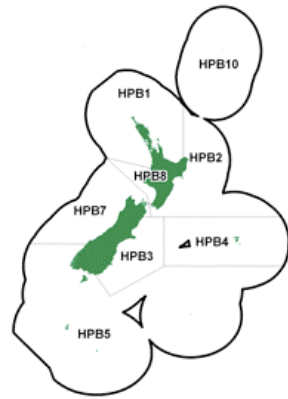


## Review of Ministry of Fisheries' Final Advice Paper to the Minister for Hapuku Bass 3 (HPB3).

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30 September 2010

<p>The Ministry of Fisheries has reviewed catch limits for Hapuku Bass 3 (HPB 3). The Minister has decided that existing commercial catch limits will continue to apply.</p> <p>Allowances for customary, recreational and fishing related mortality have been set for the first time.</p> <p>An Initial Position Paper (IPP) was issued on 21 June 2010 and submissions were due with MFish by 26 July. The MFish Final Advice Paper (FAP) was finalised on 7 September.</p> <p>Phil Heatley's decision was released on 22 September. The Minister supports MFish's preference for option 1.</p>	
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**Key:** Numbers in brackets [ ] represents paragraph from IPP, or other document as noted. Italics represents a direct quote from the FAP.

Hapuku Bass 3 is being reviewed at the request of the fishing industry, due to the potential for improved utilisation. [7]

Eleven submissions were sent to MFish. Five commercial, six non-commercial. [11]

**Table 1:** Proposed TAC, allowances and TACCs with submitters' proposals, where specified in the MFish Final Advice Paper (FAP).

	TAC*	Customary allowance*	Recreational allowance*	Other sources of mortality*	TACC*	Annual Deemed value (\$ per kilo)
Minister's decision	537.6	1	195	6.5	335.1	
Pre-IPP	0	0	0	0	335.1	2.30
MFish Option 1 (preferred option)	537.6	1	195	6.5	335.1	2.80
MFish Option 2	553	1	195	7	350	2.50
MFish Option 3	573.5	1	195	7.5	370	2.30
Joint non-commercial <sup>1</sup>	517	10	200	7	300	-
Ngai Tahu	-	10	-	-	-	-
Te Ohu Kaimoana (TOKM)	-	10	-	-	350	-

Key: \*All amounts in tonnes (t). "-" represents an amount unspecified in the FAP.

### Comments

#### Final decision

Phil Heatley has followed his Ministry's recommendation and retained the existing total allowable commercial catch (TACC) limits. The Minister's decision does nothing to restore the abundance and availability of Hapuku and Bass in Area 3 for non-commercial interests. The HPB 3 total allowable catch (TAC) has been set for the first time, this represents the amounts set aside as initial allowances for non-commercial interests, fishing related mortality and includes the TACC.

<sup>1</sup> Joint non-commercial submitters are the Hokianga Accord, option4, and the NZ Sport Fishing Council.

It would be convenient to conclude from the latest decisions that non-commercial interests are best served by supporting one of the MFish options in the Initial Position Paper (IPP). However, it is vital that an alternative view is presented based on the 'best available information' from the non-commercial sector, because this encompasses real life on-the-water observations by fishers.

### ***Customary interests***

The one tonne allowance for customary interests is a puzzling change in approach by MFish. Usually the customary allowance set aside is a proportion of the recreational allowance, and is fairly generous. Usually this is to enable the broad customary *interests* to be 'allowed for,' not just catch.

MFish claim that Ngai Tahu have identified an allowance of 10t would *meet this situation*. It is not clear from the Final Advice Paper (FAP) whether Ngai Tahu is referring to interests or just catch. This detail will need to be verified when the submissions become available.

Ngai Tahu, Te Ohu Kaimoana and the joint non-commercial submitters all proposed an allowance of 10t to provide for customary needs. Despite the information provided by these parties the Minister set the customary allowance at 1 tonne.

### ***Best available information and omissions***

Throughout the FAP there is a strong emphasis on 'best available information'. If non-commercial interests are to be protected, and enhanced, it is essential that a presence is maintained in the Working Group process to ensure balanced information is made available to the Ministry and Minister for decision-making purposes.

MFish has omitted in the HPB3 Final Advice Paper to advise the Minister of the joint non-commercial submitter's concerns about the deemed value regime. There is no mention of the proposal to account for all mortality caused by commercial fishing within the TACC, by reducing the available ACE in proportion to the excess catch ie. a 110% overcatch in one year is followed by 90% ACE the following year. This is a serious omission.

### ***Industry views***

Commercial interests are advocating in their submissions that the Ministry are being too cautious in their management approach. In their view the only way to discover sustainable limits is to fish stocks down until they are reached. Intentionally or otherwise this is what has happened to most high value stocks as management struggled to curb catch.

## **FAP analysis**

Support for various options:

- a. Hartley, Kaikoura Boating Club, NZRFC and TASFISH all supported option 1.
  - b. Soundfish didn't specify a preference, but wanted a precautionary TAC.
  - c. Ngai Tahu and TOKM generally supported option 2.
  - d. Ocean Fisheries supported option 3.
  - e. SeaFIC and the Federation wanted a TACC increase.
  - f. Joint non-commercial interests supported a TAC lower than the status quo. [12]
2. Reported commercial landings have exceeded the TACC by an average of 10% for nine of the last 10 years. [21]
  3. Recreational daily bag limit of five per person. Two distinct fisheries, defined by season and location. [22].
  4. SeaFIC does not agree with MFish's view of the level of uncertainty of information, and considers MFish are being overly cautious when proposing the TAC. SeaFIC questions the reliance on the biology and life history of Hapuku Bass. [42]

5. MFish notes that due to the 10-13 year cycle for HPB to reach maturity the 10-year overcatch of HPB would not be observable in commercial landings, so catch information alone would not necessarily indicate abundance. [45]
6. Non-commercial submitters NZRFC, TASFISH and Joint non-commercial object to a TACC increase. Want biomass increased. Management incentivises commercial fishers to overcatch as a way of increasing catch allocations. [50]
7. MFish accepts deemed value rates may not have acted to constrain commercial catch in the past, and acknowledges this as a factor behind recent over-catch. [51]
8. TASFISH and NZRFC submit any increase in HPB 3 will adversely affect HPB 7. [52]
9. Kaikoura Boating Club submits HPB 3 has been massively overfished. [54]
10. Recreational fishers generally indicated HPB 3 is an important fishery and access has declined due to decreasing abundance of Hapuku Bass. [58]
11. Minister advised he has *the discretion to make allowances for various sectors based on the best available information*. [86]
12. MFish note Joint non-commercial interests highlight the Minister's obligation to have particular regard to Kaitiakitanga, and 'allow for' non-commercial customary interests, not just fishing. *In this regard, Ngai Tahu, the Iwi with Rohe Moana over the area of HPB 3, have identified an allowance of 10t would meet this situation*. [91]
13. *MFish does not have reliable quantitative information to suggest a level of customary catch higher than 1t. MFish will review this allowance as new quantitative information becomes available*. [92]
14. TOKM submits the MFish proposed recreational allowance of 195t be reduced, because that represents 36.3% of the TAC and is based on information that is *not robust*. [97]
15. TASFISH and NZRFC submit 195t is too low as it only equates to 0.925 of a hapuku per HPB 3 fisher, per annum. [98]
16. MFish acknowledges the uncertainty around recreational harvest, but consider 195t to be the *best available information* on which to base a decision [101]
17. MFish proposed and maintain their support for an allowance for fishing related mortality to be set at 2% of the TACC. SeaFIC suggested a generic framework be established for determining these allowances, but didn't offer any specific allowance for HPB 3. [103]
18. Ocean Fisheries supports option 3. *They also submit they catch 23t of HPB 3 (average of the last five years) while only holding quota for 1100kg. They, therefore, are constantly active in trying to purchase ACE for what they consider is generally unavoidable bycatch. They submit it is not economic for commercial trawlers to target HPB 3 as bulk landings significantly reduce the price payable to the boat*. [105]
19. TOKM supports a 350t TACC under option 2, but could support a 370t TACC under option 3 if the recreational allowance is reduced. [106]
20. TASFISH and NZRFC submit TACC increases in important shared fisheries should not be looked at in isolation, given the adverse impact of these increases on other sectors' access. [107]
21. MFish present a table outlining the proposed TACC options and the potential additional annual return to commercial fishers, based on the average port price supplied in submissions of \$4.39 per

- kilo. Estimated maximum return, from option 3, is \$153,650 per annum. (Estimates provided in IPP were based on \$3.07 per kilo). [110]
22. *MFish notes that deemed value charges for HPB 3 have exceeded \$100,000 for three of the last five years and that this represents a significant cost on the fishery.* [111]
  23. *To some extent, the current recorded landings in excess of the TACC are a reflection of the deemed value regime in place for HPB 3. To protect the TACC, the HPB 3 deemed values regime needs to be modified.* [116]
  24. *MFish offer the Minister three choices – increase the deemed value, lower the point for the onset of ramping, or increase the interim deemed value rate to 90% of the annual rate. It should be noted that any of these actions may encourage less accurate reporting if HPB is an unavoidable bycatch species and there are barriers to the flow of ACE from fishers targeting HPB species and fishers taking HPB as bycatch.* [116]
  25. *HPB market prices are variable making the task of setting an effective deemed value rate difficult. MFish recommend the Minister approve option C – the maximum proposed increase. Interim values change from \$1.15 per kilo to \$2.30, annual rates from \$2.30 to \$2.80.* [128]
  26. Views on increasing deemed value rates:
    - a. *TASFISH and NZRFC - all deemed value rates should be set at a minimum of three times the port price.* [120]
    - b. *SeaFIC – support an increased TACC and a higher deemed value rate. If the TACC is not increased then current rates should remain. Any rate increase would only increase government revenue.* [123]
    - c. *Ocean Fisheries - want current deemed value rates retained as they catch HPB 3 as unavoidable bycatch, so the rates do not influence the amount of HPB 3 caught or landed. Any increase will encourage dumping by commercial fishers.* [124]
    - d. *Ngai Tahu - support an increase in deemed value rates – option 2.* [125]
    - e. *TOKM - do not support a deemed value increase unless the TACC is increased – option 3.* [126]
    - f. *Joint non-commercial – the deemed value regime is not delivering the sought-after balance between dumping and encouraging fishers to avoid Hapuku Bass. All excess mortality needs to be deducted from the following year’s ACE. [these comments not included in MFish FAP].*