

9 February 2022

Fisheries New Zealand
Ministry for Primary Industries
PO Box 10420
Wellington

REVIEW OF SUSTAINABILITY MEASURES 2022 APRIL ROUND

Fisheries Inshore New Zealand (Fisheries Inshore) represents 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, fishers and affiliated sector representative organisations. Its key outputs are:

- developing appropriate policy frameworks, processes and tools to assist the sector to manage inshore, pelagic and tuna fish stocks more effectively;
- minimising fishing interactions with protected species and the associated ecosystems; and
- working positively with other fishers and users of marine space where we carry out our harvesting activities.

Fisheries Inshore provides management services through regional committees to the quota owners, fishers and Licensed Fish Receivers of fish stocks in FMA1, 2, 8 and 9. Fisheries Inshore has a species committee for HMS fish stocks and has a close relationship with Southern Inshore Fisheries Management Company Limited, which is also a member of Fisheries Inshore and provides management services to the quota owners of stocks in FMAs 3, 5 and 7 (and some FMA 8 stocks).

We note that other organisations, companies and quota-holders and fishers may also make their own submissions on the proposals.

SCALLOPS

We comment first issues related to both SCA1 and SCACS and then in more depth on the SCACS proposals.

Option 1 Irrational

In both the SCA1 and SCA-CS fisheries FNZ is proposing to leave the Total Allowable Catch (TAC), Total Allowable Commercial Catch (TACC) and allowances in place but then institute a closure of each fishery and a prohibition on catch for all sectors under section 11 of the Fisheries Act. We are unable to understand the rationale for this – or its legality). If FNZ believes there is a sustainability issue, it behoves them to use the appropriate provision of the Act to effect the appropriate sustainability measures. Section 13 is the more appropriate provision where FNZ considers a full closure is warranted as stated in Option 1 for both fisheries. Our reading of the Act is that the Minister shall set a TAC that maintains the stock at or above a level that can produce the maximum sustainable yield. This is not discretionary – the Minister cannot set (or leave) the TAC at a level that will not at least return the fishery to that state.

Kaitiaki will always have the right, irrespective of the customary allowance setting, to issue permits for the taking of stocks where they consider it appropriate in the circumstances. The customary allowance is to indicate the expected level of take under kaitiaki permits and unlike the TACC does not represent a ceiling for catch. Leaving the TAC and other settings in place creates a confusion – it does not signal that there is a sustainability issue for the stock. If the Minister considers it necessary for the fishery to close, he should then reduce the TACC and allowances to zero. That would appropriately convey to all that in those circumstances a widespread sustainability issue exists. Those sustainability concerns would then be clear to kaitiaki, and we expect that as has been repeatedly demonstrated throughout the country where fishstocks need to be rested kaitiaki would recognise that when considering whether to issue any permit – in this case for scallops.

Furthermore, leaving the TACC at the existing level and then using section 11 powers to prevent fishing would see SCA1 and SCACS quota-holders liable to pay fisheries and conservation levies (SCA1 circa \$3,000 and SCACS circa \$48,000) notwithstanding not being able to catch their TACC allowances. Under the Fisheries Act and the Fisheries (Cost Recovery) Rules

2001, levies are payable where a TACC exists. It would be inequitable that quota-holders would continue to pay levies under the Option 1 proposals where fishing is prohibited. This would also be perverse in that under Option 1 where no catch is possible, quota owners would pay more than under Options 2 and 3 where reduced TACCs would apply. That is not acceptable. If the Minister determines that a full closure is warranted, then the TAC, TACC and allowances should all be set to zero using section 13 powers.

Options 2 and 3 Inequitable

We cannot accept that Options 2 and 3 for both SCA1 and SCACS provide an equitable allocation of the level of utilisation. If the Minister considers the abundance level requires a TAC reduction, as part of that decision-making, he needs to turn his mind to the allocation of that TAC. We consider that allocation should reflect the desire of all New Zealanders to be able to eat our fish. We are arguing that the fishery should not only be accessed by one set of harvesters – it needs to be managed for all and the allocation needs to be equitable and encourage all to look after the fishery.

Options 2 and 3 provide for the customary allocation to be retained at the status quo level with the commercial and recreational sectors bearing the reductions in utilisation levels. As per our comment above, we have every confidence that kaitiaki will exercise their discretion recognising the state of the fishery. The fact that such permitting has no ‘ceiling’ is an expression of its importance but it is wrong for the Ministry to suggest as acceptable to the fishery a customary allocation that has no basis. FNZ indicates it has no estimate of the customary catch levels, notwithstanding the reporting of take levels being a requirement under section 36 of the Fisheries (Kaimoana Customary Fishing) Regulations 1998. Yet they allocate the bulk of the allowable total catch to the customary sector while severely constraining the commercial sector in both options. Additionally, we note that maintaining the allowance at the level appears to be contradictory to iwi desires with Ngati Manuhiri imposing a rāhui tapū over much of the Hauraki Gulf and north Auckland’s east coast, as concerns grow for diminishing tipa (scallop) numbers and Ngati Hei Trust having already called for and gained a section 186A closure over the east Coromandel area.

In SCA1, the commercial sector has a reported catch of 5 tonnes against a TACC of 10 tonnes. In comparison the estimated recreational catch of scallops in SCA1 was 20 tonnes compared to an allowance of 7.5 tonnes. In SCACS, the commercial sector catch in recent years averaged 12 tonnes against a TACC of 50 tonnes. The recreational take of scallops in SCACS is estimated to have been 37 tonnes compared to an allowance of 10 tonnes. While the commercial sector has operated within its allowable catch limits and does so to protect the sustainability of the fishery, the recreational sector has far exceeded its catch levels and is known to have virtually fished out some of the recreationally targeted beds. Notwithstanding that fundamental difference in behaviours and the commitment to sustainability by the commercial sector, FNZ proposes to reward the recreational sector with a disproportionate share of the allowable take. It is tragic that, in allocating the available catch, FNZ should seek to reward the sector that appears to have been the largest exacerbator of the sustainability problem. We consider that all should be subject to similar constraints and also to share the rewards of good management – provided you contribute to those solutions and do not exacerbate the problem. All sectors should go up – and down- on the tide of sustainability.

We agree with the proposition that recreational dredging should be prohibited in the areas as a constraint on the recreational take and to prevent damage to juvenile stocks. We would note however that where conditions allow, the removal of dredging will only see increased levels of dive activity to take scallops. As a further constraint for these fisheries at this time we consider it would be appropriate that FNZ adjust the daily bag limit. Currently a diver may take 20 scallops per day with the diver being able to take an additional daily bag of 20 scallops for up to two nominated safety people on board the vessel – a daily vessel bag of 60 scallops. We do not consider that appropriate in the circumstances and the limits should have been significantly reduced to at least a maximum of 10 per day and no more than 20 per vessel.

We note that the consultation considers that the absence of alternative commercial harvesting options supports removing any commercial catch. FNZ is currently consulting on a proposal to allow commercial fishers to use underwater breathing apparatus to harvest scallops. While decisions have yet to be taken on that consultation, any reference to the absence of alternative commercial harvesting options such as UBA should not be considered material in the consideration of the proposals.

SCA CS

Fisheries Inshore notes that the Coromandel Scallop Fishermen’s Association (CSFA) is presenting a comprehensive submission on the proposed measures and future management of the fishery. Our comments are made in broad support of their submission.

The commercial sector has an objective to rebuild scallop stocks to a healthy state for the benefit of the current and future generations. Critical to achieving this is the development of a plan to transition the fishery to a more sustainable management model.

It is important to acknowledge that the status quo and stop-gap measures proposed to close the fishery for the short-term will likely fail to achieve this long-term outcome. In addition to fishing impacts, scallop stocks are facing increasing negative impacts from sedimentation from poor land management practices (both legacy and present-day inputs), invasive species, warming sea temperatures and productivity changes within coastal ecosystems. This is particularly evident in historically fished areas where scallops were once abundant but no longer support scallop populations. If we are to take an ecosystem approach to fisheries management, there must be action in response to all threats commensurate with the risk each threat poses.

The need for change was also recognised in both the “Sea Change” document and more recently in the Government’s response “Revitalising the Gulf”. As the CSFA have outlined, they will be a critical part of the solution to develop a transitional plan that will ultimately need to deliver benefits to all sectors that value scallop resources, including consumers.

Support to develop, fund and implement a transitional plan will be key to its success. We note that considerable government research investment is going into new technologies for scallop monitoring. We would support Government investment in research extending to assist industry develop low impact wild harvest techniques and aquaculture feasibility trials. It is vital that future investment and research delivers meaningful results, including commercially viable solutions for the benefit of fishers and regional economies including and beyond the Coromandel.

HPB 7 and HPB 8

The HPB fishery is important for the recreational (including the charter fleet) and commercial fishing sectors. The fishery deserves an active and informed management plan that uses the most effective combination of measures to sustain the biological, social, economic and cultural benefits associated with it. As Fisheries Inshore strongly endorsed for the HPB 1 and 2 stocks, we support establishing management processes and working with other stakeholders to implement enduring management action rather than a series of adhoc point-in-time decisions.

Fisheries Inshore attended the multistakeholder meetings that FNZ ran for HPB 7 and 8.

We endorse Southern Inshore’s views in their submission. We acknowledge that, while there is insufficient information to determine the stock status, if it is not known if current catches or TACCs are sustainable, the TACC levels should not necessarily be reduced. Anecdotal information from stakeholders may be used to assist management decisions. When considering a declining catch trend, there are a multitude of factors that must be considered including poor port price, increased compliance cost, and increased expenses in general. Ultimately management decisions need to be driven by a combination of understanding changes in fishing effort and associated catch trends supported by scientific evidence of the stock status. In this consultation, FNZ has not undertaken an appropriate analysis to identify the cause of declining catch levels and then take management action in the light of informed sustainability assessments. Other than a declining commercial catch which may be explained in terms of changes in target catch, fishing methods and fisher behaviour, there is no other information which supports the need to reduce the TACC. Fisheries Inshore endorse Southern Inshore’s views, that the TACCs for HPB 7 and HPB 8 should NOT be decreased solely on the basis of declining catch, without an understanding of why that is occurring.

Southern Inshore notes there has also been a shift in fishing effort from setnet to longline and some to Dahn line, and a reduction in BNS 7 where HPB 7 was being caught as bycatch. There is also significant recreational catch as was outlined in the FNZ multistakeholder meeting. Given the multitude of factors that could potentially be affecting the catch trend in HPB 7 Fisheries Inshore encourage FNZ to give wider consideration to other more localised impacts when considering dropping TACC for stocks, particularly when looking to manage HPB stocks across different areas.

Fisheries Inshore endorse Southern Inshore’s submission for HPB 8. We do not agree with the proposed reduction to the TACC, given the lack of sustainability concern raised at the FNZ multistakeholder meeting. Again, there are several contributing factors that need consideration relative to the declining catch trend of HPB 8 including but not limited to changes in fisher behaviour, including significant avoidance of SNA 8 as acknowledged in our October 2021 sustainability round submissions. Additionally, as indicated by Southern Inshore the HPB 8 catch trend may be related to the change in TACC for BNS 8. Finally, there may be some change in trend due to Maui dolphin spatial closures and movement of catch to other areas.

Fisheries Inshore endorses further discussion with Southern Inshore to ensure the implementation of a TAC and recreational and customary allowances are reasonable for both HPB 7 and HPB 8 and better reporting of catch across all sectors.

Fisheries Inshore endorses Southern Inshore’s submission on the deemed value review for HPB 7 and HPB 8.

OTHER INDUSTRY BODY MANDATED STOCKS

Fisheries Inshore endorses Southern Inshore Fisheries submission on the deemed value review for BC07.

Fisheries Inshore endorses Southern Inshore's submission on RBT7.

Fisheries Inshore endorses Deepwater Group's submission on SBW6B.

FURTHER ENGAGEMENT

FINZ and our shareholders would be happy to engage in further discussions with FNZ on any matters pertaining to this submission before FNZ finalise their final advice on the sustainable management of these fisheries.

Kind regards,



Laws Lawson
Executive Chair
Fisheries Inshore New Zealand