



## Office of Hon Phil Heatley

MP for Whangarei

Minister of Fisheries and Aquaculture

Minister of Housing

B11-260

Tēnā koe,

I write to inform you of the decisions I have made for sustainability measures and other controls for October fishing year inshore stocks reviewed this year. My decisions on Total Allowable Catches (TACs), allowances, Total Allowable Commercial Catches (TACCs) and deemed value rates will come into effect on 1 October 2011. The decisions on recreational daily bag limit changes will come into effect on or before 1 May 2012. Copies of both the Ministry of Fisheries (the Ministry's) initial position and final advice papers are available on the Ministry's website ([www.fish.govt.nz](http://www.fish.govt.nz)).

In reaching my decisions I have considered the submissions received on the Ministry's initial position paper and final advice from the Ministry, which includes the Ministry's analysis of tangata whenua and stakeholder submissions. I also considered the relevant legislative provisions and my obligations under the Fisheries Act 1996 (the Act).

The specific decisions for each stock are detailed below:

### **Blue cod (BCO 5)**

I have decided to set a TAC and allowances for the first time for BCO 5. In doing this, I have also decided to reduce the existing TACC and the recreational daily bag limit.

Fishery indicators, while not conclusive, suggest there may be a sustainability risk to BCO 5 under current management settings. I have approved an approach that seeks to reduce overall catch.

A TAC of 1,452 t will be set for BCO 5 with allowances of:

- 2 t for Maori customary interests non-commercial interests;
- 191 t for recreational interests; and
- 20 t for other sources of fishing related mortality.

The current TACC will be reduced from 1,548.47 to 1,239 t. This TACC is approximately 10% below the average of the most recent three years of commercial catch. I have also decided to reduce the recreational daily bag limit from 30 to 20 fish. Blue cod will remain one of the group of species to which a combined daily bag limit of 30 finfish applies in the area.

New information on which to base a stock assessment for BCO 5 will be available in 2012/13 as will new information on recreational catch via a Large Scale Multi-species Survey. This information will provide an opportunity to further assess the appropriateness of the TAC and other management controls.

I have decided to increase the deemed value rates for BCO 5. The new interim and annual rates will be \$1.88 and \$3.75/kg respectively. Differential deemed value rates will be adjusted to reflect the standard differential deemed value schedule (standard schedule).<sup>1</sup>

### **Blue cod (BCO 8)**

I have decided to set a TAC and allowances for the first time for BCO 8. In doing this, I have also decided to reduce the existing TACC and the recreational daily bag limit.

There is limited information to monitor and assess fish abundance in the BCO 8 stock. Available catch information and anecdotal information from some fishers suggests that the current TACC and recreational daily bag limit of up to 20 blue cod, if regularly caught, may pose a sustainability risk.

My decision seeks to prevent the risk of expanding catches in this low information stock. To do this, catch "headroom" is removed from the TACC by reducing it to the highest commercial catch recorded in recent years, and the upper limit of recreational catch is reduced.

A TAC of 226 t will be set for BCO 8 with allowances of:

- 2 t for Maori customary non-commercial interests;
- 188 t for recreational interests; and
- 2 t for other sources of fishing related mortality.

The current TACC will be reduced from 74.4 t to 34 t, and the recreational daily bag limit reduced from 20 to 10 fish. Blue cod will remain one of the group of species to which a combined daily bag limit of 20 finfish applies in the area.

I have decided to make no changes to the current deemed value rates for BCO 8. The current deemed value rates will continue to provide an effective incentive for fishers to balance catch with ACE.

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

I have decided to reduce the BNS 1, 2, 3, 7 and 8 TACs from a combined total of 2,477 t to 1,685 t. This is an initial reduction to the TACs and TACCs and represents the beginning of a three year staged reduction to allow bluenose to rebuild.

I have also decided to reduce the daily recreational bag limit in BNS 1, 2, 3, 7 and 8 to five bluenose to constrain recreational catch during the rebuild.

The changes to the TACs, allowances and recreational bag limit in each Quota Management Area are given below:

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<sup>1</sup> Under a standard differential deemed value schedule (standard schedule) the applicable deemed value rate increases by 20% for every 20% of catch in excess of ACE holdings, up to a maximum 100% increase for all catch 100% or more in excess of ACE holdings.

Table 1: 2011/12 TAC's and allowances for each QMA (Option B in the Final Advice Paper)

Stock	Current TAC (t)	Proposed TAC (t)	TACC (t)	Other sources of mortality (t)	Māori customary allowance (t)	Recreational	
						Allowance (t)	Daily bag limit
BNS 1	825	600	571	12	2	15	5
BNS 2	958	669	629	13	2	25	5
BNS 3	551	273	248	5	2	18	5
BNS 7	96	96	89	2	2	3	5
BNS 8	47	47	43	1	1	2	5

Bluenose is an important species of high commercial value and of increasing interest to the recreational sector. The best available information suggests that bluenose is very likely to be below target stock size. I consider it is important to ensure a rebuild bluenose in a reasonable timeframe. However, I am aware this would require significant reductions to the catch levels.

I have decided that phasing the TAC reduction over three years will not jeopardise the future of the stock and will give fishers time to adjust their fishing operations. The phased reductions are expected to rebuild the stock within 20 – 26 years, which is the timeframe recommended by the Ministry's Harvest Strategy Standard.

I would like to commend the industry on their commitment to rebuilding the bluenose stock and for taking a unified approach to develop an option for my consideration. However, I believe taking the three years phased approach best fits with the information available to me this year. Under the three year phased reduction approach I will look at the TACs again next year. Each TAC decision will be based on best available information at the time of the decision. This current decision does not fetter my ability to take a different approach in future years if warranted by new information.

I have decided to change the deemed value rates for BNS 1, 2, 3, 7 and 8 to ensure that the reduced TAC is not exceeded. For BNS 1, 2 and 8 the annual deemed value rate will increase to \$4.00 per kg and the interim deemed value rate will increase to \$3.60 per kg. For BNS 3 and 7 the annual deemed value rate will increase to \$3.00 per kg and the interim deemed value rate will increase to \$2.70 per kg.

### **Kingfish (KIN 8)**

I have decided to increase the KIN 8 TAC from 83 t to 92 t. There is no information to suggest that this TAC would result in a sustainability risk. The increased TAC will provide for increased utilisation benefits.

Within this TAC I have decided to increase the TACC from 36 to 45 t, and retain allowances of:

- 9 t for Maori customary non-commercial interests;
- 31 t for recreational interests; and
- 7 t for other sources of fishing related mortality.

I acknowledge that KIN 8 is a valuable species to all users, and note the management strategy to maintain and preferably increase biomass.

The TACC has been exceeded for the eight years since KIN 8 was introduced into the Quota Management System. I am satisfied that this is because the current level of commercial catch is the result of unavoidable bycatch. While there is very limited information available on stock status there has been no apparent adverse change to the performance of the fishery as a result of current catches and average catch levels are less than those occurring prior to introduction into the QMS.

I note that new information on recreational and customary harvest in the KIN 8 fishery may become available in 2013 and this may provide a better foundation to review the TAC in the future.

I have decided to retain the current interim and annual deemed value rates for KIN 8 and to apply a unique differential deemed value schedule, financially penalising higher levels of over catch harder than the standard schedule. This reflects the impact on recreational interests from over catch and the bycatch only nature of the fishery.

#### **Ribaldo (RIB 9)**

I have decided to increase the RIB 9 TAC (and TACC) from 2 t to 21 t. There is no information to suggest that this TAC would result in a sustainability risk. The increased TAC will provide for increased utilisation benefits.

RIB 9 is almost exclusively a commercial bycatch fishery, I have retained nil allowances for Maori customary non-commercial fishing interests, recreational fishing interests and for other sources of fishing-related mortality.

I have decided to retain current interim and annual value rates for RIB 9 and to introduce differential deemed value rates according to the standard schedule. I believe this will provide effective incentives for fishers to balance catch with ACE as the fishery develops.

#### **Rig (SPO 2)**

I have decided to increase the SPO 2 TAC from 122 t to 130 t. The best available information suggests that this TAC is likely to be sustainable and will provide for increased utilisation benefits.

Within this TAC I have decided to increase the TACC from of 86 to 108 t and adjust the following allowances:

- Decrease Maori customary non-commercial interests from 20 to 5 t;
- Retain 10 t for recreational interests; and
- Increase the other sources of fishing-related mortality from 6 to 7 t.

I have also decided to increase the deemed value rates for SPO 2 to an annual deemed value rate of \$3.00, an interim deemed value of \$1.50 and differential deemed value rates starting at 5% over catch. The change to the current SPO 2 settings would provide a stronger incentive for fishers to balance their catch with ACE. The unique differential deemed value schedule is aimed at discouraging the continued pattern of over catch observed in this fishery as this may not be sustainable.

## Rig – Sixth Schedule

After careful consideration, I have decided to add all rig stocks to the Sixth Schedule of the Fisheries Act 1996.

Rig are a robust species and sustainability benefits can be realised by allowing rig to be returned to the sea, if they are in a survivable state. This decision is supported by some scientific studies which have shown that sharks may survive capture and release, particularly if the trauma and injury to the shark during capture is limited.

Including all rig stocks on the Sixth Schedule of the Act assists in the reduction of costs to fishers which is associated with landing unwanted rig. My decision will also assist in better reporting outcomes, as it may provide a disincentive to discard and not report rig catch.

Because this is a regulatory amendment it will come into effect on or before 1 May 2012.

## Deemed value rates for fish stocks other than those listed above

I have decided to adjust deemed value rates for several fish stocks (in addition to those listed above) to ensure that an effective incentive is provided for commercial catch to be balanced with ACE. Table 2 summarises my decisions on deemed value rates.

Table 2: Deemed value rate changes to apply on and from 1 October 2011

Species	Stock	Current deemed value rates /kg			New deemed value rates /kg		
		Annual	Interim	Differential <sup>2</sup>	Annual	Interim	Differential <sup>2</sup>
Blue cod	BCO5	\$ 2.00	\$ 1.00	Standard schedule	\$ 3.75	\$ 1.88	Standard schedule
	BCO8	\$ 1.91	\$ 0.96		<i>No changes proposed</i>		
Bluenose	BNS1	\$ 3.00	\$ 1.50	From 5% over catch	\$ 4.00	\$ 3.60	From 5% over catch
	BNS2	\$ 4.00	\$ 2.00		\$ 4.00	\$ 3.60	
	BNS3	\$ 3.00	\$ 1.50		\$ 3.00	\$ 2.70	
	BNS7	\$ 3.00	\$ 1.50		\$ 3.00	\$ 2.70	
	BNS8	\$ 3.00	\$ 1.50		\$ 4.00	\$ 3.60	
Elephant fish	ELE3	\$ 1.41	\$ 1.21	From 30% over catch	\$ 1.65	\$ 1.40	Standard schedule
	ELE5	\$ 1.30	\$ 1.10		\$ 1.65	\$ 1.40	
Ghost shark	GSH8	\$ 0.39	\$ 0.20	Standard schedule	\$ 0.45	\$ 0.23	Standard schedule
Gurnard	GUR1	\$ 1.24	\$ 0.62	Standard schedule	\$ 1.70	\$ 0.85	Standard schedule
	GUR2	\$ 1.24	\$ 0.62		\$ 1.70	\$ 0.85	
	GUR3	\$ 1.50	\$ 0.75	From 30% over catch	\$ 1.70	\$ 0.85	
	GUR7	\$ 1.25	\$ 0.63	Standard schedule	\$ 1.70	\$ 0.85	
Hāpuku/bass	GUR8	\$ 1.13	\$ 0.57	Standard schedule	\$ 1.70	\$ 0.85	Standard schedule
	HPB3	\$ 2.80	\$ 2.30	Standard schedule	\$ 3.50	\$ 2.30	
Kingfish	KIN8	\$ 8.90	\$ 4.45	Standard schedule	<i>No changes proposed</i>	From 20%, increasing more than proportionally at higher levels of over catch	
Leatherjacket	LEA3	\$ 0.23	\$ 0.12	Not applicable	\$ 0.45	\$ 0.23	Standard schedule
Ribaldo	RIB9	\$ 0.30	\$ 0.15	Not applicable	\$ 0.30	\$ 0.15	Standard schedule

<sup>2</sup> Under a standard differential deemed value rate schedule (standard schedule) the applicable deemed value rate increases by 20% for every 20% of catch in excess of ACE holdings, up to a maximum 100% increase for all catch 100% or more in excess of ACE holdings.

Species	Stock	Current deemed value rates /kg			New deemed value rates /kg		
		Annual	Interim	Differential <sup>2</sup>	Annual	Interim	Differential <sup>2</sup>
School shark	SCH3	\$ 1.05	\$ 0.53	Standard schedule	\$ 1.80	\$ 0.90	Standard schedule
Sea perch	SPE1	\$ 0.45	\$ 0.23	Not applicable	\$ 1.25	\$ 0.63	Standard schedule
Skate (rough and smooth)	RSK1/SSK1	\$ 0.30	\$ 0.15	Standard schedule	\$ 0.44	\$ 0.22	Standard schedule
	RSK7/SSK7	\$ 0.30	\$ 0.15	Standard schedule	\$ 0.44	\$ 0.22	
	RSK8/SSK8	\$ 0.44	\$ 0.22	Not applicable	\$ 0.44	\$ 0.22	
Rig	SPO2	\$ 2.70	\$ 1.35	From 60% over catch	\$ 3.00	\$ 1.50	From 5% over catch

I have noted several submitters' views about the TACCs for several of the stocks for which deemed value rates were reviewed. However, I am not able to take into account the appropriateness of the TACC when setting deemed value rates for a stock. TACCs reflect best available information and no new information is available to inform a review of the TACCs of these stocks at this time. I have asked the Ministry to take into account your views in processes for both research planning and identification of candidate stocks for catch limit reviews during 2011/12. The deemed value rates I have decided to set are aimed at encouraging fishers to cover all catch with ACE and thus at maintaining the integrity of current TACCs.

Nāku noa, nā

Hon Phil Heatley  
**Minister of Fisheries and Aquaculture**