective of achieving independent certification of New Zealand's key deepwater fisheries (Figure 1). Our FCP is a four-staged work programme and a summary of this process to date can be seen on our [website](#). As part of this programme, three key oreo fisheries are in formal Fishery Improvement Plans (FIP). These are: Black Oreo Trawl Fishery (BOE 3A), Smooth Oreo Trawl Fishery (SSO3A), and Smooth Oreo Trawl Fishery (SSO4).

This FIP for SSO4 has been provided to MSC Stakeholders for their consideration. DWG has developed this FIP using tools and templates provided by the MSC to establish a public, transparent, inclusive and stepwise approach towards MSC certification.

The objective of this FIP is to ensure the performance of this fishery meets the MSC Fisheries Standard and subsequently achieves MSC certification. This FIP provides external observers the ability to monitor fisheries improvement, to track progress, and to assess fisheries performance against the MSC Fisheries Standard.

The following sections provide further detail on the SSO4 FIP including a Gap Analysis and Remedial Action Plan.

SSO4 is currently progressing through Stage 2 Phase 2 FIP (see Table 1). This involves remedial management actions and monitoring progress according to a public, time-bound FIP. This FIP will be updated and made available on our [website](#) along with all supporting documentation.

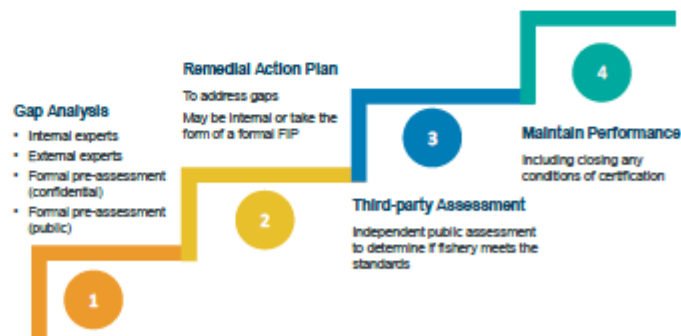






Figure 1 Deepwater Group's Fisheries Certification Programme stages

Table 1 Timelines and milestones for the Fisheries Certification Programme for SSO4

| Fisheries Certification Stage | Deliverables and Outcomes | Action Lead | Timelines for Milestone | Progress |
|---|--|----------------|-------------------------------------|---|
| Gap Analysis  | Phase 1 – MSC Confidential Pre-assessments: In September 2009 a Conformity Assessment Body (CAB) undertook a high level confidential pre-assessment of SSO4 against the MSC Fisheries Standard. The performance of this fishery was reviewed against the MSC Fisheries Standard by DWG and MPI in October 2014 and in April 2015. | DWG & MPI | Sept 2009 Oct 2014 April 2015 | Completed ✓ |
| | Phase 2 – Fishery Gap Analysis: Assessed SSO4 against MSC Fisheries Standard to identify potential non-conformities and information gaps. | DWG & MPI | Oct 2014- Apr 2015 | Completed ✓ |
| | Phase 3 – Fishery Evaluations: Completed on the 'Fishsource' template. Provided Sustainable Fisheries Partnership (SFP) with current information, for evaluation and for SFP to post to their FishSource™ website. Published relevant documents on the DWG website. | DWG & MPI | Nov 2014- May 2015 | Completed ✓ |
| Remedial Action Plan  | Phase 1 – Fishery Improvement Analysis: Identified reasons why the CAB pre-assessment identified certain Performance Indicators as unlikely to meet the MSC Fisheries Standard. Identified remedial management actions. Consulted with MSC Stakeholders. | DWG & MPI | Apr 2015 | Completed ✓ |
| | Phase 2 – Fishery Improvement Plan: Implemented remedial management actions within an agreed and time-bound plan using the MSC Monitoring and Benchmarking FIP Template. Once finalised, posted with SFP for public viewing. | DWG & MPI | Apr 2015- Nov 2019 | Remedial Actions In Progress  |
| Third Party Assessment  | Phase 1 – MSC Assessment: Formal assessment of the SSO4 fishery against the MSC Fisheries Standard. | CAB, DWG & MPI | Dec 2019 | |
| | Phase 2 – MSC Certification: Achieved certification of the SSO4 fishery against the MSC Fisheries Standard. | DWG & MPI | Dec 2020 | |

Gap Analysis

1

The first three phases have been completed:

- Phase 1 MSC Confidential Pre-assessments
- Phase 2 Fishery Gap Analysis
- Phase 3 Fishery Evaluations.

This version of the FIP addresses the outcomes of the pre-assessment and the review of these in 2014 and 2015.

Phase 3: MSC Confidential Pre-assessment

In September 2009, Moody Marine Ltd (now Intertek Fisheries Certification Ltd) undertook a confidential pre-assessment of the SSO4 fishery against the MSC Fisheries Standard.

Subsequent reviews of this pre-assessment were undertaken (October 2014 and April 2015) and the fishery was rated for each Performance Indicator (PI) and a detailed rationale was provided. The pre-assessment and reviews identified areas of non-conformity to provide an indication of the work required for the fishery to meet the MSC SG80 and SG60 Certification Requirements.

The compiled outcomes from Intertek Fisheries Certification Ltd's confidential pre-assessment and subsequent October 2014 and April 2015 reviews are summarised in Table 2. This is a snapshot of the fishery and results for each PI are categorised as:

- Red = likely to score below 60
 - Orange = likely to score between 60 & 80
 - Green = likely to score above 80.
-

Table 2 SSO4 pre-assessment results

| MSC Component | MSC Performance Indicator | MSC Performance Indicator | Outcome |
|--|---------------------------|--|---------|
| Outcome | 1.1.1 | Stock Status: Stock at a level which maintains high productivity | |
| | 1.1.2 | Reference Points: Appropriate limits and reference points for the stock | |
| | 1.1.3 | Stock Rebuilding: Where stock depleted - there is evidence of rebuilding | |
| Management | 1.2.1 | Harvest Strategy: Precautionary and robust harvest strategy in place | |
| | 1.2.2 | Harvest Control Rules & Tools: Well defined harvest control rules in place | |
| | 1.2.3 | Information & Monitoring: Relevant information collected to support harvest strategy | |
| | 1.2.4 | Assessment of Stock Status: Assessment of stock status is adequate | |
| | P1 ALL | Sustainability of Exploited Stock | |
| Retained Species | 2.1.1 | Retained Species Outcome: Does not cause serious or irreversible harm to retained species | |
| | 2.1.2 | Retained Species Management: Strategy in place for managing retained species | |
| | 2.1.3 | Retained Species Information: Relevant information to help manage retained species | |
| Bycatch species | 2.2.1 | Bycatch Species Outcome: Does not cause serious or irreversible harm to bycatch species | |
| | 2.2.2 | Bycatch Species Management: Strategy in place for managing bycatch species | |
| | 2.2.3 | Bycatch Species Information: Relevant information to help manage bycatch species | |
| ETP species | 2.3.1 | ETP Species Outcome: Meets national and international requirements for ETP protection | |
| | 2.3.2 | ETP Species Management: Precautionary management strategies in place | |
| | 2.3.3 | ETP Species Information: Relevant information to support management of impacts | |
| Habitats | 2.4.1 | Habitats Outcome: Does not cause serious or irreversible harm to habitat structure | |
| | 2.4.2 | Habitats Management: Information is adequate to determine risk to habitat types | |
| | 2.4.3 | Habitats Information: Information adequate to determine risk to habitats | |
| Ecosystem | 2.5.1 | Ecosystem Outcome: Does not cause serious or irreversible harm to ecosystem | |
| | 2.5.2 | Ecosystem Management: Measures are in place to mitigate risk to ecosystem | |
| | 2.5.3 | Ecosystem Information: Adequate knowledge of impacts of fishery on the ecosystem | |
| | P2 ALL | Maintenance of Ecosystem | |
| Governance and Policy | 3.1.1 | Legal/Customary Framework: Management system exists with legal/customary framework | |
| | 3.1.2 | Consultation, Roles & Responsibilities: Management system has clear processes | |
| | 3.1.3 | Long Term Objectives: Management policy contains clear long-term objectives | |
| | 3.1.4 | Incentives for Sustainable Fishing: Management system has sustainability incentives | |
| Fishery specific management system | 3.2.1 | Fishery Specific Objectives: Fishery has clear and specific outcome objectives | |
| | 3.2.2 | Decision Making Processes: Management system includes effective decision making | |
| | 3.2.3 | Compliance & Enforcement: Monitoring, control and surveillance mechanisms in place | |
| | 3.2.4 | Research Plan: Research plan that addresses management needs are in place | |
| | 3.2.5 | Management Performance Evaluation: Performance Evaluation processes in place | |
| | P3 ALL | Effective Management System | |
| Key: Indicative Assessment Scores >90 (Pass) 60-90 (Condition) <60 (Fail) Indicative Aggregate Scores Pass Fail | | | |

Remedial Action Plan

2

There are two phases to the Remedial Action Plan:

- Phase 1 Fishery Improvement Analysis
- Phase 2 Fishery Improvement Plan.

Phase 1 Fishery Improvement Analysis

The performance of SSO4 has been considered against the MSC Fisheries Standard to identify non-conformities and information gaps against the MSC Performance Indicators (SG80 and SG60) (Appendix 1).

Phase 2 Fishery Improvement Plan

This involves implementing the remedial management actions and monitoring progress according to a public, time-bound FIP.

Table 3 presents management actions to remedy identified gaps in Phase 1 of the Remedial Action Plan.

Table 4 gives timelines for each of the remedial management actions.

Table 3 Remedial management actions

| ACTIONS | ACTION LEAD & PARTNERS | Links to Relevant MSC Performance Indicators | | | | | | | |
|---|------------------------|--|-------|-------|-------|-------|-------------------------|------------------------|--------------------|
| | | P1 Target stocks | | | | | P2 Ecosystem components | | |
| | | 1.1.1 | 1.1.2 | 1.1.3 | 1.2.1 | 1.2.2 | 1.2.3 | Bycatch species status | ETP species status |
| 1. Stock assessment | | | | | | | | | |
| 1.1 Review biomass survey methodologies, undertake improved SSO4 biomass surveys. | DWG & MPI | | | | | | | | |
| 1.2 Validate ageing (information and age estimation method for SSO4). | DWG & MPI | | | | | | | | |
| 1.3 Develop and update stock assessment methodology appropriate for SSO4 stock and fishery. | DWG & MPI | | | | | | | | |
| 1.4 Acceptance of SSO4 stock assessment methodology by MPI. | DWG & MPI | | | | | | | | |
| 1.5 Conduct a Management Strategy Evaluation to define appropriate harvest strategy and harvest control rules. Review the SSO4 harvest strategy and harvest control rules to align with Management Strategy Evaluation. | DWG & MPI | | | | | | | | |
| 1.6 Implement harvest strategy and harvest control rules through a Management Procedure. | DWG & MPI | | | | | | | | |
| 1.7 Review the need for, and implement (if deemed necessary, a rebuilding plan. | DWG & MPI | | | | | | | | |
| 2. Habitats and ecosystems | | | | | | | | | |
| 2.1 Undertake analysis to provide method of main/minor bycatch species in SSO4 and in the EEZ. | DWG & MPI | | | | | | | | |
| 2.2 Articulate and formalise management strategy for main/minor bycatch species in SSO4 and in the EEZ. | DWG & MPI | | | | | | | | |
| 2.3 Quantitatively determine distributions of ETP corals within the SSO4 fishery and the New Zealand EEZ. | DWG & MPI | | | | | | | | |
| 2.4 Assess nature and extent of impact by the SSO4 fishery on ETP corals. | DWG & MPI | | | | | | | | |
| 2.5 Document the management strategy to provide information and outline management measures ensure the fishery does not hinder recovery and minimise mortality of ETP coral species. | DWG & MPI | | | | | | | | |

Notes: DWG (Deepwater Group Ltd) MPI (Ministry for Primary Industries for New Zealand)

Table 4 Timelines for each of the remedial management actions

| | | Progress (see key below) | | | | | | | | | | | |
|--|---|--------------------------|----|------|----|------|----|------|----|------|----|------|----|
| | | 2015 | | 2016 | | 2017 | | 2018 | | 2019 | | 2020 | |
| | | H1 | H2 | H1 | H2 | H1 | H2 | H1 | H2 | H1 | H2 | H1 | H2 |
| MSC Principle 1: Stock Status | | | | | | | | | | | | | |
| 1.1 | Review biomass survey methodologies, undertake improved SSO4 biomass surveys. | | | | | | | | | | | | |
| 1.2 | Validate ageing information and age estimation method for SSO4. | | | | | | | | | | | | |
| 1.3 | Develop and update stock assessment methodology appropriate for SSO4 stock and fishery. | | | | | | | | | | | | |
| 1.4 | Acceptance of SSO4 stock assessment methodology by MPI. | | | | | | | | | | | | |
| 1.5 | Conduct a Management Strategy Evaluation to define appropriate harvest strategy and harvest control rules. Review the SSO4 harvest strategy and harvest control rules to align with Management Strategy Evaluation. | | | | | | | | | | | | |
| 1.6 | Implement harvest strategy and harvest control rules through a Management Procedure. | | | | | | | | | | | | |
| 1.7 | Review the need for, and implement if deemed necessary, a rebuilding plan. | | | | | | | | | | | | |
| MSC Principle 2: Ecosystem Management | | | | | | | | | | | | | |
| 2.1 | Undertake analysis to provide metrics of main/minor bycatch species in SSO4 and in the EEZ. | | | | | | | | | | | | |
| 2.2 | Articulate and formalise management strategy for main/minor bycatch species in SSO4 and in the EEZ. | | | | | | | | | | | | |
| 2.3 | Quantitatively determine distributions of ETP corals within the SSO4 fishery and the New Zealand EEZ. | | | | | | | | | | | | |
| 2.4 | Assess nature and extent of impact by the SSO4 fishery on ETP corals. | | | | | | | | | | | | |
| 2.5 | Document the management strategy to provide information and outline management measures ensure the fishery does not hinder recovery and minimises mortality of ETP coral species. | | | | | | | | | | | | |

Notes: DWG (Deepwater Group Ltd) MPI (Ministry for Primary Industries for New Zealand)

| | |
|--|--------------------------|
| | In-progress |
| | Completed |
| | Expected completion date |

Third-party Assessment



MSC Assessment

Stage 3 of the SSO4 FCP requires the submission of this fishery for full MSC Assessment by an accredited MSC Conformity Assessment Body against the MSC Fisheries Standard. It is anticipated that the SSO4 fishery will be ready for full MSC Assessment in December 2019.

MSC Certification

Certification of SSO4 against the MSC Fisheries Standard is achieved, the report is published and appropriate certificate(s) granted. Any Conditions of Certification laid out in the certification report will be addressed by managers within the agreed timeframes. It is anticipated that SSO4 will complete the full MSC Assessment process by December 2020.

Appendix 1

SSO4 Fishery Improvement Analysis (Actions are referenced to Tables 3 and 4)

| PI 1.1.1 – The stock is at a level which maintains high productivity and has a low probability of recruitment overfishing | | |
|---|--|-------------------------|
| MSC SG80 Certification Requirements | a) It is highly likely that the stock is above the point where recruitment would be impaired b) The stock is at or fluctuating around its target reference point. | |
| Gap Analysis Findings | The Gap Analysis found that: <ul style="list-style-type: none"> The stock is estimated to be below the current management target of 40% B_0 An updated stock assessment for SSO4 was finalised in July 2014. The assessment estimates SSO4 stock status to be 27% B_0. The assessment indicates that, under the current catch, biomass is declining toward the Soft Limit (20% B_0). | |
| Responses | <ul style="list-style-type: none"> Develop and implement a Management Strategy Evaluation to better determine the management targets Develop and implement a rebuilding plan for SSO4 Demonstrate through an accepted stock assessment that the stock status is highly likely to be above the point at which recruitment would be impaired. | Actions 1.1 & 1.3 – 1.4 |
| PI 1.1.2 – Limit and target reference points are appropriate for the stock | | |
| MSC SG80 Certification Requirements | a) Reference points are appropriate for the stock and can be estimated b) The limit reference point is set above the level at which there is an appreciable risk of impairing reproductive capacity c) The target reference point is such that the stock is maintained at a level consistent with B_{MSY} or some measure or surrogate with similar intent or outcome d) For key low trophic level species, the target reference point takes into account the ecological role of the stock. | |
| Gap Analysis Findings | The Gap Analysis found that: <ul style="list-style-type: none"> The stock demonstrates the limit reference point is set above the level at which there is an appreciable risk of impairing reproductive capacity. | |
| Responses | <ul style="list-style-type: none"> Undertake a Management Strategy Evaluation to establish and test Management Procedures and harvest control rules that meet the requirements of PI 1.1.2. | Action 1.2 & 1.5 - 1.6 |

| PI 1.1.3 – Where the stock is depleted, there is evidence of stock rebuilding within a specified timeframe | | |
|--|--|---------------------------------|
| MSC SG80 Certification Requirements | <ul style="list-style-type: none"> a) A rebuilding timeframe is specified for the depleted stock that is the shorter of 20 years or 2 times its generation time. For cases where 2 generations is less than 5 years, the rebuilding timeframe is up to 5 years. b) There is evidence that the rebuilding strategies are rebuilding stocks or it is highly likely, based on simulation modelling or previous performance, that they will be able to rebuild the stock within the specified timeframe. | |
| Gap Analysis Findings | <p>The Gap Analysis found that:</p> <ul style="list-style-type: none"> • The current biomass is below the management target and needs rebuilding • The 2014 stock assessment estimates biomass will continue to decline under current catch levels. | |
| Responses | <ul style="list-style-type: none"> • Develop and implement a rebuilding plan for the SSO4 fishery • Test the robustness of the rebuilding plan using the Management Strategy Evaluation based on the stock assessment model. | Action 1.1 – 1.2 & 1.5 – 1.7 |
| PI 1.2.1 – There is a robust and precautionary harvest strategy in place | | |
| MSC SG80 Certification Requirements | <ul style="list-style-type: none"> a) The harvest strategy is responsive to the state of the stock and the elements of the harvest strategy work together towards achieving management objectives reflected in the target and limit reference points b) The harvest strategy may not have been fully tested but monitoring is in place and evidence exists that it is achieving its objectives. | |
| Gap Analysis Findings | <p>The Gap Analysis found that:</p> <ul style="list-style-type: none"> • The lack of analyses to demonstrate that the harvest strategy (HS) is "responsive to the state of the stock" or to demonstrate that the HS elements successfully "work together towards achieving management objectives reflected in the target and limit reference points." • The lack of analyses to demonstrate the efficacy of the HS in achieving its objectives | |
| Responses | <ul style="list-style-type: none"> • Undertake a Management Strategy Evaluation to develop and test a Management Procedure and harvest control rules to establish that these are responsive to the state of the stock and the stock management processes. | Actions 1.2 & 1.5 – 1.6 |

| PI 1.2.2 – There are well defined and effective harvest control rules in place | | |
|--|--|-----------------------|
| MSC SG80 Certification Requirements | <ul style="list-style-type: none"> (a) Well defined harvest control rules are in place that are consistent with the harvest strategy and ensure that the exploitation rate is reduced as limit reference points are approached (b) The selection of the harvest control rules takes into account the main uncertainties (c) Available evidence indicates that the tools in use are appropriate and effective in achieving the exploitation levels required under the harvest control rules. | |
| Gap Analysis Findings | <p>The Gap Analysis found that:</p> <ul style="list-style-type: none"> • Generally understood harvest control rules are in place that are consistent with the harvest strategy and which act to reduce the exploitation rate as limit reference points are approached • The harvest control rule, as it implemented for New Zealand fish stocks and for oreos in particular, is consistent with the aims of the Harvest Strategy Standard, although it is not fully specified at present. The harvest control rule applied to oreos is less well-specified than that for orange roughy. • There is a lack of documentation of the main uncertainties for the SSO4 fishery and the selection of the harvest control rules to address those uncertainties. • There is a lack of evidence indicating that the tools in use are appropriate and effective in achieving the exploitation levels required under the harvest control rules. | |
| Responses | <ul style="list-style-type: none"> • Undertake a Management Strategy Evaluation to establish and test Management Procedures and harvest control rules that meet the requirements of PI 1.2.2. | Actions 1.2 & 1.5-1.6 |
| PI 1.2.3 – Information and Monitoring | | |
| MSC SG80 Certification Requirements | <ul style="list-style-type: none"> (a) Sufficient relevant information related to stock structure, stock productivity and fleet composition is available to support the harvest strategy (b) Stock abundance and fishery removals are regularly monitored at a level of accuracy and coverage consistent with the harvest control rule, and one or more indicators are available and monitored with sufficient frequency to support the harvest control rule (c) There is good information on all other fishery removals from the stock. | |
| Gap Analysis Findings | <p>The Gap Analysis found that:</p> <ul style="list-style-type: none"> • The fishery lacks information related to stock structure, including validating ageing information and age estimation methodology. | |
| Responses | <ul style="list-style-type: none"> • Formalise stock structure information for SSO4 (including information on natural mortality, growth and ageing) • Validate age estimation method for smooth oreo. | Action 1.2 |

| PI 2.2.1 – The fishery does not pose a risk of serious or irreversible harm to the bycatch species or species groups and does not hinder recovery of depleted bycatch species or species groups | | |
|---|---|-------------------|
| MSC SG80 Certification Requirements | <p>a) Main bycatch species are highly likely to be within biologically based limits (if not, go to scoring issue (b) below)</p> <p>b) If main bycatch species are outside biologically based limits there is a partial strategy of demonstrably effective mitigation measures in place such that the fishery does not hinder recovery and rebuilding.</p> | |
| Gap Analysis Findings | <p>The Gap Analysis found that:</p> <ul style="list-style-type: none"> There was a lack of information to score the stock status of key bycatch species There was a lack of information to determine whether or not a species comprises 5-20% or more of the total catch of that species. | |
| Responses | <ul style="list-style-type: none"> Provide information to demonstrate (semi-quantitatively) that bycatch species are highly likely (70%) to be within biologically based limits or there is evidence that the fishery does not hinder recovery and rebuilding (B_{lim}) Identify vulnerable species and document impacts of this fishery on those species Where possible document bycatch that are recorded under generic codes as species Provide information (semi-quantitatively) to support findings and to demonstrate the nature and extent of the impacts of the smooth oreo fishery on bycatch stocks. | Actions 2.1 & 2.2 |

| PI 2.3.1 – The fishery meets national and international requirements for protection of ETP species. The fishery does not pose a risk of serious or irreversible harm to ETP species and does not hinder recovery of ETP species. | | |
|--|---|-------------------|
| MSC SG80 Certification Requirements | <p>(a) The effects of the fishery are known and are highly likely to be within limits of national and international requirements for protection of ETP species</p> <p>(b) Direct effects are highly unlikely to create unacceptable impacts to ETP species</p> <p>(c) Indirect effects have been considered and are thought to be unlikely to create unacceptable impacts.</p> | |
| Gap Analysis Findings | <p>The Gap Analysis found that:</p> <ul style="list-style-type: none"> There was a lack of robust distributional information of several cold water coral species (that overlap with the OEO Fishery) outside fished areas There was a lack of information describing the level of impacts with fisheries of protected corals, species identification, quantities taken and distribution There was a lack of any rationale to quantitatively determine if any impacts are such that they pose a risk of serious or irreversible harm to ETP coral species. | |
| Responses | <ul style="list-style-type: none"> Document national (and relevant international) requirements for the protection of corals, demonstrating that direct effects (considering also indirect effects) are highly unlikely to create unacceptable impacts (impacts that hinder recovery or rebuilding) to ETP coral species Undertake a desktop analysis of the nature and extent of information used in modelling coral density distributions, including (where possible) the distribution of corals within fished areas, outside fished areas, and within protected areas (BPAs and Seamount Closures) Undertake a desktop analysis of the distribution of coral genera/species in the New Zealand EEZ and within the SSO4 fishery, coral taken within the SSO4 fishery and determine (where possible) which genera/species are affected most by the SSO4 fishery Undertake a semi-quantitative analysis to demonstrate the nature and extent of the interactions with corals in areas that are fished (taking into account recovery and closed areas). Determine if effects of the fishery are: highly likely to be within limits of national (and international) requirements for protection of ETP coral species; highly unlikely to create unacceptable impacts to ETP coral species; and, consider indirect effects. | Actions 2.3 - 2.5 |

17 July 2015

Mr M Dunne
Ministry for Primary Industries
PO Box 5620
Wellington

Dear Martyn

REVIEW OF SUSTAINABILITY CONTROLS FOR SELECTED FINFISH STOCKS
MPI Discussion Document No: 2015/24

Introductory Comments

1. You have asked for comments on the review of sustainability controls for selected finfish stocks, viz, GUR3, GUR7, SPO2, SPO7 and STA7. This submission reflects the view of Fisheries Inshore NZ Limited (FINZ). If you have queries in respect of this submission, please contact Tom Clark, Policy Manager Fisheries Inshore (Tel 04 802-1514).
2. FINZ is the representative entity for inshore finfish, pelagic and tuna fisheries in New Zealand. Its role is to deal with national issues on behalf of the sector and to work directly with, and behalf of, its quota owners and fishers.
3. FINZ works closely with other commercial stakeholder organisations that focus on regional and operational issues; including the adjustment of specific TACs. Area 2 Inshore Finfish Management Company and Southern Inshore Fisheries Management Company are the mandated organisations with respect to the matters consulted on and FINZ supports and endorses their submissions.
4. Although our strong preference was for a greater number of stocks to be reviewed, FINZ is encouraged that MPI is proposing to increase TACs of these five stocks. It is of prime importance that TACs are increased or decreased in a timely manner to reflect biomass fluctuations. Failure to do so results in lost economic opportunities, sustainability risks and/or the imposition of incentives that we prefer to avoid.
5. FINZ looks forward to working with MPI to ensure more fisheries are actively managed in a pragmatic and timely fashion. This is the basis of good fisheries management.

Recreational and Customary Allowances

6. The review of the sustainability controls also entails a review of the recreational and customary allowances for the fishstocks. The table below summarises the consultation proposals along with the MPI's latest estimates of recreational catch:¹

| RECREATIONAL AND CUSTOMARY ALLOWANCES FOR SELECTED STOCKS | | | | | | |
|---|---------------------------|---------------------------|--------------------------------|---------------------------|---------------------------|--------------------------------|
| Stock | Recreational | | | Customary | | |
| | Existing Allowance (t) | Proposed Allowance (t) | 2011/12 Survey Estimate (t) | Existing Allowance (t) | Proposed Allowance (t) | Reported Authorisations (t) |
| GUR3 | 5 | 6 | 2 | 3 | 3 | n/a |
| GUR7 | 20 | 21 / 22 | 12 | 10 | 10 | n/a |
| SPO2 | 10 | 12 | 8 | 5 | 5 | n/a |
| SPO7 | 29 | 33 | 21 | 15 | 15 | n/a |
| STA7 | 2 | 3 / 4 | 3 | 1 | 1 | n/a |

Note: n/a is not available.

7. The setting of the recreational and customary allowances should be in in accord with the Information Principles set out in section 10 of the Fisheries Act 1996, which states:

"10 Information principles

All persons exercising or performing functions, duties, or powers under this Act, in relation to the utilisation of fisheries resources or ensuring sustainability, shall take into account the following information principles:

- (a) decisions should be based on the best available information:*
- (b) decision makers should consider any uncertainty in the information available in any case:*
- (c) decision makers should be cautious when information is uncertain, unreliable, or inadequate:*
- (d) the absence of, or any uncertainty in, any information should not be used as a reason for postponing or failing to take any measure to achieve the purpose of this Act"*

8. It would appear that a number of the proposed allowances of recreational and customary catch are not in accordance with the Information Principles and are in excess of the best available information on existing utilisation.
9. Each tonne of fish allocated to the recreational or customary sector in excess of anticipated catch for a representative inshore fishstock such as gurnard, rig or stargazer represents over \$2,000 of revenue foregone by fishers and exports foregone of over \$10,000. If the commercial fishing sector is to achieve the goal of doubling export values, recreational and customary allowances need to be set at realistic levels and TACCs set at the maximum level within the TAC.

¹ National Panel Survey of Marine Recreational Fishers 2011–12: Harvest Estimates. New Zealand Fisheries Assessment Report 2014/67, November 2014.

Recreational Allowances

10. We note that the consultation document makes use of the 2011/12 National Panel Survey of recreational fishers. However we also note the comments on the reliability of the survey which has been favourably received by peer reviewers. The survey provides coefficients of variation that are well within the accepted limits for catch estimation and are sufficiently reliable to inform the TAC allowance decisions. While improvements to the catch estimation methodology are being considered, if MPI is of the view that the survey cannot provide reliable estimates, they will need to consider other strategies to achieve reliable reporting of recreational catch. That might include mandatory reporting of recreational catch.
11. It is not acceptable that MPI continues to point to the absence of data on recreational catch from charter vessels as a source of uncertainty in recreational allowances. Despite consulting on improved catch reporting from recreational charter vessels in 2013, the Ministry has still to implement improved catch reporting from recreational charter vessels.
12. Recreational fishing is poorly monitored and managed and there is no indication that for the stocks under review the sector is not already taking all the fish that they wish. In view of the estimated recreational catches, we consider that the proposed recreational catch allocations for GUR7 and SPO7 are excessive and have not been set in accordance with the Act's provisions. The estimates of current catch are already below the existing recreational allowance. There is no rationale that suggests an even higher allowance is warranted.

Customary Allowances

13. Allocations to the customary sectors are made in respect of the interests of those sectors and reflect what the Minister deems to be an appropriate allowance for the sector. They are not made to provide for existing utilisation levels, as asserted by MPI. While the Minister does not have the power to intercede in customary fishing authorisations nor take direct action to constrain customary catch, it would be expected that those authorising customary permits would take into account Ministerial decisions in respect of allowances within TACs.
14. The customary allowance in the TAC relates only to customary fishing as authorised under the Fisheries (Amateur Fishing) Regulations 2013, Fisheries (Kaimoana Customary Fishing) Regulations 1998 or the Fisheries (South Island Customary Fishing) Regulations 1999. It does not include fishing by tangata whenua under the recreational regulations.
15. Industry has raised the issue of reporting of customary fishing in previous submissions.
16. Where kaitiaki have been appointed under the Fisheries (Kaimoana Customary Fishing) Regulations 1998 or the Fisheries (South Island Customary Fishing) Regulations 1999, all authorisations and catch is required to be reported to MPI. Where kaitiaki have not been appointed, customary fishing is operating under section 51 of the Fisheries Act and does not require reporting of authorisations and catch of customary fishing authorisations. We are aware that not all kaitiaki are furnishing returns as required.
17. While the level of catch under customary fishing authorisations is not expected to be significant, we would expect MPI to implement and operate monitoring and reporting processes that provide reliable estimates of catch to inform allocation decisions.
18. The consultation document refers to customary catch authorisations and catch being at low levels with most fishers taking the stocks involved under amateur fishing provisions.

19. While we have no objection to a reasonable provision being allocated, in view of the low level of estimated recreational catch of the stocks and the low number of customary authorisations, it is difficult to understand how such large allowances for customary fishing are provided for GUR7 and SPO7. The allocations proposed appear to be in excess of the best available information on existing utilisation.
20. We submit that MPI needs to
- a. improve its capacity to provide estimates of customary fishing catch to inform the customary fishing TAC allowance; and
 - b. review the reasonableness of customary fishing allocations to reflect the available information.

17 July 2015

Mr M Dunne
Ministry for Primary Industries
PO Box 5620
Wellington

Dear Martyn

REVIEW OF DEEMED VALUE RATES FOR SELECTED FINFISH STOCKS
MPI Discussion Document No: 2015/23

1. You have asked for comments on the review of deemed values for selected finfish stocks. This submission reflects the view of Fisheries Inshore NZ Limited and the Deepwater Group Ltd.

The Submitters

Fisheries Inshore New Zealand

2. Fisheries Inshore NZ Limited (FINZ) represents the inshore finfish, pelagic and tuna fisheries of New Zealand. It was formed in November 2012 as part of the restructuring of industry organisations. Its role is to deal with national issues on behalf of the sector and to work directly with and behalf of its quota owners, fishers and affiliated Commercial Stakeholder Organisations (CSOs). As part of that work it will also work collaboratively with other industry organisations and SREs, Seafood New Zealand, Ministry for Primary Industries (MPI) and Department of Conservation.
3. Its key outputs are the development of, and agreement to appropriate policy frameworks, processes and tools to assist the sector to more effectively manage inshore, pelagic and tuna fishstocks, to minimise their interactions with the associated ecosystems and work positively with other fishers and users of marine space where we carry out our harvesting activities.
4. FINZ works closely with other commercial stakeholder organisations that focus on regional and operational issues, including the adjustment of specific deemed values. The Northern Fisheries Management Stakeholder Company Ltd, Area 2 Inshore Finfish Management Company and Southern Inshore Fisheries Management Company are the mandated organisations with respect to the matters consulted on and FINZ supports and endorses their submissions.

- ## Deepwater Group

- ## The Deemed Value Process

- Each of the JWG recommendations, followed by the Minister's decisions, are outlined below. At the end of this page are links to the reports and advice papers referred to above.*

RECOMMENDATION 1

(a) Deemed value increase and differential deemed value adjustments;
(b) Reassessment of best information relating to appropriateness of TACCs; and
(c) Other management measures such as overfishing thresholds.

2

12. The Ministry supported the recommendation. The Final Advice Paper to the Minister² contained the following comment from the Ministry:

Ministry Comment

20. *The Ministry supports this JWG recommendation that significant TACC over-catch should trigger management action. Deemed values are the primary mechanism for addressing over-catch. However, the Ministry agrees that increasing a deemed value rate is not the only available response to over-catch, and consideration of other management measures, as appropriate, is also needed.*
21. *The Ministry has already amended its catch balancing guidelines to make the deemed value setting process more responsive to over-catch and allow deemed values to be set on a case by case basis. To support these new guidelines, additional resources will be directed at monitoring over-catch and deemed value payments throughout the year.*
22. *The emphasis for both the JWG and the Ministry is on case by case consideration of the need for management action for stocks that are being over-caught. Where over-catch is ongoing and deemed value rates are being considered in response, the Ministry will need to take this as a signal to reassess the best available information on the appropriateness of current TAC levels. There is further discussion of TAC adjustment later in this paper. The appropriateness of applying other management mechanisms to the stock, such as over-catch thresholds, and area and method restrictions, will also need to be considered."*
13. The Final Advice Paper contains a further discussion on management actions in response to over-catch (see paras 126-134) Paras 129-131 in particular state:
- "129. If a TAC is set too conservatively then deemed value payments or restricted catches represent a loss of value to extractive users, which could be avoided if the TAC was reassessed.*
- 130. Therefore, it is important to address the responsiveness of stock and TAC assessment mechanisms to over-catch, both to reduce costs on industry of deemed value payments, where catch is sustainable, and to reassure industry about the functioning of the management regime and robustness of TACs in the face of increasing deemed value rates.*
- 131. If ongoing over-catch is occurring and information suggests that some or all of that over-catch might be sustainable then a process to assess the appropriateness of the TAC level for the stock should be initiated. This will require some modification of Ministry processes to ensure that those processes take into account, and give appropriate priority to, the signal provided by over-catch and deemed value payments."*
14. Para 134 is also of relevance to the issue:
- "The assessment of information on the appropriateness of TAC levels may result in identification of a need to generate further information through directed research effort, which may take some time and have cost recovery implications. Gathering new information is often costly and if this extra cost is not justified by returns on a stock, or associated stocks, then high levels of uncertainty and hence carefully set TACs will be largely unavoidable."*
15. The Ministry process then commences with an assessment of the causes for the over-catch and an evaluation of the appropriate management response. The discussion contained in

² http://www.fish.govt.nz/NR/rdonlyres/1AFE0966-1602-41F6-8316-8C6D6EAF849/0/Final_Advice_on_JWG_recommendations.pdf

paras 129-131 is fundamental to the evaluation of options particularly in the case of ongoing over-catch. Increasing deemed values is not the only option to be considered.

16. The Ministry has referred to the High Court judgment of Priestley J in the Pacific Trawling and Independent Fishing case (CIV 2007-441-1016) where the Court held that the Minister was unable to take into account the adequacy or otherwise of the TACC in reviewing deemed values to set aside the industry submissions on the process. Industry supports that general finding but notes the Minister has the discretion to take into account any such matters as the Minister considers relevant. That judgment applies only to the Minister exercising his power to set deemed values.
17. Ministerial consideration of deemed value proposals is subsequent to a Ministry review of the circumstances relating to the over-catch of stocks. It is only where the Ministry has already determined that reviewing the deemed value is the most appropriate option that the Ministerial consideration of deemed values arises. The judgment does not obviate the need for the Ministry to follow the process approved by the Minister to review and identify the cause of over-catch and take an appropriate management response to the matter. That includes consideration of the adequacy of the TACC. It is not within the Ministry's power to ignore a Ministerially approved process.
18. Insofar as industry is aware, the Ministry only followed the process in 2007 and has not subsequently followed the approved process. Certainly, the process has not been used in any shape or form for the past five years.
19. Not only does the Ministry not seek to follow the process, it has not given any recognition to the process in any documentation relating to the deemed values. The Deemed Values Guidelines continues that approach, ignoring the approved process and the need for consideration of options.
20. This matter has been raised in every submission since 2008 from Seafood New Zealand, or its predecessor SeaFIC, provided on the deemed values sustainability measures. It appears to have been ignored in most years by the Ministry. The SeaFIC submission of January 2011 on the Draft 2011 Deemed Value Standard dealt with the issue at some length. We note this was ignored in the final deliberations of the Ministry on the standard.
21. We request the current guidelines document be withdrawn and be amended to include the need to review the management options in the case of an over-catch occurring.
22. We agree with the comments in paras 129-133 of the Final Advice Paper referred to earlier. We consider that the failure to follow the approved process has again flawed the current deemed value proposals. We comment further on this matter in respect of the deemed value proposals for KIN7 and KIN8.

Use of 0.1% Quota Value to Determine if Deemed Values are significant

23. We are unclear as to where or why this performance measure/criterion has emerged. It seems to fulfil two roles – firstly as a criterion for a deemed value to be reviewed and secondly as a measure of the performance of the process.
24. We can support the measure as a criterion for initiating a review of a stock but for an entirely different rationale to the Ministry's reasoning. From the perspective of a quota-owner, it is a clear signal that the deemed values are consuming a disproportionate amount of the available rent from the fishery and the circumstances for the deemed values should

be reviewed, with the first option being a review of the TAC/TACC if none has been recently undertaken.

25. As a measure of the performance of the fishery, we are unclear as to how the Ministry might view the measure. From the perspective of a quota-owner, if the ratio of deemed value to quota-value rises, it provides a clear signal that fishers are unable to balance catch with ACE and that a more appropriate management response may be to review the adequacy of the TAC/TACC.
26. From an operational perspective, based on information deficiencies, we consider the measure is not robust and should not be used. Our analysis of the quota transfers indicates that in the period between 1 October 2013 and 30 June 2015 there were only 78 stocks for which FishServe considered there were sufficient arms'-length transfers to generate a reliable market average price. The stocks for which there are no values includes a number of the stocks reviewed in this consultation. Furthermore there are many stocks for which a reliable quota transfer price since the introduction of the stock to the QMS cannot be assessed. Without a reliable quota transfer price, the ratio of deemed value payments to quota value cannot provide a meaningful outcome for all stocks.
27. We wish to see the Ministry's analysis that supported the introduction of the measure for either purpose.

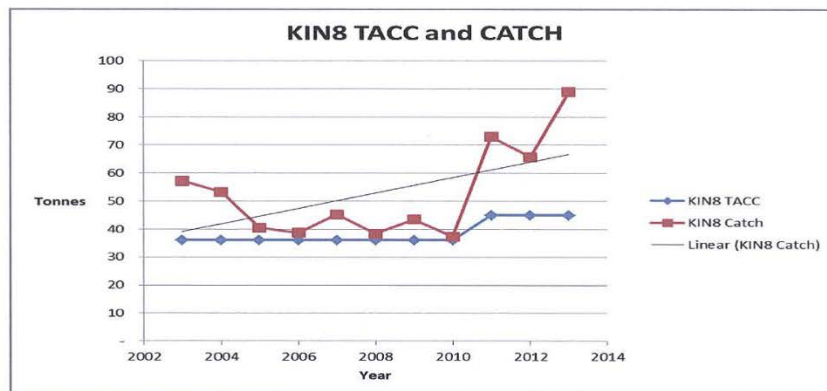
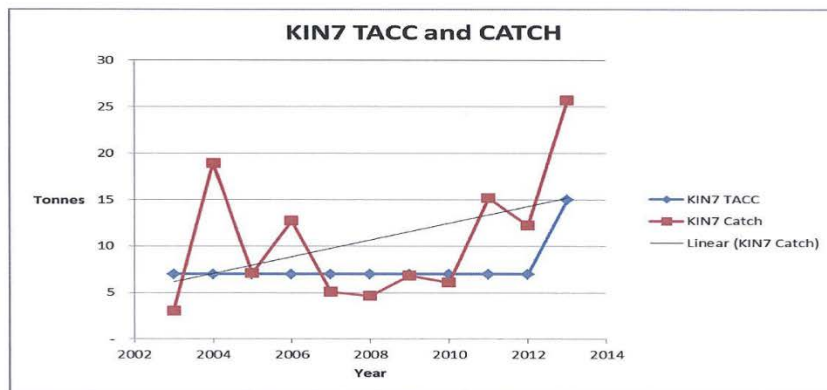
Engagement with Industry

28. While the August 2012 Final Advice Paper on the Deemed Value Standard indicated that the Ministry was changing its stakeholder engagement process from a joint Review Group to a greater reliance on the fisheries plans process, there was no discussion with industry organisations on the current deemed value proposals prior to the release of the consultation document.
29. Industry had previously provided a list of stocks it wished to include in the sustainability round for 2015. There was no response or discussion with industry on the proposals, whether in the fisheries plan context or on a stock specific basis.
30. That low level of engagement and lack of engagement is not conducive to achieving collaborative progress on the management of inshore fisheries.
31. We request the Ministry to amend its processes and to implement processes that will result in collaborative management of stocks, including the assessment of management options in stocks with an over-catch.

KIN7, KIN8 Deemed Value Proposals

32. The review of deemed values for KIN7 and KIN8 was requested by industry as a response to a protracted over-catch in the stocks.
33. Industry's preferred response was an increase to the TAC/TACC for these stocks. As can be seen from the following graphs, KIN7 and KIN8 have a history of being over-caught. As set out in our request for these stocks to have TAC/TACC reviews:
 - a. The fisheries have had a fundamental change since the growth of the jack mackerel fishery and by-catch of kingfish has increased;

- b. The TACCs set in 2003/04 were unreasonably set at less than half of the reported catch in the five years prior to their introduction to the QMS (Note that the TACCs were not set at 80% of the catch history years of 2000/01 and 2001/02 as purported in the consultation document - KIN7 was set at 42% and KIN8 at 59%)
- c. While kingfish may be returned to the sea under Schedule 6, only 26% of the catch has been able to be returned to the sea under this provision. The remainder must be retained and landed (as it is not likely to survive post release /is already dead);
- d. KIN7 and KIN8 are not targeted by commercial fishers. They are an unavoidable by-catch in commercial fisheries and especially in the jack mackerel fishery. The assertion in the consultation document that the TACCs have been broadly set at the level of unavoidable by-catch is not correct and is misleading;
- e. The Stock Assessment Plenary summarises status of kingfish as "Although fluctuating, catches of kingfish have shown very little trend over the last 20 years and there is no direct evidence to suggest that the current catch levels are not sustainable."
- f. KIN7 and KIN8 have had minor TACC increases in the recent past but the TACCs have still not been increased to their pre-QMS catch levels.



At present, the Crown receives an unreasonable share of the economic rent from the fishery as shown in the following table:

| KIN7 KIN8 RETURNS FROM THE FISHERY | | | | | |
|------------------------------------|--------------------------------|--------------------|---------|---------|-----------------|
| | Quota-owners' ACE Revenue (\$) | Deemed Values (\$) | | | Crown Share (%) |
| | | 2011/12 | 2012/13 | 2013/14 | |
| KIN7 | 89,700 | 126,763 | 92,932 | 171,441 | 69% |
| KIN8 | 280, 800 | 452,405 | 369,594 | 860,325 | 50% |

34. This is unreasonable and unacceptable.
35. Industry believes that a review of the TAC/TACC would be in line with the processes approved by the Minister in 2008 and is entirely consistent with the reasons provided by the Ministry to support the recommendation that
- "Where over-catch of the Total Allowable Commercial Catch (TACC) is occurring, consideration will be given to the most appropriate management action, including:*
- (a) Deemed value increase and differential deemed value adjustments;*
- (b) Reassessment of best information relating to appropriateness of TACCs; and*
- (c) Other management measures such as overfishing thresholds."*
36. The Ministry declined the latest industry request to review the TAC/TACCs for the stocks. No review appears to have been undertaken as to the source of the over-catch or any consideration given to the most appropriate management response. However, the Ministry recognises that despite the extreme settings already applying to deemed values for KIN7 and KIN8, the deemed value framework cannot control the level of over-catch. That would indicate deemed values are not an appropriate management response.
37. Instead of addressing the TACCs as would be consistent with the sustainable utilisation objectives of the Fisheries Act, MPI has repeatedly chosen not to recognise the structural change in the fisheries and inadequacies of the TACCs and has maintained a position that industry needs to fish with the existing TACC. Appropriate responses to an over-catch do not include turning a blind eye to the issue when it is evident that an alternative option to increasing deemed value rates must be considered.
38. It is not clear whether the decision not to take the appropriate management response and review the TACC is evidence of:
- a. a lack of understanding of what constitutes quality fisheries management;
 - b. ignorance of the Minister's 2008 approvals;
 - c. a decision not to follow the Minister's 2008 decisions;
 - d. a decision to deny KIN7 and KIN8 quota-owners the ACE revenue that should rightfully belong to them; or
 - e. a decision to enrich the Crown by not reviewing the TACCs and retaining the deemed value payments.
39. The only reason proffered by the Ministry for not reviewing the TACCs is a preference for the matter to be considered in the context of a multi-sector collaborative working group:
- a. yet to be established,
 - b. the terms of reference for which have not been promulgated,
 - c. the inclusion of KIN7 and KIN8 in that process not been considered;

- d. no compelling reason to consider KIN7 and KIN8 to be shared fisheries;
 - e. there seems no solid timeline for advancement of the process; and
 - f. the membership of which not been appointed.
40. The decision to delay consideration of a TACC increase for KIN7 and KIN8 will mean a continuation of the problems discussed above and set false expectations as to the level of interest in and management of the KIN7 and KIN8 stocks.
41. We urge the Ministry to re-consider its decision to decline a TACC increase for KIN7 and KIN8.
42. In respect of the KIN7 and KIN8 deemed values, MPI proposes to take no action. It notes that the conversion factors are to be reviewed and that will, when approved, reduce the level of deemed values paid by reducing the greenweight of fish recorded as caught. However the TACC will not be reviewed.
43. We cannot support the MPI proposal not to amend the deemed values for KIN7 and KIN8. The Ministry recognises that the deemed value rates are failing to provide an effective incentive for commercial fishers to constrain bycatch against the TACC for KIN7 and KIN8. In the circumstances, until MPI addresses the situation in a more comprehensive manner, continuing the current settings is unreasonably using the Ministry's powers to derive an undue enrichment from the stocks while not benefiting the management of the stocks.
44. The annual deemed values for KIN7 and KIN8 are set at the highest ratio compared to the port price for any New Zealand finfish. KIN7 annual deemed values are 3.2 times the 2015/16 port price with the maximum differential rate being 6.4 times the port price. For KIN8, the comparative ratios are 2.1 and 4.2 times. For comparison, the comparable ratio for SNA1, considered to be the most highly shared finfish stocks, is 1.24 for the annual rate and 3.4 for the maximum differential rate. There is no logic that supports that the relative deemed value rates for KIN7 and KIN8 being significantly higher than for the prime SNA fishery. Setting deemed value rates that are significantly higher than the gross price a fisher can expect to receive for landing his catch can only serve to act as a disincentive to land the catch.
45. The deemed values for KIN7 and KIN8 have resulted in the ACE price for KIN7 and KIN8 being substantially in excess of the port prices received by fishers. We cannot accept that poor management of a stock should result in a market failure that incentivises quota-owners to arbitrage poor fisheries management into "price gouging" for ACE. This is only one more indicator that the KIN7 and KIN8 fishstocks are being unreasonably managed.
46. We request that the deemed values for KIN7 and KIN8 be decreased to be consistent with a port price of \$2.78 for KIN7 and \$4.15 for KIN8.

Deepwater Stock Deemed Value Proposals

47. The deemed values for FRO8, FRO9, LDO1, RBT3, RBY7, RIB4 and RIB8 stocks are being reviewed as a consequence of an over-caught TACC. The proposal for RIB8 is to introduce differential deemed values and the change proposed for the remainder of the stocks is to increase the interim deemed value rates.
48. We do not see any need to amend the deemed value settings for these stocks and note that:
- a. There has been no review of the circumstances for any over-catch;

- b. There has been no assessment of the most appropriate management option;
 - c. FRO8 and FRO9 have had a long history of being over-caught and, with no sustainability issues noted, an increase in the TACC would have been the most appropriate management response. Any sustainability issue is further offset by the significant under-catch of the FRO7 stock which is the southern component of the single West Coast frostfish biological stock;
 - d. LDO1 has had a history of the TACC being fully or near fully utilised and with no sustainability issues noted, an increase in the TACC would have been the most appropriate management response;
 - e. RBT3, RBY7 and RIB4 have had an over-catch for the first time in 2013/14 and, with only a nominal TACCs having been set, any deemed value changes are premature tinkering. An appropriate review of the circumstances for the over-catch in all fisheries was not undertaken.
 - f. While RIB8 has had over-catches in recent years, it has only a nominal TACC of 1 tonne. An increase in the TACC would have been the most appropriate management response.
49. Lifting an interim deemed value to 90% to align the setting to an administrative process in the absence of any sustainability or over-catch issue is unnecessary tinkering, rather than fisheries management. Had a review of the circumstances for the over-catch in all stocks been undertaken, there would have been no justified need to tinker with interim deemed value rates and a TACC increase would have been identified as the most appropriate fisheries management response for RIB8.

Subject: Red Gurnard Submission

I am quite prepared to let commercial have their increased quota to 1180 tons, with the proviso that if some time in the future other species of fish become scarce and gurnard attract more attention, that recreational fishers will have an increase over and above their 20tons. Regards Gerald

Hawks Bay Spoots Fishing Club
LegaSea HB
Zone 5 NZSFC
Gisborne Tatapouri Sports Fishing Club

This submission opposes any change to the current TAC settings for the Rig(spo2) fishery.
It is recommended that the more cautious approach (option one) be exercised by the Ministry of Primary Industries (MPI) when setting the TAC for Spo2
As you will be aware, we are currently working with MPI and the commercial sector to reduce the pressure on the area 2 fishery. We request that all harvest levels be held at there current levels until we all can get a better understanding of the current fish stocks.
MPI, Commercial and Recreational have all recognised there are depletion issue in the HB waters.
All three would like to improve the recreational fishing experience in HB waters.
The fact that 54% of SPO2 are taken as bycatch from the tarakihi (TAR 2) and red gurnard (GUR 2) trawl fishery would indicate that any increase in the SPO2 TAC would put additional pressure on these two species as well as the other species taken in such a mixed fishery.
From a recreational perspective we do not need or indeed want an increase in our allowance.
After going over the figures from the 2014/15 HBSFC ramp survey, the following was found.
15 fishing days surveyed
1356 anglers surveyed
11 rig kept
102 rig released
113 total
0.075 per angler per day
This, to us does not indicate an abundance of rig in our fishery.

The pro's and con's. (we'll start with the con's, there's more)

CON'S

- 1/ No credible science
- 2/ The relationship between current biomass and Bmsy is not known
- 3/ Recreational catch is unknown
- 4/ Customary catch is unknown
- 5/ Lifespan of rig is limited and uncertain
- 6/ The average catch of SPO 2 over the last 5 years was 114.5t. That figure is the landings not the total catch .
The 2011 turned mesh trawl survey show a 71% reduction in fish caught under the estimated marketable length. Considering that the vast majority of the trawler fleet still insist on using Dimond mesh, the actual number of rig killed remains a mystery
- 7/ Information is currently not available to determine the stock size in relation to an accepted management target as promoted through the NPOA-Sharks
- 8/ MPI does not have sufficient information to comment on any environmental conditions affecting SPO2
- 9/ Benthic impacts.

"It is highly likely that any future fishing effort will occur over ground that has been trawled previously". This just puts additional pressure on a fishery that is already under severe pressure

We could go on and on but I'm hopping we have made our point by now .

CON'S

- 1/ Possible short term financial gain for a few quota holders .

As already stated we are currently working together to rebuild the local fishery.

We have entered these negotiations in good faith and are looking forward to long term solutions.

We urge MPI to put a hold on all TAC's in area2 until we can all work through the complex issues before us .

We believe we need to work on obtaining credible science and try to establish what is actually happening out there

We appreciate this will not happen over night, but believe, with these current negotiations we are in a

unique situation to work together to rebuild our fishery for the benefit of all sectors into the future

We all have in front of us a great opportunity

Wane Bicknell

From: Stephen Bishop [<mailto:stephen.bishop@indfish.co.nz>]
Sent: Friday, 17 July 2015 4:08 p.m.
To: Dave Turner <Dave.Turner@mpi.govt.nz>
Cc: Mark Allison <mark.allison@indfish.co.nz>
Subject: HOKI TACC

DAVE

We have received concerns from our Skippers operating on the west coast that the hoki fishery started very late in comparison to 2014. In addition to this the fish marks, in the areas we are permitted to fish, are not large. Infact the Skippers report that fish marks have been declining over the last two years but the fish marks this year are particularly smaller. Catching at night has been poor with catches being taken mostly during daylight.

We are the first to admit that these comments are not scientific and are based on our Skippers observations. Our general comment is that these observations are in stark contrast to the science that predicted a large influx of fish expected into the western stock this fishing year.

Our skippers are hugely experienced having operated in this fishery over the last 25 years.

We have seen these types of declines before in the past when both NZ and our skippers indicated a diminishing stock. The science data at the time suggested the fishery was in good order. We can recall in previous years, similar observations from vessel Skippers which we ignored and the TACCs needed to be drastically reduced. We severely hope that history is not repeating itself and a similar situation is not occurring again.

As we both know fisheries science and associated modelling has not always proved to be accurate.

It is our belief that we need to reduce the catch of West Stock by 20,000 tonnes for the start of next fishing year. We understand this catch reduction could be achieved by either reducing the TACC or shelving ACE. We would be supportive of shelving 20,000 tonnes of West Stock.

Our reason for writing this brief submission is that if MPI has similar concerns, then the hoki TACC will need to be reduced. As you will no doubt be aware there is a range of different opinions expressed by hoki shareholders and there is no clear mandate in the Deep Water Group to shelve ACE.

Obviously we are hopeful the hoki is very late arriving this year and considerably more fish will turn up in the next few weeks, but at this stage, the signs are not looking good.

Regards

Stephen

17 July 2015

Fisheries Management Directorate
Ministry for Primary Industries
P O Box 2526
WELLINGTON 6140

Attention: Dave Turner

By email: dave.turner@mpi.govt.nz

Dear Dave

RE: SUSTAINABILITY REVIEW 2015 - KINGFISH

1. Thank you for your email of 18 June 2015, advising that the Ministry for Primary Industries (the Ministry) is consulting with the industry in respect of a review of sustainability controls for a number of fish stocks, including KIN7 and KIN8.
2. Independent Fisheries (Independent), Maruha (NZ) Corporation Limited (Maruha) and Sealord Charters Limited (Sealord) wish to respond collectively. There are a number of matters that we wish to make particular comment about.

Conversion factors

3. With regard to the proposed amendment to conversion factors, we are pleased to note the Ministry has finally recognised the significant problems that result from the application of generic processing rates to kingfish processed to the dressed state. Independent, Maruha and Sealord support the proposed adoption of a kingfish specific conversion factor.

KIN7 and KIN8 – deemed values

4. While more accurate conversion factors for kingfish processed to dressed state will reduce the scale of the over-catching issue, our view is that it only goes part way to addressing the problem. The review of the current scaled deemed value charges fail to give adequate weight to the issue that lies behind the over-catching of the stock.
5. As the Ministry has recognised in its consultation paper, dressed kingfish is a low value species for the commercial sector. The apparent value of kingfish lies in the recreational sector, where there is some prize value of the fish for those recreational fishers who land them.
6. This unquantifiable value to the recreational sector has been used by the Ministry as justification for the continued imposition of extremely high deemed values. In our view, this reliance on the recreational 'value' is misplaced, because the commercial sector and the recreational sector are not in direct competition.

7. The vessels targeting jack mackerel that Independent, Maruha and Sealord operate are over 46m, as are all but one or two vessels in the jack mackerel fleet. Provisions in the various commercial fishing regulations prohibit vessels over 46m from fishing inside 25NM from the coast. In our experience, recreational fishers very rarely venture beyond 25NM, and if they do it is not to target kingfish. We are concerned that there is an incorrect reliance on the existence of competition between recreational fishers and commercial fisheries, when no such competition actually exists.
8. In our view, the current deemed value regime acts as a mechanism for punishing commercial fishers who have no viable option to avoid or cover the bycatch of kingfish. This is not the intended purpose of the system. The use of deemed values in this way fails to recognise that the landing of kingfish is an entirely unavoidable consequence of commercial fishing in this area.
9. While the majority of kingfish are caught by vessels targeting jack mackerel, the reality is that small numbers of kingfish are landed as bycatch from a wide variety of species. There is no feasible, practical way of reducing the bycatch of KIN7 and KIN8, aside from ceasing trawling activities altogether. Even the most recent technological advances do not assist the trawling fleet to eliminate bycatch of kingfish. There appears to have been no real cost benefit analysis conducted in relation to assessing appropriate levels of deemed values in this bycatch fishery.
10. In fact, the consultation paper virtually ignores the real problem. The sustained high volumes of KIN7 and KIN8 landed as bycatch is evidence itself that there are higher numbers of kingfish in those areas. The incidence of over-catching the TACC has been persistent for the last eight fishing years for KIN8 and at higher than 170% of TACC for the last four years for KIN7. Given the overall trend, it is self-evident that the sustainability of the stock is not impacted by the higher levels of catch. The issue in relation to this fishery is a stock assessment one and not a deemed value/avoidable bycatch one.
11. In addition, we understand that s 9 of the Act requires the domestic regime to be overlaid with New Zealand's international obligations and administered in a manner that gives effect to such commitments. Those obligations include the 1982 United Nations Convention on the Law of the Sea (UNCLOS) which requires signatories to provide for optimum utilisation of fisheries resources. Failing to implement measures that give effect to the policy of optimum utilisation creates inconsistencies with obligations under UNCLOS. The optimum utilisation of both jack mackerel and kingfish stocks requires sustainability measures prescribed by the Act to facilitate sustainable harvest, to be reviewed and adapted to enable optimum utilisation of the resource.
12. It is evident that the current level of deemed values is having no impact on the amount of kingfish being landed annually. In our view, the Ministry's efforts would be better spent in focussing on the TACC aspect. This is not a case where effort targeting kingfish can be reduced, there is simply more kingfish than ACE available.
13. We note the analysis of the management options that the Ministry conducted in the recent review of deemed values of Giant Spider Crab (GSC). We draw your attention to section 5, particularly paragraph 5.1.1 of that paper (a copy of which is **attached**):

"Retaining current deemed value rates would continue to provide the incentive for fishers to balance catch with ACE, required under section 75(2)(a). It does not, however, take into account the current market value for GSC, provided for under section 75(2)(b), as reflected by the recent change in port price. In addition, continuing to set the deemed value rates at a level so much higher

than the market value of the stock may be providing incentives for fishers to avoid accurate reporting of catch due to the associated costs.

Retaining current rates would also continue to distort the ACE market. ACE prices reflect what fishers are prepared to pay to avoid paying deemed values rather than reflecting the value of the catch."

14. In reviewing the available options, the Ministry concludes that reducing the deemed values is the most appropriate option, noting (at para 5.1.2) that:

"[Reducing deemed values] would continue to provide a financial incentive for fishers to balance catch with ACE but would also have regard to the current market value...The Ministry considers that reducing deemed value rates will contribute to catch being reported accurately which is a matter the Minister can have regard to, under section 75 (2)(b)(vi) of the Fisheries Act 1996.

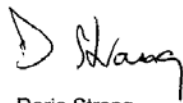
15. As you will be aware, the annual deemed value for GSC stocks was reduced from \$1.80 to \$0.10 per kg commencing 1 April 2015. In our opinion, the exact same rationale applies to KIN7 and KIN8 stocks. Reducing the deemed values for these stocks is consistent with the relevant principles in the Fisheries Act 1996. Accordingly, we request that the Ministry apply consistency in its management decisions and reduce the KIN7 and KIN8 deemed values. Implementing a deemed value of \$3 per greenweight kg would be sufficient to remove all economic return that we receive for this species.

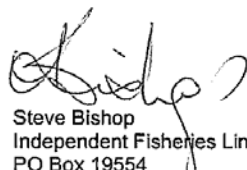
16. We therefore request that:

- (a) The deemed values of kingfish be reviewed and reduced to a level that removes any economic return from the landing of bycatch kingfish, but that is not punitive. In our view, \$3/kg (greenweight) balances these requirements.
- (b) The Ministry consider reviewing the level of the TACC for KIN7 and KIN8;
- (c) The dressed state conversion factors for kingfish be reduced to 1.6 as per the MPI Discussion Paper No. 2015/23 on the matter dated June 2015.

17. We look forward to hearing from you.

Yours faithfully


Dorje Strang
Sealord Charters Limited
Email: dxs@sealord.co.nz


Steve Bishop
Independent Fisheries Limited
PO Box 19554
Email: stephen.bishop@indfish.co.nz


Tim Law
Maruha (NZ) Corporation
Limited
Email: t.law@maruha.co.nz

Maru Samuels
General Manager
Iwi Collective Partnership
Auckland



16 July 2014

Deepwater Fisheries Management
Ministry for Primary Industries
P O Box 2526
Wellington 6011 Email: FMSubmissions@mpi.govt.nz

Tēnā koe,

Re: REVIEW OF MANAGEMENT CONTROLS FOR HOKI 1 AND OEO4 IN 2015

1. INTRODUCTION

The Iwi Collective Partnership (Partnership) was established in 2010 to improve, amongst other things, iwi participation in the sustainable management of New Zealand's fisheries. Our participation stems not only from the status of our Iwi as quota owners but from the unique position of Iwi as the first fisheries managers of Aotearoa New Zealand. The Partnership represents 14 Iwi from locations throughout the North Island (refer Table 1) and who all own quota for the deepwater stocks that are the subject of this review.

| Iwi | Region |
|---------------------|---------------|
| Te Arawa | Bay of Plenty |
| Ngati Tuwharetoa | Bay of Plenty |
| Ngai Te Rangi | Bay of Plenty |
| Whakatohea | Bay of Plenty |
| Ngati Awa | Bay of Plenty |
| Ngai Tai | Bay of Plenty |
| Ngati Manawa | Bay of Plenty |
| Ngati Ruanui | Taranaki |
| Nga Rauru | Taranaki |
| Taranaki Iwi | Taranaki |
| Te Rarawa | Northland |
| Ngati Porou | Gisborne |
| Te Aitanga a Mahaki | Gisborne |
| Rongowhakaata | Gisborne |

Table 1: Iwi in the Collective Iwi Partnership

2. HOKI (HOK 1)

The MPI discussion paper states that the 2015 hoki stock assessment base case estimates the stock status of both the eastern and western stocks to be well above B_{MSY} and above the management target range at 59% B_0 for the eastern and 51% B_0 for the western stocks. While the base case paints a healthy picture of the fishery, some uncertainty is created in that the base case does not fit the most recent (December 14) Sub-Antarctic trawl survey. The discussion paper notes that a sensitivity run was conducted giving greater weight to the Sub-Antarctic trawl the result of which was an estimated western stock of 30% B_0 . It is noted that the sensitivity run didn't fit the other data inputs as well as the base case did which

questions its applicability. The next hoki stock assessment is not scheduled until December 2016 which means that action cannot be taken until the 1 October 2017 Hoki stock assessment.

When the Total Allowable Catch (TAC) increase was considered for 1 October 2014, our Partnership submitted a neutral position that did not support nor oppose the increase. Our position was because of the science uncertainties at the time coupled with our preference for a conservative approach to fisheries management. There are similar issues given the uncertainty created by the Sub-Antarctic trawl and as such our position remains unchanged. We do not believe the uncertainty is strong enough to warrant a TAC cut and so we do not support Option 2 or Option 3. We had promoted a voluntary Total Allowable Commercial Catch (TACC) shelving arrangement within Industry but this was unsuccessful.

3. SMOOTH OREO (OEO4)

The discussion paper states that Smooth Oreo (SSO4) is a subpart of OEO4, along with Black Oreo and Spiky Oreo, and makes up 85% of total OEO4 catch. The stock assessment for Smooth Oreo estimates stock status to be at 27% B0 (virgin biomass) which is below the default management target of 40% B0. Current catch limits are projected to reduce the stock to be below the soft limit of 20% B0 by 2018.

While the stock assessment was accepted by the deepwater science working group, there are a number of complexities including a question as to whether the default management target is correct. We agree that the science supports a TAC reduction in order to allow the stock to rebuild but the question is the extent of the cut for this 1 October 2015 season.

I have read the draft interim submission of Deepwater Group and agree with the request for further information and projections for how the stock would rebuild under different catch scenarios and rebuild projects over a period of time. We presume the information will be made available to all submitters and therefore reserve the right to review our submission once the further information is received and considered. In the interim, the Partnership supports Option 3 which is to reduce the TACC to 4,000 mt made up of 3,000 mt of Smooth Oreo and 1,000 mt for other Oreo species. Further action can be taken in future based on the 2015-16 updated stock assessment and a reviewed management target.

4. CONCLUSION

The Partnership supports the submissions of Deepwater Group and any submissions made by our individual iwi partners.

Ngā mihi,

Maru Samuels
General Manager
Iwi Collective Partnership

m : 021723588
e : maru@iwicollective.co.nz



Ngati Porou Seafoods Ltd

SUBMISSION

Review of Management Controls for SPO2

Submission Compiled by: Ken Houkamau (Quota and Resource Manager – NPSL)
Date Completed: 17/07/2015

Submission

This submission is presented on behalf of Ngati Porou Seafoods Limited, the commercial asset holding company established under the Maori Fisheries Act settlement process to receive and manage the quota assets allocated to Ngati Porou.

Ngati Porou Seafoods Limited welcomes the opportunity to respond to the review of sustainability controls for SPO2 and reaffirms our commitment to effective fisheries management and sustainability which has been an intergenerational part of our core values and culture and is embodied in our company vision:

Whaia te kauika a Tangaroa, Ma kona e ora ai nga uri Whakatipu
From The Bounty of Tangaroa, We will sustain our Future Generations

Position

NPSL think it is encouraging that the indications are that SPO2 biomass has been increasing since 2011.

NPSL **support option 2** to:

- Increase the TAC from 130 tonnes to 148 tonnes (an increase of 14%).
- Increase the TACC from 108 tonnes 124 tonnes (an increase of 15%).
- Keep the customary Māori allowance at 5 tonnes.
- Increase the recreational allowance from 10 tonnes to 12 tonnes (an increase of 20%).
- Keep the allowance for other sources of fishing-related mortality at 7 tonnes (5% of the TACC).

We support this option based on the CPUE data presented and the opportunity for increased utilisation of the stock.

We also take this opportunity to **support** the Iwi Collective Partnerships submission on HOK1 and OEO4.

Noho ora mai koe



Kenneth Houkamau
Ngati Porou Seafoods Ltd
Quota and Resources Manager

47-53 The Esplanade, Gisborne 4010

P O Box 1296, Gisborne 4040

T: 06 868 1644 F: 06 868 1639 M: 027 2566436 E: KHoukamau@npsl.co.nz

This submission is made by Ngai Te Rangi Fisheries AHC Ltd (NFAL).

1. We have carefully considered the science data and weighted it against catch data and feedback from Fisheries.
2. We have also considered comments from Te Ohu Kaimoana, Sealord Group and the Iwi Collective Partnership (ICP) of which we are a member.
3. Accordingly we support option 1 with an amendment “to take a greater portion from Eastern Zone”.
4. We also believe the Fishers can play their part by avoiding fishing during the spawning season and/or avoid spawning areas, if practicable.

CONCLUSION:

We support the submissions of ICP and Sealord Group Ltd, but we ask you take our views into consideration in reaching your decision.

Kia ora
Brian Dickson
Chairman
NFAL



OCEAN FISHERIES LTD

11 Cyrus Williams Quay
PO Box 144
Lyttelton
New Zealand

Phone: (03) 328 8550

Fax: (03) 328 8791



15/07/2015

Inshore Fisheries Management
Ministry for Primary Industries
PO Box 2526
Wellington 6011

Dear Sir / Madam,

Re: Deemed Value Review – Oct 2015.

This submission is made on behalf of :

Ocean Fisheries Ltd (QRN # : 8471824)
PO Box 144
Lyttelton

AND

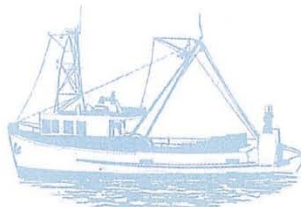
Ocean Fisheries Quota Holding Company Ltd (QRN # : 9160046)
PO Box 144
Lyttelton

Back Ground :

Ocean Fisheries Quota Holding Company Ltd is as the name suggests our quota holding company.

Ocean Fisheries Ltd operate 4 Inshore Trawlers, the FT Frontier, the FT Jubilee, the FT Legacy and the FV Nessie J, all of which are based from the Port of Lyttelton.

Ocean Fisheries Ltd has been fishing inshore waters from the Port of Lyttelton since 1967.



Our submission is as follows :

We have received the document regarding the Review of Deemed Value Rates.

It is extremely disappointing that once again BCO3 and ELE3 have not been included in this review.

Along with a number of other species, the TACC's are clearly set incorrectly, which then results in ACE simply being unavailable, which then results in exorbitant amounts of Deemed Value being Paid.

We request that BCO3 and ELE3 be added to the next Deem Value Review at the earliest opportunity.

GUR3

While we are pleased that the Annual DV rate has not been increased, it is disappointing that you have raised the Interim DV rate.

We believe that MPI is simply deluded and shows a complete ignorance of the ability of fishers to obtain ACE for GUR3. If you honestly believe that increasing the rate of interim DV will encourage fishers to more regularly balance their catch with ACE during the year – then we suggest you need to talk with fishers – and observe the patterns of ACE movement – we get allocations at the beginning of the year, and basically no matter what price you offer, very little is released until year end when other fishers know their year end position – there is no headroom ACE in the GUR3 fishery.

Wake up and smell the roses – this is a fishery with increasing stock abundance, it is being caught as a by-catch in more fishing areas and becoming almost impossible to avoid – ACE is essentially impossible to obtain in sufficient levels for any full time fisherman in this area. DV is not a management tool in this instance.

As ACE is simply not available, short of laying up vessels and sacrificing the catch of other important species for which ACE is more abundant, DV simply is a fact of life, and given the response of MPI we can only come to the conclusion that it is a major revenue gathering mechanism for MPI.

The incorrect setting of TACC and the high costs of DV have a major impact on fishers financial viability, this threatens the ability of the industry to sustainably catch important resources, which MPI is tasked with managing sustainably.

For too long, DV has been seen and used as a tool for managing fish stocks, the reality is that the correct setting of TACC's is the most important factor in sustainably managing a fishery.

We therefore ask that MPI use the ill-gotten gains from GUR3 DV and many other stocks to more actively research the fish stock and set the TAC and TACC at more appropriate levels.

Should you wish to discuss any of our comments in more detail please do not hesitate to contact the undersigned.

Yours faithfully

A handwritten signature in blue ink, appearing to read 'A Stark', with a long horizontal flourish extending to the right.

Andrew Stark.
Chief Executive.

Ref: maf0051



SUSTAINABLE SEAFOOD

**2015 Review of Sustainability
measures and management controls for HOK1
SANFORD LIMITED SUBMISSION**

21 July 2015

Sanford Limited (**Sanford**) welcomes the opportunity to comment on the Ministry's Review of Sustainability measures and management controls for HOK1.

Sanford is a significant shareholder HOK1 quota, owning 16.5% of the shares.

Submission

Sanford submits in favour of Option 2B, which is to shelve 10kt.

Reason

In last year's 2014-15 Sustainability Round Sanford spoke in support of the TACC remaining at status quo, at that time this was Option 1. It was our view back then the stock had sustained four catch increases over the last five years, and while we had no concerns about the sustainability of the fishery we believed that a conservative longer term approach to TACC setting was warranted.

We submitted that there was no conclusive evidence to suggest that the HOK1 fishery could sustain an increased level of catch. Sanford advocated for a slower, more cautious approach. Sanford submitted that industry needed to hold back seeking an increase until the NIWA 2014 Sub Antarctic survey could be undertaken and modelled.

The Minister chose to increase the TAC by 10kt.

2015-16 Sustainability Round

Sanford continues to call for caution in this fishery. Our skippers on the water believe the West coast spawn fishery is showing early signs of being adversely effected by sustained (and increasing) high catch rates.

A more cautious approach would ensure that industry does not enter the downward cycle experienced in the early 2000s when the HOK1 TACC crashed, vessels were sold and the industry took a significant financial hit both financially and in the sustainability eyes of our stakeholders.

Sanford notes that the 2014 NIWA biomass survey off the Sub Antarctic's is the lowest since 2006/7 and that these changes were anomalies in the fishery, other species such as HAK and LIN were not showing similar drops in biomass. This is a red flag.

We also note that one of the NIWA stock assessment sensitivity runs (2015) has projected that the Western stock may fall to 20% B_0 in 2020 at the current TACC. While this is a pessimistic run, it should not be ignored as it reflects the concern being felt on the water by Sanford skippers.

The NIWA survey also revealed that there was an absence of a strong 2011 year class (4 year old fish). There is already uncertainty as to how these fish will move into the Western and Eastern stocks over time.

Sanford seeks a precautionary approach.

Sanford recommends the TACC is maintained and continues to be managed by the Deepwater Group on behalf of all HOK1 quota owners, but that 10kt of the Western stock be shelved to ensure that we are ahead of any changes that maybe featuring in this fishery.

This submission was prepared by Ali Undorf-Lay, Industry Liaison Manager at Sanford on behalf of **Volker Kuntzsch**, Chief Executive Officer, and **Greg Johansson**, General Manager Operations. All can be contacted on (09 379 4720).



17 July, 2015

Mr M Dunn
Ministry for Primary Industries
PO Box 5620
Wellington

FMSubmissions@mpi.govt.nz

Dear Martyn

Review of sustainability controls 2015

Sanford appreciates the opportunity to make a submission on your *2015 Review of sustainability controls*.

Multi-sector collaborative working group

Sanford notes that the Ministry has deferred reviewing the TAC of KIN7 and 8 stating that it has a preference for the fisheries to be managed by a multi-sector collaborative working group.

What such a group would be tasked with doing, who would be on it and what, if any, delegated authority it would have has yet to be decided.

Sanford notes that the SNA1 multi-sector collaborative working group has now met 18 times at considerable cost and has yet to make a substantive fisheries management decision on the TAC. We suggest before this model of decision making be replicated in other fisheries, it would be prudent to evaluate its success (benefits and costs) in SNA1.

Sincerely



Colin Williams
General Manager Fishing
Sanford Limited



3 July 2015
Deepwater Fisheries Management
Ministry for Primary Industries
PO Box 2526
Wellington 6011

Written Submission on MPI Discussion Paper on Review of Management Controls 2015-2016

Kia ora and thank you for the Discussion Paper on management controls for the 2015-16 Fishing year. Sealord has the following commentary in regard TACC changes for the Hoki and Oreo Dory stocks.

HOKI

Sealord supports Option 1, but with amendment over the catch split arrangements.

Sealord has concerns with the approach taken in the hoki sustainability review paper which undermines previous hoki assessments, and calls into question how much confidence MPI currently has in the hoki stock assessment. There is substantial emphasis on a sensitivity run that basically accepts the most recent trawl survey estimate as highly significant even though it concludes that the western hoki stock has dropped by 43% in two years, a catastrophic decline that is not supported by other data.

There is a very strong signal in the review that a TACC cut is required based on potential signals of decline in the hoki biomass. Sealord does not believe this was recommended by the Deepwater Working Group.

The Tangaroa survey data already have a major impact in the model in the base case with the downweighting of catch at age data. There is clearly major conflict between the data sets, and when the trawl survey data are given unreasonable weight to counteract the impact any other data, this sensitivity run concludes that all the previous assessments from 2009-2014 were wrong, and the stock size in 2005 had even dropped below 15%. Instead of average year classes from 2006-2009, which have shown up consistently in the commercial fishery as being abundant, this model run says they are below average.

This species plays a key role within the Sealord portfolio, and for many years this company has taken a precautionary approach, arguing for and against both industry and government about management controls. In most cases, Sealord has argued against increasing TACC's for hoki to ensure that we have a long term sustainable fishery. The decline in yields during 2000-2005 that led to virtual destruction of our modern factory trawler fleet is something that we never want to see again.

As we indicated last year we cannot invest in new vessels until we have confidence that there is a robust assessment of stock status for both western and eastern hoki. By emphasising this sensitivity, MPI have undermined our confidence in the assessment of hoki once again.

As indicated in the review, there is a comprehensive range of data used in the hoki assessment including proportion at age data from the commercial fishery and research surveys. The base case model takes all these data in to account, and in 2015 changes to the MCMC construction were made that ensured no



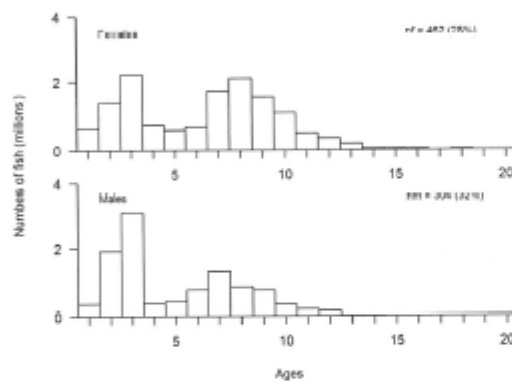
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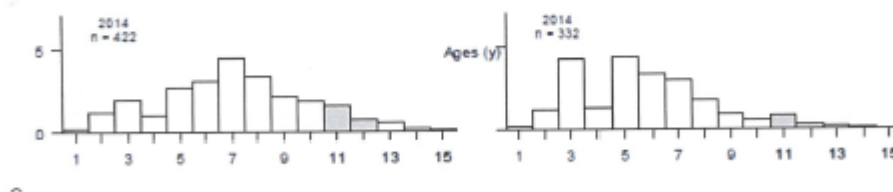
parameters such as selectivity were set at their bounds, and catchability parameters were estimated as free parameters. We believe this has substantially improved the 2015 model over the 2014 model, and provided a robust base case assessment.

It is clear that in 2014 there is a discrepancy between the Subantarctic survey, and what was seen in the commercial fishery on the western stock. The base case takes this into account, but the sensitivity effectively removes most of the influence of the proportion of age data.

In the 2014 survey the age classes 4, 5 and 6 appeared relatively weak, and the older fish were much more abundant.



This is in total contrast to the age composition of fish caught off the west coast 5 months earlier, where data presented to the working group showed that 5 and 6 year old fish were relatively abundant, and for males the 5 year old year class was the strongest of all.



This is one of the discrepancies that the base case deals with, and the sensitivity does not

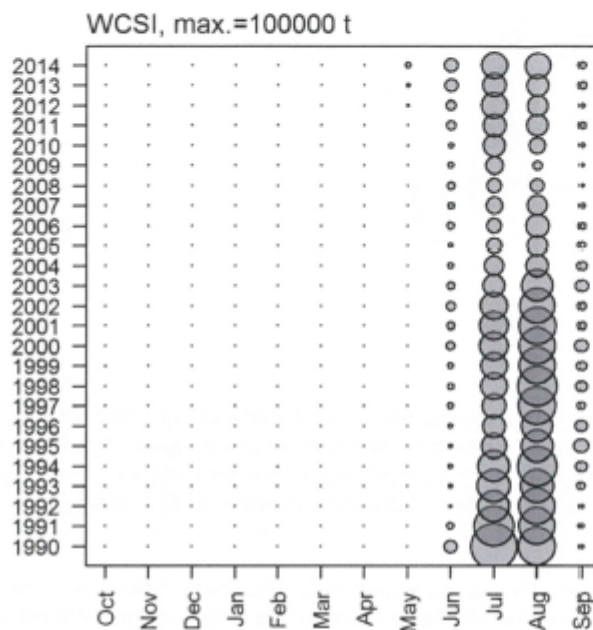
In 2014 the west coast fishing season started in early May, when our two trawlers *Thomas Harrison* and *Aukaha* were fishing in the Hokitika Canyon, and packing roe from maturing and spawning hoki. This was the earliest start to the spawning season that we have ever seen, and we caught 1300 tonnes of very large hoki in May, and these 9-14 year old fish were very abundant through June.



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From 1995-2007 more hoki was caught in August than in July. However there has been steady shift to larger catches during June and July over the past 8 years as the proportion of older fish has risen in the spawning population. These signals are not consistent with a stock that has massively declined over 2 years.



These data do not suggest there is a crisis developing in the hoki fishery once again, and this is what the base case model is telling us. We support maintaining the status quo consistent with this, and a reduction in TACC is not justified on the current science. However, Sealord does support a greater portion of catch being taken from the Eastern spawning stocks, but would note that now there is insufficient processing capacity to take additional fish from Cook Strait. Over the past 8 years, on average only 14-23% of the eastern catch has been taken from the adult stock compared with 23-43% in the western stock. More catch in our view could be taken from the Pegasus region, if the fishing area could be expanded into the northern part of the Canterbury Banks Hoki Management Area during September when the aggregations are present later than in Pegasus Canyon. This would provide a 1-2 month fishery on adult hoki, and both reduce pressure on the western stock and the Chatham Rise mixed stock juvenile fishery.

OREO DORY

Sealord supports Option 3 with a staged reduction supported by new industry science initiatives proposed by the Deepwater Group.

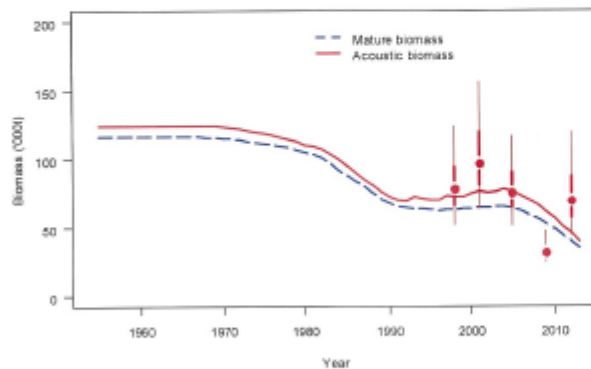
As with other companies, we have held extensive discussions with our fishers who have a long history of



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fishing smooth oreo on the South Chatham Rise. Their perception of the current state of the fishery does not match the assessment, which shows a steep decline over the past 8 years to take the stock down to only 27% of unfished biomass.



The index driving this assessment relies heavily on acoustic results from mixed species marks on the flat areas of South Chatham Rise. Our vessels typically fish the knolls and volcanoes in the region. We note that the biomass on these features has changed over the period of projected decline of the stock, and the hill biomass has changed from 6160 tonnes in 2005, to 4710 tonnes in 2009 and doubled to 10,132 tonnes in the latest survey.

We note that this situation with Smooth Oreo biomass increasing on the hills is very similar to what industry found in 2010 with the projections of a collapse in Northeast Chatham Rise orange roughy, with the plume survey estimates declining as the hill estimates were increasing. We recommended a staged reduction then for ORH3B, and Sealord brought in new technology to provide better measurements, ultimately resulting in sufficient quality data being obtained which allowed the fishery to proceed to MSC certification.

Industry believes we now have the capability to improve the assessment of Smooth Oreo, and propose to undertake additional research programs in association with MPI in 2015-2016 to address some critical issues in the assessment.

Yours sincerely

SEALORD GROUP LTD

Doug Paulin
General Manager
Sealord Fishing



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17 July 2015

SUBMISSION ON

Review of Sustainability Controls for Selected Inshore Finfish Stocks

MPI Discussion Paper No: 2015/24

Review of Deemed Value Rates for Selected Finfish Stocks

MPI Discussion Paper No: 2015/23

1. Thank you for this opportunity to submit on the Ministry for Primary Industry Review of Sustainability Controls and Deemed Value Rates for Selected Inshore Finfish Stocks
2. Southern Inshore Fisheries (Southern Inshore) represents quota owners for 104 fishstocks throughout the South Island and Taranaki regions (fisheries management areas 3,5,7 & 8) and is a member of Fisheries Inshore New Zealand (FINZ).
3. This submission is made in respect of the inshore finfish stocks represented under the constitution of Southern Inshore Finfisheries.

EXECUTIVE SUMMARY

4. We are pleased to see four of our representative stocks (GUR3, GUR7, SPO7 and STA7) being reviewed for TACC increases this year and thank MPI for taking the latest trawl survey and CPUE information into account and proposing higher TACCs (except for SPO7) than requested by Southern Inshore earlier in the year and prior to the assessments being presented to the working groups. The background information previously supplied and the discussions throughout the working group process has been very productive and the start of a collaborative approach that will hopefully continue.
5. However, we are equally disappointed with the lack of attention directed at reviewing other stocks of importance and the management framework for in-season modelling that is clearly not offering timely TACC increases.

6. Access to additional, sustainably managed ACE is the optimal outcome for fishers and the revenue return from the maximum proposed TACC increase for GUR3, GUR7, SPO 7 and STA 7 (based on the 2013-14 port prices) equates to \$538,700. That is a welcome improvement to the balance sheets of quota-owners and fishermen within this area and obviously supports the Government Growth Strategy and their desire to provide greater economic opportunity. However, with this bouquet comes with a 'brick-bat'.
7. Legitimate and scientifically supported proposals for TACC review have been presented time after time, over a great many years. Industry, pays dearly for the service that MPI provides and no longer accepts an environment whereby MPI ignore these proposals because they are concerned about political outfall. Over the past decade the Industry has received TACC increases and subsequent economic relief (based on the appropriate port prices) that amount to approx. \$1.8m. For the same period, for the stocks SIF represent, MPI Cost Recovery levies amounted to \$23 - \$25m.
8. Industry want and deserve, given the money they contribute, to be involved in a seamless, flexible, scientifically supported and robust TACC setting process that occurs each year in a transparent and meaningful way. We want some return on our investment and no longer want to be regarded as 'poor cousins' in an inshore fishery that is blossoming as a result of the management measures that commercial have adopted. We want MPI to show some leadership and courage and deliver some return on this long-term investment.
9. Southern Inshore and FINZ provided background information for a number of important stocks that are considered low knowledge but are part of our multi-species fisheries. These stocks have been introduced into the QMS since its original 1986 establishment. Most of the stocks that fall within this category have been introduced based on MPI's desire to manage ALL stocks within the QMS but to also fulfil their political obligations by ensuring that they provide for Maori under the Treaty settlement. Different rationale has applied over a couple of introduction phases and the subsequent outcome is that these stocks receive no priority in terms of management.
10. There has been no consideration of development opportunities, increased abundance, alternative catch mixes or changing fishing dynamics. TACCs for these stocks have been set at low levels and in some instances significant deemed values paid. These stocks could be further utilised and need to be addressed as a 'suite of species'. This could be done for all low knowledge stocks quickly and pragmatically without any significant science investment and reduce a major economic impact on Industry. It is imperative that MPI recognise and address the full multi-species complex.
11. Two stocks of significance for shareholders of Southern Inshore are ELE3 and ELE7. Southern Inshore provided the most up to date catch information and trawl survey results for these two stocks but MPI have neglected to look at the long-term results from these fisheries and have focussed on just the most recent year's result. Fisheries

fluctuate each year but MPI neglected to observe the increasing trends in these two fisheries, and the utilisation opportunities they can provide.

12. Whilst there are some operational challenges and avoidance influencing both these stocks, we believe MPI have been overly cautious and are not looking at the long-term trends in these fisheries and the level of long-term sustained catch. Precautionary increases should have been made for these stocks along with management and monitoring plans. We discuss these issues further in the latter section of this submission.

SUMMARY OF RESPONSE TO OPTIONS

| FISHSTOCK | OPTION | DEEMED VALUE |
|-----------|---|---|
| GUR 3 | Agree to OPTION 3 for TACC to be set at 1220 tonnes | Request no change to the deemed value (Deemed value regime has to be reviewed) |
| GUR7 | Agree to OPTION 3 for TACC to be set at 785 tonnes | Request no change to the deemed value (Deemed value regime has to be reviewed) |
| SPO 7 | Agree to OPTION 2 for TACC to be set at 246 tonnes - but request a further review on the basis of increased biomass in this fishery | Request no change to the deemed value (Deemed value regime has to be reviewed) |
| STA 7 | Agree to OPTION 3 for TACC to be set at 1122 tonnes | Agree no change to deemed value required (Deemed value regime has to be reviewed) |

STOCKS UNDER REVIEW

Red Gurnard

13. **GUR 3** - Southern Inshore agree with **OPTION 3** to increase the TACC from 1100 tonnes to 1220 tonnes.
14. **GUR7** – Southern Inshore agree with **OPTION 3** to increase the TACC from 785 tonnes to 845 tonnes.
15. In respect of GUR3 there is a disjoint between the proposed TACC level increase and the biomass from the trawl survey for the 10-400m depth strata. The survey was altered in 2007 to capture the shallower depths below 30m which represented a substantial proportion of the GUR 3 habitat. Unfortunately, the TACC level does not reflect the substantial biomass available in this fishery identified by the trawl survey biomass results. The annual survey costs over \$1m per annum and the increasing trends that it has determined over the past five years particularly can no longer be ignored.
16. Draft fishery monitoring and management plans have been developed for GUR 3 and GUR7 which include a set of decision rules based on the indices from the CPUE and trawl surveys. Southern Inshore request that the management framework currently being proposed under the MPI Pathways approach gives consideration to what management

mechanism is suited for all our stocks. It may be a management procedure for some individual stocks or other mechanisms that add value back to our fisheries by allowing utilisation and timely decision making. Regardless any management framework has to be discussed more fully and in collaboration with the commercial industry.

Rig – SPO 7

17. Southern Inshore agree with **OPTION 2** that promotes increasing the TACC from 221 tonnes to 246 tonnes in the absence of a more meaningful decision.
18. SIF believe that the proposed increase is too conservative and not aligned with the biomass in the fishery. Southern Inshore formally request that MPI revise their decision and provide a TACC more reflective of stock status. A 25 tonne increase in this fishery is negligible given the increasingly positive trends that appear both in a scientific and anecdotal way.
19. The results of the National Panel Survey of marine recreational fishers 2011-12 provided a catch estimate of 19 tonnes in FMA7. The proposed increase to the recreational allowance to 33 tonnes from the current 29 tonnes does not make sense given that this sector is not extracting to the current level and therefore the available biomass in the fishery should be made available to the commercial sector that are actively having to avoid or return to the sea under Schedule 6.
20. When SPO7 was introduced into the QMS in 1986 there was concern about the TACC/catch level at that time and the Ministry applied administrative cuts of up to 65% on the proviso that the TACC/allowable catch would increase and be provided to existing shareholders when the fishery improved. Upon QMS introduction the TACC was set at 240 tonnes and the current proposal is for 246 tonnes which does not reflect the potential in this fishery. The trawl survey timing and fact that it does not optimise catch of older, larger rig means that the biomass is implicitly larger than the survey results reflect.
21. Trends in the bottom trawl CPUE series clearly shows a strong increase in the most recent years and this has been supported by information from fishers. A TACC of 246 tonnes will still constrain utilisation and information flow from this fishery. Since QMS introduction the catch has been constrained to the TACC.
22. Management measures such as set net closures on the West Coast South Island, a voluntary closure at Farewell Spit and inclusion on Schedule 6 of the Fisheries Act 1996 have all enabled this stock to rebuild more quickly than expected. With the exception of the set-net closure (MPI's preferred management approach) these management measures were initiated and requested by industry, not government, as responsible stewardship of the fishery. These measures have added substantial protection to the fishery and Schedule 6 records show that the volume of fish returned alive is increasing each year. Fishermen declared 2,574kgs in 2011/12, 8,811kgs in 2012/13, 12,665kgs in 2013/14 and 8,109kgs for the first 6 months of 2014/15.

23. These measures and an increased trend in catch and payment of deemed values are being ignored by MPI when considering the long-term access and utilisation of this fishery. MPI's continued reluctance to address these issues in a more timely fashion does not provide Industry with any confidence or incentive to continue adopting positive management measures like voluntary closures.
24. A significant part of this fishery is static and has been responsibly managed. SPO7 catch has become much more prevalent and widespread as a trawl by-catch. Schedule 6 allows fishermen to return catch alive, and it is obvious that it is increasing every year, but why should that continue when the fishery is improving and the activity does not provide for improved utilisation opportunities? It is absolutely appalling that MPI think it appropriate for fishermen to 'avoid' fish, particularly when all their efforts have gone towards improving the state of the fishery.
25. Fishermen are experiencing positive trends in inshore fisheries abundance throughout the SIF representative areas. 'Avoiding' fish has become an increasingly regular occurrence and is at odds with both Governments economic strategy and growth agenda. After committing decades to managing fisheries effectively it is simply unacceptable for MPI to ignore the plight of the fishermen and the quota shareholders by not recognising this. They need to act on the positive trends, supported by science and make meaningful decisions that improve the lives of fishermen, not put them out of business.
26. As stronger, more reliable indices are being observed within the trawl survey and CPUE series allows SPO7 to be a candidate for a management and monitoring plan approach and should be discussed more fully within the management framework of the new MPI Pathways approach. This would enable industry to have more confidence that the fishery is being appropriately monitored and provide a more timely review of the TACC.

Stargazer – STA 7

27. Southern Inshore agree with **OPTION 3** to increase the TACC from 1042 tonnes to 1122 tonnes.
28. An increase in the TACC will appropriately provide additional utilisation from a fishery that is being constrained by the TACC and observed by fishers to be changing spatially. As with a number of other species, fishers are noticing the spatial distributional changes to stargazer.
29. STA 7 is caught as a bycatch to other target species. The continual avoidance of STA7 in a mixed trawl fishery will see the catch of other stocks in that fishery unduly impacted upon as well. Fear of catching STA7 and not getting ACE or paying deemed values means that fishermen avoid the entire catch mix. This matter needs to be seriously addressed. Not just across STA7 but in many other species mixes as well.
30. Southern Inshore provide additional research for this stock over and above the classification it has under the Fisheries Plan as it is a significant commercial stock. Re-

classification may be warranted but not essential as Southern Inshore will continue to ensure this stock is appropriately monitored.

31. As this stock is monitored by the West Coast South Island trawl survey and CPUE, it is a candidate for a management procedure approach, providing decision rules from these two analyses.
32. We agree with MPI that it is unlikely that an increase to the TACC for STA7 will translate to a significant increase in overall trawling effort.

DEEMED VALUE REVIEW

33. There needs to be more of a commitment from MPI to conduct a “full” review of deemed values in conjunction with appropriate TACC level setting for all stocks. Deemed values should be a last resort and incurred when all other options are unavailable. In a number of stocks the deemed value levels are causing perverse outcomes, increasing ACE prices and unnecessary discarding when utilisation should be maximised according to stock status.
34. Reviewing deemed values when stocks are having TACC levels adjusted to meet the overcatch in single or mixed species fisheries is simply wrong. Incentives need to be in place to optimise fisheries but deter inappropriate actions. This can only be achieved if the TACC is appropriate to the extraction capacity in the fishery and deemed values at a level that provide management.
35. We note the reference to the use of the “MPI’s Deemed Value Guidelines” and the rationale for review for stocks. We cannot find any reference to these guidelines being consulted externally from MPI. Imposing a set of guidelines without consultation with industry is inappropriate. This gives further cause to the necessity for a full review of the deemed value process and framework.
36. Seafood New Zealand (and previously SeaFIC) has made extension submissions with recommendations on how to improve the deemed value regime, notwithstanding the nine recommendations the Crown-Industry Joint Working Group made to the Minister of Fisheries as far back as 2005.
37. Fisheries Inshore (FINZ) has submitted a joint submission with the Deepwater Group on the 2015/16 review of deemed value rates for selected finfish stocks. This submission also includes a discussion on the necessity for a review of the deemed value regime, how it is current being used inefficiently, and the background and history to previous recommendations. We particularly support this submission and request that full consideration is given by MPI to ensure a review of the deemed value regime and guidelines is completed in consultation with the commercial sector.

STOCKS NOT REVIEWED (But requested for review)

Snapper – SNA 7

38. Southern Inshore requested that the TACC for SNA 7 be reviewed for a conservative increase of 50 tonnes only from 200 tonnes to 250 tonnes.
39. SNA 7 is a rebuilding fishery and the increasing abundance and lack of redress to the TACC is causing undue economic impact on fishers and quota owners.
40. Significant research has been completed for SNA7, especially since the evidence of an increasing trend in 2003, with the majority of this research funded by the commercial sector. The research has included:
 - An initial stock assessment in 2003-04
 - Estimation of Year Class Strength in 2005-06
 - Characterisation and CPUE indices in 2008-09
 - SNA7 CPUE Analysis update in 2010-11
 - Design of a Tasman/Golden Bay trawl survey design in 2011-12
 - SNA7 CPUE Analysis update in 2012-13
 - Catch at age sampling (year 1) in 2013-14
 - Stock Assessment in 2013-14 and updated in 2014-15
41. In addition to the above research the West Coast South Island trawl survey has provided evidence of recruitment into the fishery in 2007 and 2010 with both year classes being sampled in the Tasman and Golden Bay strata. Anecdotal evidence from recreational commercial fishers supports this and the fact that the fishery now has what appears to be resident fish staying year round whereas before it was clearly a seasonal fishery.
42. All research has been peer reviewed through the MPI science working group and agreement reached that the current increasing abundance and CPUE trend in the fishery is 'accurate and real'.
43. The reference target level is an arbitrary level set at 40%B₀ because of the classification of snapper species under the MPI Harvest Strategy. However, this is a target level and should not restrict the application of an interim increase to the TACC by 50 tonnes in conjunction with the development of a tailored adaptive management plan approach that would see the rebuild of the fishery managed appropriately with regular monitoring and assessment. This is not dissimilar to SNA1 where a conservative TAC increase was provided.
44. As part of the management plan it is recommended that the trawl survey design be addressed to include shallower strata to capture a substantial portion of the snapper habitat within Nelson and Golden Bays less than 20m which the current survey does not sample. The trawl survey design has been changed previously and optimised for John Dory (JDO7) and therefore additional strata could be added for SNA7. Depth contour and timing of the survey are essential aspects that are missed by the current trawl

survey and a survey that is directed specifically at snapper may need to be progressed. A survey design was accepted by the MPI science working group in 2012 and this may need to be discussed and progressed. The pleasing thing for shareholders and fishermen alike is that the abundance trends continue to increase in areas that are not traditionally fished.

45. We request that MPI accept the increasing, scientifically supported abundance in this fishery and not slow the timeframe for redress of the TACC through a shared fishery, multi-sector forum. Industry has had no involvement in designing the Multi-Objective (Shared Fisheries) Pathway that MPI have developed. Developed in isolation from the very sector that pays for it and has the most to contribute in terms of meeting the principles of the Fisheries Act, sustainability and utilisation. We have no confidence in it as a process for delivering on meaningful management outcomes. It is a politically motivated initiative designed to remove any background noise from a sector that does nothing about 'managing' fishstocks. The SNA1 multi-sector forum has had at least 18 meetings and it is not apparent that any consensus on objectives or decisions is to be made in the near future. It is a political talkfest and provides no value to fisheries; commercial, recreational or customary. Coupled with the time taken for wider public consultation, final advice to Ministers and potentially Cabinet making final decisions the entire process becomes laborious and frustrating. The Industry and more specifically the shareholders of SIF are tired of the procrastination and blatant disregard that MPI give to making informed, scientifically supported fisheries management decisions. Decisions need to be made based on a combination of supporting science and stakeholders anecdotal input. MPI should do their job and not allow fisheries to be managed on perception, citizen science (anecdotal) or politics.
46. We remind MPI that the SNA7 fishery was proposed for a review of the TACC in 2013 but denied by citizen science (anecdotal) and a Ministerial decree pre-election. In a letter of response to our concerns on the decision, Hon Nathan Guy, on 29 October 2013 quotes *"I recognise that commercial fishers have been constrained in their fishing operations and that increased abundance is making snapper increasingly difficult to avoid. However, on the other hand, I recognise that the majority of recreational fishers did not support an increase to catch limits, including opposing an increase to the recreational bag limit in the Marlborough Sounds"*. This is a perfect example of a decision being based entirely politically, on the views of the recreational sector, and importantly on inappropriate advice from MPI given the main fishery is in Tasman and Golden Bays, not the Marlborough Sounds.
47. The recreational SNA7 fishery is at an all-time high. Fishing papers and recreational magazines continually promote the success of anglers and what a wonderful fishing experience it is that exists within the Challenger region (articles and YouTube link attached in Addendum. Recreational fishing competitions are becoming a regular community activity with promotions and prizes being scooped up by all involved. It really is an exciting time to be a recreational fisherman in the Challenger region.

48. The recreational sector will maintain the view that they are entitled to a 'god-given' right and that that right is sacrosanct! We embrace and support the recreational sector enjoying the experience they do and will continue taking initiatives and developing protocols within the commercial sector that may assist that in happening. The recreational sector MUST however, recognise that with whatever right they might have, there comes a responsibility. MPI undermine that responsibility by not making decisions in the best interests of the fishery! In the best scientific and managed interests of the fishery, not in the best interests of the politicians! The best scientific and managed interests of the fishery should not allow a Minister of the Crown to state that 'I recognise that the majority of recreational fishers did not support an increase to catch limits'. MPI should not have provided such advice and exposed the Minister in such a way. Two things; what mandated organisation represents the 'majority' of recreational fishermen?; and in a properly managed fishery; what does it matter if they do not support an increase?
49. The Minister's quote goes on to say 'including opposing an increase to the recreational bag limit in the Marlborough Sounds'. The inference is that this is a compromise made by the recreational sector and that this initiative needs to be consistently applied to the commercial sector. SIF reject that proposition.
50. A National survey of recreational harvest completed for the 2011/12 year estimated the recreational catch of Snapper in the Challenger region at 88 metric tonnes. The robust, scientifically supported projections of recreational catch from the 2014/15 to be closer to an estimated 225 metric tonnes. This is supported by the anecdotal information that flows from recreational fishermen. It is pleasing to see that the recreational sector oppose any increase to the recreational bag limits. However, the bag limits are irrelevant if their actual catch rates have increased three-fold in as many years. Well managed MPI!
51. The science supported the proposed TACC increase in 2013 and since then further assessments have been completed and strongly support the increasing abundance. This cannot continue to be ignored and decisions made based on political imperative need to stop. The commercial fishery is constrained, not just in terms of SNA7 catch but because fishermen now 'avoid' other cohabitating species.
52. More recently a fisher noted they are fishing the West Coast South Island in the deeper water (100m+) for mixed species and catching snapper. Snapper are becoming more prevalent on the East and West coasts as well as the Nelson and Golden Bays region. This will now cause issues in other fisheries.
53. Increasingly a number of fishers have had to alter their operation within Tasman and Golden Bays in the extreme where availability of ACE at certain times of the year has caused them to tie their vessels up for extended periods. Whilst there is an availability of ACE for stocks such as red gurnard, flatfish and tarakihi it is the increasing abundance of the bycatch of snapper that prohibits fishers catching these main target stocks.

54. One fisherman, usually domiciled in Nelson has had to seek fishing grounds outside the bays region for the whole year to allow his vessel to be economically viable. Doing so means a change in ACE requirements (not always available) and additional costs of operation. It places the vessel at a safety risk and impacts negatively upon the skipper and crew. They are forced into areas they are un-familiar with and find themselves in ports where they have no real connection. Crew staying on vessels away from their families, increased cost of living and no established commercial relationships all place an unnecessary burden on the operation.
55. From a fishing gear focus, fishers have chosen to increase the mesh size in their codends from 100mm to 125mm in order to reduce the capture of smaller juvenile snapper and red gurnard. It is not known at this stage how much market size flatfish may escape through these larger mesh sizes but the very high expectation is that small (juvenile size) snapper are escaping and therefore being returned to the resource.
56. MPI need to show some courage and leadership in reviewing the TACC for SNA7. Science supports a satisfactory improvement in abundance within the SNA7 fishery. Industry have requested a conservative 50 m/t increase in the interests of keeping fishermen in their mixed fishery and meeting their obligations under the governments promotion of increased economic opportunity and growth strategy. A decision to increase the TACC as proposed may be made with confidence given that the trawl survey supports it, commercial CPUE supports it, anecdotal observations from both commercial and recreational fishermen supports it and that the recreational experience is better than it has been for decades. The commercial sector abide by the voluntary closures they have imposed over the years, they have unilaterally adopted the use of increased cod-end mesh size (100mm to 125mm), that has seen a reduction in small fish capture and the ultimate recreational frustration, the pair-trawling method has been eliminated. A decision to DO NOTHING in this respect is not an option! SIF implore MPI to make a meaningful and positive decision in respect of this TACC review proposal and NOT simply park it because it is too hard or that it will create too much background noise. Manage it!

Elephant fish – ELE3 and ELE 7

57. MPI have clearly ignored the long-term trend in abundance for the ELE 3 and ELE 7 fisheries since their introduction into the QMS and opted to only look at the most recent result from the West Coast South Island survey for ELE 7 and apparent CPUE decline for ELE 3. Commercial catch of ELE 3 has matched the progressive TACC increases since QMS introduction.
58. The 2015 CPUE analysis for ELE3 showed a decline after a number of years of continued increase. At first this could not be explained. Southern Inshore met with fishers to discuss the decline and found out that external factors such as deemed values, avoidance of ELE and spatial shift of effort have had a major impact on them. They do not accept that the fishery is in any way declining in abundance, but the opposite.

59. Catch in the ELE 7 fishery has fluctuated around the TACC since 2005 and because of avoidance and deemed value effects it has reduced in the last two years. The catch however is still at a high compared to the long-term trend in the fishery since introduction to the QMS.
60. The ELE 7 fishery can be highly variable depending on the time of year and what depth strata fishers may be targeting for other stocks. This trend will show the fluctuations on an annual basis but should not negate a review of the TACC to allow for optimising utilisation in those years of higher abundance or availability.
61. Southern Inshore believe that MPI could have provided TACC increases to both ELE 3 and ELE 7 given that they are monitored by trawl surveys, regular CPUE updates and an obvious commitment by the commercial sector to ensure these fisheries are closely monitored.

Blue cod – BCO 3

62. Southern Inshore requested that the TACC for BCO 3 be increased by 20 tonnes from 163 tonnes to 183 tonnes.
63. The BCO 3 commercial catch is dominated by the target pot fishery, although blue cod is also taken as a bycatch of the inshore trawl fisheries directed at flatfish, red cod and tarakihi.
64. Most of the catch from BCO 3 is taken in the southern area of statistical areas 024 and 026 with catches consistently fluctuating around the TACC of 163 tonnes and exceeding it in most years since 1997-98.
65. Biomass in BCO 3 has increased in four of the five years since a nadir reached in 2008-09. It is now near the highest level in the series.
66. MPI have proposed that BCO 3 needs to be advanced by a collaborative process under the Multi-objective (Shared Fisheries) Pathway. Southern Inshore disagree that *management decisions* for BCO 3 can be made effectively by a multi-sector forum given the obvious increasing bycatch to trawl fisheries in this region and the continued historical and economic importance of cod-potting. The shared fishery pathway should only be to establish the management objectives with the overall management remaining with MPI who manage the stock consistent with the objectives and the science.

FLA 3 and RCO 3 – Management Procedure (In-Season TACC Increase)

67. Southern Inshore is very disappointed with the decision by MPI not to review the TACC levels for FLA3 and RCO 3 and the recommendation to continue with the use of the In-season management procedure model without taking the efficacy of recent model decision timing into account.
68. The FLA 3 model has been used for 5 years and the RCO 3 model for 3 years. Whilst the model has provided increased TACC's for both stocks in some years, the timing of the

increase decisions are far too late to meet the needs for planned seasonal and optimal utilisation.

69. For example, in 2015, results of both the FLA 3 and RCO 3 models were presented to the working group in March. It was agreed that FLA 3 would not warrant a review of the TACC but RCO 3 results indicated that an increase was warranted. As at 14 July 2015, a Gazette Notice is still yet to be posted for RCO 3. This is far too late for the RCO 3 main season and planning for catching the TACC in the last 2 months of this fishing year.
70. We observe that the in-season model is useful but it does not allow for the TACC increase to be optimised when indicated due to the decision making process. Whilst the first two months of the fishing year are used in the model and presented to the working group in February, the final decision is hampered by the public consultation, final advice to the Minister, final decision made by Cabinet and then posting of the Gazette Notice.
71. If the model is the most appropriate review mechanism for such species, and modifications are not done within that year to the model, then the initial sign-off by the Minister should allow the MPI Managers to make the decision and enact the increase to the TACC immediately after the assessment. It should not have to wait until the plethora of officials to sign-off on the model that has already been scrutinised and approved by the MPI science and technical working groups at the adoption of the model and in each succeeding year.
72. Southern Inshore requested that the TACC for FLA 3 be increased to 1600 tonnes and RCO 3 to 5500 tonnes to provide for annual planning. Any increases over-and-above these static TACC levels, from the adoption of the in-season model, are still appropriate. We request that MPI look to review the TACC's for FLA 3 and RCO 3 as soon as possible.
73. Southern Inshore would also like clarification as to what the Customised/Tailored Objective Pathway actually is and why there is a need for a national management discussion about approach for FLA/BNS.

Skates (RSK & SSK) and School shark (SCH)

74. Notification from MPI proposed that a Tailored Pathway is the most appropriate for rough skate (RSK), smooth skate (SSK) and school shark (SCH), given an objective under the NPOA – Sharks and we recognise that sharks and rays have a higher biological risk because of lower productivity in most cases.
75. It is unclear how the NPOA will manage these stocks in particular given that the harvest strategy standard is the guiding standard for stock status and biomass limit setting and not the management objectives under the NPOA.
76. The NPOA is a guideline only providing objectives to achieve goals that are broad based and include biodiversity principles, waste reduction, domestic engagement and partnerships and non-fishing threats. Many of these cannot specifically be influenced by the Fisheries Act.

77. Fisheries need to be managed as per the Fisheries Act and associated regulations and not from external influences of international guidelines and environmental perception. Circumstances and mismanagement in international fisheries should not be the initial guidance for how New Zealand fisheries should be managed.
78. Southern Inshore have been involved in adaptive management and in contracting science and analyses for school shark for a number of years and proven that these fisheries are sustainably managed.

MANAGEMENT APPROACH – PATHWAYS

79. Recent advice from MPI is that stocks are to be addressed under three pathways being:
- Multi-objective (Shared Fisheries) Pathway
 - Customised/Tailored Objective Pathway; and
 - Efficiency Pathway
80. Whilst we observe that the approach to managing fisheries and the efficiency of decision making has to be addressed, Southern Inshore do not agree that the shared fishery approach is the most practicable approach to take given the issues in the SNA1 and BCO7 fisheries. They are time consuming, resource intensive and the decision making not timely enough for the dynamics in most fisheries. Tailored and Efficiency Pathways may have some merit but the inclusion of particular stocks have to be carefully considered to ensure appropriate management and timely decision making.
81. The multi-sector forum approach has been introduced on a number of occasions and failed spectacularly for the fisheries plan development process. Such forums introduce emotive and non-productive input where technical and management knowledge should be the mainstay. Many forums have lacked direction or more recently eventuated out of a Ministerial request to address an election promise.
82. The fact that there are so many diverse views and lack of collaboration between recreational fishers should be a point of concern for MPI when considering the collaborative/shared pathway. Such a process is not dissimilar to the spatial access discussions through the MPA and other regional processes. They are very time consuming and resource intensive.
83. The lack of resourcing able to be allocated to the TACC review process is of concern to industry so the proposed additional staff resources to be dedicated to various forums even more so. The cost of running forums for extended periods is also concerning especially if cost recovery is being considered.
84. We understand that the group considering SNA1 have had upwardly of 18 meetings and still no resolution or outcomes reported publically. After so many meetings it would be expected that some goals and objectives are being met and should have been reported.
85. Southern Inshore requested that a low knowledge stock approach needs to also be developed to address stocks with low TACCs that may be developed further or are being

overcaught. This includes stocks that have never had a TACC review since introduction to the QMS. To assist MPI a low knowledge review was presented to MPI earlier this year with the main stock proposals for review, prior to resourcing the current sustainability review. We received no notification how these stocks are to be managed or addressed. We request that MPI consider discussing these stocks with industry in conjunction with the above pathway discussions and look to start managing fisheries instead of fulfilling the needs of a particular sector or political whim.

Contact: Carol Scott

ADDENDUM

Excerpt from an article in The Leader – Charlotte Squire 21/02/2013

New Zealand Recreational Fishing Council President Geoff Rowling confirmed there were greater numbers of snapper in Golden Bay and that their presence was supporting other fish species to thrive in the bay.

"There's no doubt it's been an excellent season for snapper. The evidence is pretty much overwhelming from a recreational perspective.

"It's because the snapper have been breeding successfully since 2000. We've had warmer temperatures in the top of the South Island since then, which means better conditions for snapper to breed.

Articles taken from The Fishing Paper (2015) issues for the last 3 months

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Brian Fensom and Dave Bright with a nice pair.



'Old Cow' gives snapper stick

Troy is in 'Stevie Wonder' at his PB snapper.



Brian Fensom

The objective was to target big winter snapper on light tackle with slow jigs. Joining me on *Outta Hair* was son, Troy, Dave Bright, and Gavin Williams: a crew of experienced jig fishers.

Earlier in the day we'd tried our luck on kingfish, with Dave taking a nice 13kg fish while mechanical jigging. It was the only one to show an interest, so we cruised about quietly looking for snapper sign on the sonder, while waiting for the tide to turn. In the hole off Stephens, the sign shows up as a big ball on screen, and it was over such a mark we all dropped: three slow jigs and one baited rig. Instantly, four robs dipped and

loaded. The action was hot and fast, and in no time we'd boated four good size pannies. As often happens when chasing winter snapper, the school disappeared. The fish were clearly moving and we couldn't relocate them so headed to another spot.

With the tide just moving on the outgoing, we set up for a drift over 70m using slow jigs. Troy laughed at my battered and tattered old creamy coloured jig with a splattering of black dots.

"What are you going top catch on that," he scoffed, "it looks like an old cow, Dad!"

Pretty much as soon as 'the old cow' hit the bottom, my rod loaded and line peeled. It was clearly a big fish. On light gear, 15kg braid with 130g jig on a Shimano Oceanic 100-200g rod,

these horses take some coaxing to the surface, especially when they are sucking on a cow, and after ten minutes we saw colour. A good start to the drift - a twenty-pounder! Dave had already beaten me to the boat with his fish, a 17lb snapper, so we turned back for another drift.

At this point, while my back was turned, my rod was stolen - or rather, rustled! Seems the 'old cow' had another fan. Troy had commandeered the rig and was loaded the moment the jig hit the bottom. Same scenario as the last, but a quicker battle to the boat; his was only a fifteen-pounder! As he released it, Troy graciously said to me, "I'll let you have another turn at driving your boat, Dad!" Normally he hogs the helm but an infatuation with an 'old cow' had changed his focus.

"Loaded!" he shouted. His rod had a huge bend and the tip was nodding vigorously. "Looks like the 'old cow' has done it again!"

His delight didn't end there. At nineteen pounds, Troy's snapper was his PB, and he was rapt. I was pretty stoked too, as it proved us old heads still know a thing or two: it doesn't pay to give the 'old cow' too much stick, because she may just have a little bit of fight left in her!



The monster snapper that nudged 30lb.

Baby Osprey Fish Magnet

Robert Leighs

It was a leisurely 8.00am departure for Tom and I, and as the Baby Osprey swung north from Nelson's Cut, we anticipated what the day might unfold. Half way along the Boulder Bank we set the set-line in 17m of water, and then tracked north to The Glen for a fish with rods, right in close. The action was steady as we hooked into a few small snapper, three of which we kept, a brace of gurnard and a kahawai for the smoker.

Tom spotted some birds working further out so we decided to try a troll, which produced a thumper of a kahawai.

Time to check the set-line: I managed to get 25 fish in one set on the 25 hook setline last summer (23 carpet sharks and 2 spiny dogs but 100% is still 100%). Our enthusiasm for fishing was muted as doggie after doggie came to the surface with the line, but where there is weight - there is hope! Imagine the excitement on board the little 4.5m boat when this monster showed colour! It was immense.

On the way in we had to detour so we could buy a set of scales, but we still made it home in time for lunch; not a bad effort for a lazy day's fishing.

As a footnote, I am really thrilled with the Baby Osprey as fifty percent of the time I fish solo and it's a doddle to manage. It is easy to manoeuvre up the drive, fits in my garage, uses about 3.5 litres per hour with the Honda 50hp 4-stroke and honks along at 28 knots! It is also easy to clean, stable in rough sea and has stokes of room inside. And anyway, the blokes with the big boats are always looking for someone to go with them, share the fuel cost and help with the trailer and cleaning.

I have caught more fish from the little Osprey than I ever did with the 6 metre tinny I had before. On a good day I will go from Nelson to Croisilles. Species caught from the little boat include: albacore tuna, snapper, gurnard, rig, school sharks, carpet sharks, spiny dogfish, seven-gill shark (photo op only as too big to get in boat!), thresher sharks, barracouta, spotty, blue cod, tarakihi, trevally, kahawai, octopus, herring, red cod and one scallop on the set-line! Not bad in a 4.5 metre boat launching at the Nelson Marina and mostly within sight of town.



The King of the Sea

Tom Cliffe (10-years-old)

We were up at 5.00am to get ready for a fishing trip! It didn't take long to gulp down breakfast and we were ready to go. When we got down to Grossi Point at Mapua, we got the boat on the water and were joined by our friend Hunter and his dad Rod. They helped us with the boat and in the space of an hour we were on the water.

We got out to our spot and put the two set lines out then throttled out another further kilometre, where we got our rods out. Apart from two small catches, we had no luck so we moved.

Next stop we continued to catch baby fish, which loved the salmon and pilchard we were using for bait. They were tiny kahawai and baby snapper, which we threw back. The most annoying part was catching spotty dogs and carpet sharks.

I began to get seasick and looked forward to heading back in at 9.00am to let mum go to work, then dad could look after my sisters and

I. We stopped fishing with 15 minutes up our sleeves to get the set lines in. On the first line there were a couple of sharks. At the next line the first eight hooks were empty. I was on the other side of the boat and suddenly everybody was shouting. I rushed over and we'd hooked a 24lb snapper! Hunter and I couldn't lift it. It was a monster and couldn't fit in the chilly bin. Dad and Rod talked about letting it go as it was a good breeder but the hook was too deep to get out. Dad said it would die if we let it go. It was uncanny because two days before, we caught an 11lb snapper on the same second set line, with my dad's friend Duncan.

We were running out of time, as we needed to get home to get mum off to work. "Your mum can take the girls to our place for Hunter's mum to look after," Rod said. Yay! Now with my sea sickness a distant memory, we had another whole hour of fishing. It wasn't very fruitful though, we caught a lot of small kahawai but no keepers, so we went home with just our 24lb snapper. It was a great days fishing!

Monster Snapper Guts Dad!

By Shannon McLellan (14)

We went fishing out of Collingwood one Sunday recently and Dad jokingly said, "If you get a fish I will give you five bucks!"

I had a rod rigged with good old squid bait and next minute, my line took off giving me a bit of a shock. I could hardly pull it in! As I was winding it, the fish pulled the boat around it was amazing.

When I finally got the snapper to the surface, we tried to get it in the net but it didn't fit. We were having trouble when, all of a sudden, the line snapped! I couldn't believe it and almost screamed. Fortunately, Dad quickly snatched at the line and pulled the monster fish into the boat.

When we got back we weighed it and it went 20 pounds after it was gutted.

Dad was gutted too - it cost him five bucks!



Shannon with her five bucks fish.

Also of interest is the following link to You Tube where recreational fisher Troy Dando is interviewed on Newstalk ZB Fishing Show and expressing the health of the Tasman and Golden Bays fisheries including snapper.

<https://www.youtube.com/watch?v=AMAmntQKkx4>

Talleys actually omitted to submit to the first IPP round as we were of the view DWG may do that on our behalf. However without a consensus view at DWG emerging it makes sense that we submit individually

Talleys would like to see a 10,000 MT TACC reduction of the Hoki TACC (from the west). We support a reduction rather than shelving

We accept the science does not require a reduction but given the qualifications and uncertainties in the science this year (i.e. 2011 year classes, Sub Ant results etc.) we believe a 10,000mt reduction is the best management response.

Best wishes

Andrew

17 July 2015

Deepwater Fisheries Management
Ministry for Primary Industries
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Email: FMSubmissions@mpi.govt.nz

REVIEW OF MANAGEMENT CONTROLS FOR HOKI 1 (HOK1) AND SMOOTH OREO IN OEO4

Introduction

1. This submission is from Te Ohu Kaimoana in our capacity as trustee for the Fisheries Settlement. The views we set out in this submission have been circulated to all 57 iwi recognised under the Settlement and have received overwhelming support from those who have responded.

Recommendations

2. Te Ohu Kaimoana supports the following:
 - a. For HOK1, retain the TACC at 160,000 tonnes for 2015/16 (option 1)
 - b. review HOK1 catch information at the end of the 2014-15 fishing year, and adjust catch if necessary for 2016-17 year – preferably through a industry shelving arrangement whereby the agreed level of ACE is transferred to an independent party
 - c. For OEO4, reduce the TACC to 4,000 tonnes (3000 tonnes for smooth oreo and 1000 tonnes for black oreo) (option 3).
3. Our reasons for recommending these options are set out below.

HOK1

4. We are aware there is a range of views amongst fishing companies involved in this fishery about what, if any, action should be taken in the HOK1 fishery in the next fishing year. Some consider the TACC should remain at 160,000 tonnes (MPI's option 1), while others support a reduction of 10,000 to 150,000 tonnes (with the reduction to be taken from the Western stock (option 2). Some have supported one or other of two additional options not proposed by MPI including shelving 10,000 from the Western stock and reducing the TACC by more than 10,000 tonnes. There appears to be no support for the option of shifting catch of 5,000 tonnes to the Eastern stock (MPI's option 3).
5. The key issue concerns the status of the latest stock assessment – accepted by the Deepwater Fisheries Assessment Working Group (DWFAWG) - and the significance of the latest sub-Antarctic survey results.

The science assessment says the fishery in good heart but there is some uncertainty (although it's not clear how serious)

6. The latest stock assessment is based on the best science and is very positive about both eastern and western stocks. It includes all the data (including the latest sub-Antarctic survey as well as catch-at-age) and concludes that both Eastern and Western stock are expected to remain above the industry target zone of 35- 50 % of B_{2000} for the next 5 years if the TACC is maintained at a level of 160,000t throughout that period.
7. However, the latest (2014) sub-Antarctic survey resulted in the lowest estimated abundance of hoki since 2007. This 2014 estimation was interpreted by the DWFAWG as observation error (ie the survey under-estimated hoki biomass by chance and hoki abundance is actually higher than the survey estimated). This interpretation by the DWFAWG is consistent with catch-at-age data and CPUE data for the West Coast catch.
8. The DWFAWG noted that if the 2014 sub-Antarctic estimation was correct, this could mean the status of the western stock was overstated. A sensitivity assessment was undertaken giving more weight to the 2014 Sub- Antarctic survey. The results from this suggest that if that survey is correct, the current Western stock status would be less than 30% of B_{2000} (i.e. below the existing management range) and there is a 77% chance it would remain below the management range if the TACC continued unaltered for the 5 years (and a 35% chance it could decline below 20% of B_{2000} in the 5 years if the TACC continued unaltered for the 5 years).
9. The sub-Antarctic hoki biomass is uncertain and it is unlikely that it will be any clearer in the short term – the next survey is scheduled for December 2016 and an estimate arising from that survey will be input into the 2017 hoki assessment.
10. Despite this, industry will be able to get a strong gauge of the Western stock biomass from the CPUE data and catch-at-age data from the west coast catches this winter/ spring. Early indications are that large fish are present and industry is up with or ahead of catches this year compared with last – that itself was earlier than the year before.
11. Based on the DWFAWG's report as well as an analysis of catch and effort information over the last 10 or so years, our recommendation is that the Minister to the current TACC at 160,000 tonnes for the 2015/16 fishing year.

Information about catch and CPUE provide more certainty about the state of the fishery

12. We have had a closer look at the information provided to the DWFAWG earlier this year (see Table 1). We've focussed on the relationship between the TACC, actual catch and CPUE since 2001. Using this data we have tried to gain a sense of whether or not that information supports the proposition that the western stock could be at 30% B_0 .
13. This CPUE information is consistent with the DWFAWG base case model which has both stocks within the target range in recent years and now above them. The information does not appear to support a claim that the Eastern stock is within and above the target range while the Western stock is well below the target range and always has been since 2002.

Table 1: HOK1 - CPUE data 2001/2 - 2014/15

| Fishing year | TACC | Western stock | | | Eastern stock | | | Landed catch |
|--------------|---------|---------------|-----------------|-------------------|---------------|-----------------|----------------|--------------|
| | | Catch limit | Estimated catch | Standardised CPUE | Catch limit | Estimated catch | Estimated CPUE | |
| 2001/02 | 200,000 | 130,000 | 127,100 | 0.8 | 70,000 | 67,900 | 0.8 | 195,500 |
| 2002/03 | 200,000 | 130,000 | 100,000 | 0.6 | 70,000 | 83,900 | 0.6 | 184,500 |
| 2003/04 | 180,000 | 110,000 | 58,100 | 0.45 | 70,000 | 77,500 | 0.55 | 136,000 |
| 2004/05 | 100,000 | 40,000 | 44,800 | 0.5 | 60,000 | 59,300 | 0.75 | 104,500 |
| 2005/06 | 100,000 | 40,000 | 47,100 | 0.7 | 60,000 | 57,300 | 1.02 | 104,500 |
| 2006/07 | 100,000 | 40,000 | 42,100 | 1.2 | 60,000 | 59,700 | 1.05 | 101,000 |
| 2007/08 | 90,000 | 25,000 | 30,100 | 1.15 | 65,000 | 59,200 | 1.3 | 89,500 |
| 2008/09 | 90,000 | 25,000 | 30,500 | 1.6 | 65,000 | 58,300 | 1.45 | 89,900 |
| 2009/10 | 110,000 | 50,000 | 48,000 | 1.55 | 60,000 | 57,000 | 1.25 | 107,000 |
| 2010/11 | 120,000 | 60,000 | 61,000 | 1.52 | 60,000 | 55,000 | 1.3 | 116,000 |
| 2011/12 | 130,000 | 70,000 | 70,000 | 1.8 | 60,000 | 57,000 | 1.4 | 130,000 |
| 2012/13 | 130,000 | 70,000 | 71,000 | 2 | 60,000 | 60,000 | 1.3 | 132,000 |
| 2013/14 | 150,000 | 90,000 | 88,000 | 1.75 | 60,000 | 55,000 | 1.4 | 146,000 |
| 2014/15 | 160,000 | 100,000 | | | 60,000 | | | |

Retain the current TACC for 2015-16, but review catch information at the end of the 2014-15 fishing year, and adjust catch if necessary for 2016-17 year

14. Hoki is one of our most valuable fisheries. History has shown us the consequences of not taking action in the face of repeated warning signs.
15. The management approach agreed to by deepwater quota owners, including iwi quota owners, is that management should be cautious and large “ups and downs” should be avoided. This is as much about enabling companies to better manage the market pricing based on consistent delivery of quantity and quality of fish and sensibly delivering their operations in light of fluctuations in the fishery as looking after the fishery itself.
16. Some quota owners support the idea of shelving 10,000 tonnes from the Western stock (or reducing the TACC) – while others support retaining the TACC. As will always be the case, fishing companies will be balancing where they sit on management options with their different business arrangements.
17. In our view, the trends in the CPUE for the western stock, and its relationship to trends in catch, suggests that the stock is in reasonable shape. We do not think there is a case to reduce the TACC at this stage. And we note that the DWFAWG has accepted the stock assessment, which concludes that both the eastern and western stock are above the target range.
18. The suggestion has been made that the situation be reviewed after this fishing season. Amongst other things, industry CPUE and catch-at-age data would be available. We recommend that if fishing data and “on the water experience” show a noticeable change in trends, then the industry could move to shelve ACE for the Western Stock for the 2016-17 year (at least until after the results of sub-Antarctic survey in December 2016). This would require that a disciplined arrangement be agreed e.g an industry shelving arrangement whereby all quota owners agree to transfer the agreed level of ACE to an independent party, prior to any ACE sales for the 2016/17 year.

Smooth Oreo in ORE04

19. Te Ohu Kaimoana accepts that on the face of it, the stock assessment for smooth oreo (within OEO4) doesn't look good. That assessment suggests that the stock is 27% B_{2010} (virgin biomass). This is below the default management target of 40% B_{2010} . While the stock assessment was accepted by the DWFAWG, there are many unanswered questions about the management of this stock, for example:
 - “on the water experience” of skippers which suggests the fishery is fishing well and not in bad state
 - survey methods: are they delivering accurate information? Experience in the ORH fishery suggest better survey techniques could yield more accurate results. The ORH fishery shows that better acoustic methods are giving a much more accurate picture of that fishery – and has in all cases shown the fisheries to be healthier than previously estimated using the older survey techniques

- we understand that good information on black and smooth oreo was obtained from the recent AOS survey of ORH3B in Puysegur – although we also understand there is a lot of work to do to analyse that data.
 - better sampling of age classes is needed across the population and range of the fish (from flat areas where this species is found as part of a mix of species, to the hills, where older fish can be found).
20. Quota owners including iwi are committed to progressing this fishery through Marine Stewardship Council (MSC) certification. A Fisheries Improvement Plan (FIP) for OEO4 is being developed. Work under that plan will prepare the stock to go MSC certification around 2019. This certification is an important part of retaining access to overseas markets. Industry is committed to addressing these outstanding matters as part of the plan.
21. We agree there is a need to take action: despite the unanswered questions, the stock assessment has been accepted and quota owners intend to address fisheries management issues so the fishery can be certified. We support the interim submission by the Deepwater Group (DWG) which proposes the Minister support Option 3 – a reduction to 4000 tonnes for OEO4 as part of a staged reduction, made up of 3000 tonnes for smooth oreo and 1000 tonnes for black oreo. We are aware that DWG has, in the meantime, asked for further information and projections for how the stock would rebuild under different catch scenarios.
22. Taking into account the uncertainties in the information along with the commitment of industry to do something about it, we consider Option 3 to be a sensible first step. That level of catch and the necessity for any further cuts in the TACC to ensure sustainability should be reviewed in the 2015/16 year as these matters are clarified.
23. If you have any questions about this submission, please contact Laws Lawson (laws.lawson@teohu.maori.nz) or Kirsty Woods (kirsty.woods@teohu.maori.nz).

Naku noa, na



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16 July 2015

Inshore Fisheries Management
Ministry for Primary Industries
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SNA7 Submission

My name is Arlun Wells. I am the vice president of the Golden Bay Motueka Fishermans Association, member and local delegate of New Zealand Federation of Commercial Fishermen. This submission is based on my own experience in the industry but is representative of all commercial fishermen in this area.

I own and operate a 205 horse power 15metre trawler out of Port Tarakohe, Golden Bay (FMA 7)

I started fishing out of Tarakohe in 1991, since then I have seen fluctuations in abundance of a lot of species in this area. Over the last four to five years almost all of the species we catch have been steadily increasing, with some populations exploding. Congratulations on a fishery management system that seems to be working.

However, the amount of snapper and the fact that it is arriving earlier and staying later every year in this area is now making it impossible to fish in our most productive FLA and GUR grounds. We have days when we do one tow and have to tie up because we are catching too much SNA as a bycatch, or are unable to fish at all due to the SNA presence.

The unavailability of ACE and a deemed value that is so far above the Port price making it uneconomical to land as a bycatch has left our Port with more boats permanently tied up than able to fish.

I understand the political problems you have in Area 1, with recreational versus commercial catch, but in our area a very small percentage of recreationally caught snapper is on a rod and reel. Almost all of it is caught on set lines. Anyone that thinks there isn't much SNA out of here because they can't catch them on a rod in the middle of the day only needs to get out of bed earlier, use a set line, or come fishing with us to see how much is out there.

We catch SNA of all sizes with a lot of fish that seem to be from at least two large year classes.

We have spent years and tens of thousands of dollars on new technology trying to reduce our SNA catch but because of the rate of increase in abundance, our SNA catch this year will still be up by around 50% on last year, yes a 50% increase in one year while spending our whole

summer trying to avoid SNA. SNA is now so abundant that with one small trawler if we were to target it we could catch 100% of the TACC ourselves.

We need a TACC increase or at least a realistic Deemed Value, or there won't be anyone left to catch the Flounder, Gurnard etc.

If we don't get some sort of relief in this area soon there will be more boats tied up and for sale in Port Tarakohe and other Ports in FMA7 because there is too much fish here -this is crazy!! PLEASE help.

Your faithfully

A G Wells