



MINISTRY OF FISHERIES

Te Tautiaki i nga tini a Tangaroa

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S7181

16 December 2005

Minister of Fisheries

SHARED FISHERIES POLICY DEVELOPMENT

Purpose

- 1 The purpose of this report is to brief you on the background and scope of a Ministry of Fisheries policy initiative to improve the management of shared fisheries, and to seek your agreement on:
 - a) the scope of the initiative;
 - b) the process and timing for developing recommended policy; and
 - c) engagement with stakeholders including involvement of the Recreational Fishing Ministerial Advisory Committee (RFMAC).

Summary

- 2 New Zealand's inshore fisheries face competing demands from the commercial, recreational and customary fishing sectors. Adding value to these shared fisheries depends on (i) moving toward an optimal allocation of the available yield across the sectors; (ii) investment to enhance the value of each sector's share; and (iii) effective management to maintain each sector's take within its share.
- 3 The current legislative framework for setting and adjusting the allocation of the Total Allowable Catch (TAC) provides wide discretion to the Minister and does not explicitly require redress where adjustments are made in sectoral access. This leads to uncertainty about the future availability of fish to each sector, encouraging lobbying to achieve outcomes favourable to particular groups and critically undermining the ability to achieve a cooperative approach to the management of these fisheries. Uncertainty in allocation tends to undermine the incentives for sustainable behaviour by harvesters generally fostered by the Quota Management System (QMS) and inhibits commercial investment in inshore fisheries. High transaction costs and a limited range of statutory tools are impediments to efforts to enhance recreational fishing. Jointly these barriers represent a loss of potential value to New Zealand.
- 4 A revised policy framework for management of shared fisheries is necessary to:
 - a) increase certainty in processes to set, adjust, and manage the allocation of the TAC to each sector;

- b) ensure trade offs made between the values of different sectors are transparent and add overall value to the fishery; and
- c) give each sector opportunities and incentives to invest in enhancing the value of their share of the fishery.

Background

- 5 Shared fisheries are fisheries in which commercial, recreational, and Maori customary fishers all have significant interests and share the available catch. Most shared fisheries are inshore fisheries. The recreational sector and Maori customary sector are both non-commercial in that the fish cannot be taken for sale. Commercial and non-commercial interests in a shared fishery often seek qualitatively different values from the fishery, which means that conflicts inevitably arise. For instance, a fishery managed to maximise yield over time may meet the needs of the commercial sector, but it may not meet the needs and interests of non-commercial sectors who generally place a higher value on large fish size or high catch rates, rather than on overall yield.
- 6 Conflict characterises many of New Zealand's shared fisheries. Manifestations of the conflict are outlined below, from different perspectives, but the outcome is dissatisfaction, legal action, and lobbying. Legal action and lobbying, while a legitimate recourse for stakeholders, usually diverts Ministry and stakeholder resources away from fisheries management. It is damaging to relationships between the Ministry and stakeholders, and among competing stakeholder groups, causing significant impediments to cooperative planning for shared fisheries including agreement on management objectives for fisheries plans.
- 7 A key source of conflict is the uncertainty generated by the current legislative framework for setting and adjusting the allocation of the TAC. Section 21 of the Fisheries Act 1996 provides wide discretion for the Minister of Fisheries to allow for recreational and customary interests in the fishery when setting the Total Allowable Commercial Catch (TACC), and to change those allowances on an annual basis. Re-allocation within the TAC does not give rise to a requirement to consider redress. This framework leads to uncertainty about the future availability of fish to all sectors.
- 8 The Fisheries Act provides some flexibility to set the TAC to achieve a stock level at, or above, a level that can produce maximum sustainable yield ('Bmsy'), and the rate at which the desired stock level is achieved. The TAC (and biomass level) has impacts on the total yield and availability of fish, both of which are important to extractive sectors.
- 9 Conflict is also focused on the issue of whether the catches of the commercial and recreational sectors are contained within their allocations. On one hand, the management of recreational take is imprecise and based on limited information. Estimates of total catch and participation rates are difficult and expensive to obtain, and questions are raised by the industry about the efficacy of management restrictions such as bag limits when the basic facts about catch taken are not known. On the other hand, commercial catches are not strictly limited to the TACC by the QMS, and in some shared fisheries are regularly exceeded.
- 10 In combination these factors lead to specific spatial conflicts, tend to undermine the management system in vulnerable inshore fisheries, and discourage commercial

investment in general. Implementation of the Fisheries Plan framework is also likely to be hindered until these issues are addressed. As competing demands increase pressure on shared fisheries, the current allocation provisions are a key weakness in the management framework. In recognition of this weakness, the 2005/06 SOI requires the Ministry to provide you with a report, by 30 June 2006, assessing options to improve certainty around intersectoral allocation.

History of Policy Reform

- 11 In 1995 the fishing industry challenged the Minister's decisions in relation to management of the snapper 1 fishery (SNA1). Court findings in the SNA1 cases confirmed that the Minister had wide powers of discretion in deciding the allocation to each sector. In particular:¹
 - a) the requirement to 'allow for' the recreational interest is to be construed as meaning to 'allow for in whole or in part';
 - b) there is discretion to determine the nature and extent of any priority between recreational and commercial interests on a case by case basis; and
 - c) it is in the Minister's power to vary the ratio between commercial and recreational interests once an initial allocation has been made.
- 12 The court findings highlight the fact that, while commercial fishers hold fishing rights with well-defined characteristics, the Minister holds legal powers that can easily undermine the positive incentives created by those rights.
- 13 Since the SNA1 case, successive attempts have been made to resolve the uncertainty regarding allocation of the TAC in the context of reforms to improve recreational fisheries management. In 1997 the Ministry began working on options to address issues associated with interaction between recreational and commercial fishing. In 1998, the Ministry and the New Zealand Recreational Fishing Council established a joint working group that prepared *Soundings*. Released for discussion in July 2000, *Soundings* encompassed options to set proportional shares in key recreational fisheries, provide for coastal zones with preferential access for recreational fishers, and enable the establishment of recreational fisheries management groups. Some 62,000 submissions were received, with over 61,000 opposing the *Soundings* proposals and supporting an alternative proposed by Option4. Option4 sought recreational fishing priority over commercial fishing, no recreational licensing, ability to exclude commercial fishing from key areas, and development of long-term management plans. This outcome brought the *Soundings* process to a halt, but resulted in further processes, inclusive of Option4, to address allocation issues.
- 14 In the following three years, two further Ministerial consultative groups from the recreational sector were convened. Discussions were undertaken on the basis of objectives and constraints noted by Cabinet in November 2001 (Annex 1). Agreement was reached on the objectives for recreational fisheries management, on the need for reforms to spatial management tools, and on the development of an amateur fishing information strategy. However, no agreement was reached on the approach to better define the allocation of the TAC (i.e. section 21 of the Fisheries Act). Given the

¹ The 1995 SNA1 decision was made under section 28D of the Fisheries Act 1983. Section 21 of the Fisheries Act 1996 provides no further restriction on the Minister's powers of discretion in relation to allocating the TAC.

failure to reach agreement on a package, the reform process was abandoned by the Minister in December 2003. Only two operational initiatives proceeded: an increase in funding for surveys of recreational harvest and a review of key recreational fishing regulations.

- 15 When making the fisheries management decisions for the 2005/06 fishing year, the previous Minister of Fisheries indicated his intent to consider managing some species at a biomass level above Bmsy in order to improve access and availability for some species. This direction was reinforced in the Labour Party's Fisheries Policy, which sets out an intent to manage some recreational, or recreational and commercial species, above Bmsy. The Policy also suggests the need to assess the sustainability risks of managing all species at Bmsy, and give consideration to a more precautionary approach.

Problem description

- 16 The concerns in relation to current management of shared fisheries are described below from the perspectives of the different sectors.

Commercial Sector

- 17 The commercial sector is concerned about 'creeping encroachment' on its harvesting rights—for instance through reductions in the TACC in the absence of commensurate restrictions on recreational fishing or through the cumulative effect of spatial and gear restrictions. In essence, the problem highlighted in the SNA1 case remains—the Minister has discretion to reallocate access to resources from the commercial sector to the non-commercial sectors. Neither reallocations of the TAC nor restrictions of spatial access give rise to an obligation to provide compensation², a fact that both undermines investment confidence and threatens to invoke further litigation by the industry. The commercial sector is also concerned about the lack of monitoring and management to ensure recreational take corresponds to the sector's allowance.
- 18 Uncertainty over future access undermines incentives to conserve or enhance the fishery, to invest in research, or to cooperate with other sectors in fisheries management. It also weakens the asset value of the commercial harvesting rights. In general, the commercial sector would like to see the shares allocated to commercial and recreational sectors as fixed proportions of the TAC, and removal of the Minister's discretion to change the relative shares without compensation.

Recreational Sector

- 19 Broadly, the recreational sector is concerned about the ability of fisheries management decisions to deliver the values and attributes they are seeking—for instance to manage fisheries with a focus on catch rates and fish size, rather than overall yield, or to provide an explicit priority for non-commercial fishing when faced with competition from commercial fishing.

² Some spatial reallocation decisions, such as establishment of aquaculture management areas and mātaítai, have threshold tests to protect commercial interests.

- 20 The recreational view in contested shared fisheries is that commercial fishing has depleted certain key fisheries (such as snapper and kahawai) below levels that provide the recreational sector with reasonable catch rates and fish size. Where management decisions allocate the TAC based on the current distribution of catch, the recreational sector feels unfairly disadvantaged because its current catch rates reflect the impact of previous commercial fishing. In addition the recreational sector has expressed concern about the need to more strictly ensure that commercial catch of key species stays within the TACC.
- 21 The sector is concerned that policy initiatives to increase certainty in allocation of the TAC may not adequately recognise such historical inequities, or provide for future growth in demand or appropriate priority for recreational fishing.
- 22 Other recreational concerns focus on more specific access to fisheries, and these issues bring attention to the potential for improving the value obtained by the sector through finer scale management, including the further development of tools for spatial or seasonal separation of commercial and recreational fishing, or exclusion of particular fishing methods. The Ministry and its fishery management practices are generally focused on management at the level of Quota Management Areas or Fisheries Management Areas, but tools that enable finer scale management can address more localised problems.
- 23 In addition, there is growing recognition that Maori have a substantial interest in recreational fishing. Much, if not most, of their day-to-day non-commercial fishing is carried out under the amateur, rather than customary, fishing regulations. In this context, improvements in the management of recreational fisheries can contribute to Maori interests in fishing.

Customary Fishing

- 24 Under the Treaty of Waitangi (Fisheries Claims) Settlement Act 1992 the Crown has an obligation to recognise and provide for customary food gathering for non-commercial purposes. While there have been no specific court findings on this issue, the customary fishing regulations that derive from section 10 of the Settlement Act only limit customary take to the extent needed to ensure sustainability. Therefore the allowance for customary interests under section 21 of the Fisheries Act should reflect the full extent of customary non-commercial take.
- 25 Concerns that have been expressed over many years by the customary sector include the need and the means to ensure there is a priority for the extent of customary take in any allocation framework, and the ability to manage preferred fisheries in a way that reflects the needs of customary harvest. These needs centre on local availability, catch rates, and fish size. The currently available tools such as mātaimai are considered only a partial response, in that the general level of exploitation of a stock will affect availability of fish independently of local spatial management.

Key challenges

- 26 The Ministry works toward an overarching objective of maximising the value New Zealanders obtain from the sustainable use of fisheries resources and protection of the aquatic environment. To increase the value obtained from shared fisheries, we need

to ensure that a full range of tools is available, each sector has opportunities and incentives to add value to shared fisheries, and choices and trade-offs made between the values of different sectors are transparent and increase the overall value of the fishery. Therefore the fundamental concerns of each sector are relevant to increasing the value of shared fisheries.

27 In summary, our view is that the key challenges are:

- Increased certainty over allocation of the TAC is necessary to secure the benefits of the QMS. It would enhance the long-term security of access for the commercial sector, providing positive incentives for the industry to invest in resource enhancement, product innovation, and cooperative approaches to managing shared fisheries. Such investment is necessary for the fishing industry to contribute more effectively to the New Zealand economy. Among the many uncertainties inherent in fishing, this at least is one that may be addressed through policy change. Delivering greater certainty for the commercial share by necessity introduces constraints on the overall recreational share but is expected to provide a necessary baseline to foster cooperative approaches to fisheries management. There is also a need to address any ambiguity in relation to providing for the full extent of Maori customary take. Development of the existing TAC allocation provisions is necessary to both increase certainty and adequately provide for future adjustments.
- Setting the TAC, particularly in shared fisheries, in a manner that maximises the value across sectors. This requires consideration of uncertainty and appropriate catch rates and yield, given the circumstances and interests in each fishery.
- Management tools to enhance recreational fisheries (for instance managing stocks for abundance rather than yield, or providing for separation of commercial and recreational effort) are available under the Fisheries Act, but they are difficult to use and do not provide for redress where trade offs are necessary. Not surprisingly, efforts to use these tools are met with fierce resistance from the commercial sector. However, management tools should be available that create opportunities for greater value to be obtained from the recreational component of shared fisheries, especially within a given allocation of the TAC. If greater use is made of spatial management tools, there will be a need to increase monitoring of the commercial fleet, especially in inshore areas. The framework for using and enforcing management tools that enhance the recreational (and customary) interests in fisheries requires further development.
- In shared fisheries enhancing the values of one sector often means restricting the values of another sector. The processes to alter existing use rights to provide for other values should be fair and offer assurance that the change represents an increase in overall value. In making adjustments to the regime it will be important to consider current rights, the incentives they engender, and to consider impacts on the fisheries settlement with Maori, which has both commercial and non-commercial components.
- Credibility and integrity of the overall fisheries management regime depends, in part, on having (and applying) effective management measures to ensure the

commercial and recreational take are maintained within their allocations and do not exceed the total available catch. This is especially important in fully developed shared fisheries.

- Accurate and reliable information on catch is fundamental for effective fisheries management. Reporting requirements exist for commercial and some components of customary take, however information on recreational take is obtained through surveys. This information is expensive to obtain and of variable quality. Efforts made since the early 1990s to assess the participation rates for recreational fishing, and the resulting catch of the main species, have resulted in estimates of catch and participation that vary considerably. Recent funding for recreational fishing surveys is enhancing information. However it is essential that further consideration be given to tools and investment to improve the reliability, timeliness, and cost-effectiveness of information on recreational participation and harvest.

28 These issues are complex and controversial. Addressing them will result in substantial interest from stakeholders. It should be noted that the interests of Maori span all three harvesting sectors—commercial, recreational and customary.

Shared fisheries project

29 The Ministry recognises the need to develop tools and processes to improve the management of shared fisheries. We are seeking your views on the scope of the policy to be developed and the process to engage stakeholders. (This project will not deal with allocation between fisheries and other users of ocean resources, or with allocation to non-extractive users of fisheries. Both of these issues are expected to be addressed in the context of Oceans Policy.)

30 In general, the project objectives are to:

- a) identify and evaluate options consistent with the agreed scope and the constraints agreed by Cabinet in 2001;
- b) support legislative reforms to create an improved framework of tools and processes;
- c) establish any necessary transitional processes to move from the status quo to the application of the new framework; and
- d) prepare a Government policy statement setting out the overall objectives for management of shared fisheries, and describing how and when particular tools would be used to obtain better value from individual shared fisheries.

Project Scope

31 As noted above, the Ministry is required to provide you with a report, by 30 June 2006, assessing options to improve certainty around intersectoral allocation. The scope of the policy project could be limited to issues related to allocation of the TAC, or, alternatively, it could address the wider challenges in management of shared fisheries as summarised in the previous section.

32 The components of the two alternative project scopes are:

Scope A: Intersectoral allocation

Tools and processes to improve certainty around allocation of the TAC, including:

- a) setting, and adjusting, the customary, recreational and commercial shares of the TAC;
- b) enabling improvements in the collection of cost-effective and reliable information on recreational harvest; and
- c) managing commercial and recreational take within their allocation of the TAC.

Scope B: Management of shared fisheries

Tools and processes to improve management of shared fisheries, including:

- a) improving certainty in setting, and adjusting, the customary, recreational and commercial shares of the TAC;
- b) enabling improvements in the collection of cost-effective and reliable information on recreational harvest;
- c) managing commercial and recreational take within their allocation of the TAC;
- d) setting a TAC that considers the balance between catch rates and yield to maximise overall value; and
- e) enhancing the recreational and customary components of shared fisheries (through means such as managing for abundance, effort separation, and local depletion).

33 We recommend Scope B. Including tools to enhance management of recreational fishing is consistent with the Labour Party pre-election policy on fisheries, will provide more scope to address recreational concerns in shared fisheries, and should, when applied, enable more value to be created in shared fisheries. While increasing certainty in allocation of the TAC is likely to elicit value gains for the commercial sector and is critical for a cooperative approach to fisheries management, there is potential for greater gains and a more enduring outcome to be achieved by combining this with development and use of tools to enhance recreational fishing.

34 The policy project would develop a modified framework of processes and management tools for shared fisheries. The modified framework will be established, as appropriate, through legislative and operational reforms. The new tools would be used, generally through fisheries plans, to address issues on a fishery-by-fishery basis.

Process for policy development

35 We propose that the project proceed in two stages:

- policy development- to be completed by June 2007 and
- legislative reform – to be completed by May 2008. ✓

36 This is a tight timeframe, driven by the aim of enacting any necessary legislative change for likely contentious reforms within the term of the current Parliament. It is intended to progress these reforms in a package with other amendments to fisheries

legislation. The timeframe constrains the policy development and consultation processes, but if we build on previous detailed work and points of agreement over management options, the remaining differences may be resolvable within this period.

37 Key milestones for the project are:

- Dec 2005 – brief to Minister on project scope and process
- Jan 2006 – brief to Minister on scope of options
- June 2006 – public discussion paper on options approved for release by Cabinet
- July-Oct 2006 – Submissions period (4 months)
- Dec 2006 - summary of submissions prepared
- June 2007 – Cabinet paper on recommended reform
- Sept 2007 – Bill ready for introduction
- May 2008 – Reforms enacted (7 months for parliamentary stages)

38 If approved, the policy development stage will further refine the problem definition and canvass options for elements of the reform. Initial proposals for options will be reported to you by the end of January 2006. Our aim is to have a public discussion paper available by the end of June. Feedback would be sought through written submissions and meetings with key stakeholders in the period July to October 2006. The Ministry website will be used to keep stakeholders informed of developments, post any public documents, and receive submissions.

39 Given the controversy surrounding previous attempts to address these issues open communication with stakeholders is necessary to develop stakeholder, especially recreational stakeholder, trust in the project's process and aims. Stakeholders are already aware, informally, that work is being initiated in this area to meet our SOI requirements.

40 To avoid apprehension and mistrust, two communication initiatives are suggested for the immediate short-term:

- As suggested in brief S7173 of 7 December 2005, use the next available opportunity to engage the Recreational Fisheries Ministerial Advisory Committee (RFMAC) in discussion of the problem definition and approach to policy development. This would draw on their expertise early in the policy process and attempt to forge a degree of commitment to a positive result in the available timeframe. In addition to discussing the project scope and process with the RFMAC, officials would initiate meetings in February with key stakeholders such as Option4, Recreational Fishing Council, industry organisations, iwi forums and regional recreational forums.
- We suggest you send out a short letter to key stakeholders and Members of Parliament before the Christmas break. The letter (attached) signals the beginning of the policy development process, the project scope, and the forthcoming opportunities for input. The letter will give stakeholders an opportunity to think about and discuss their own views on the issues in advance of the February meetings and, importantly, will help manage expectations about what the Ministry is up to while everyone else is out fishing. The Ministry will also post the letter on our website and issue a low-key press release.

Conclusion

- 41 *Soundings* and the subsequent policy development processes canvassed a wide range of potential management tools for shared fisheries. However, these reforms processes focussed particularly on the concerns and objectives of the recreational sector. The benefits sought for other key stakeholders need to be expressly acknowledged. The current situation leads to considerable redirection of resources into conflict and creates contention and acrimony in relationships that impede constructive outcomes for fisheries management.
- 42 The shared fisheries project would build on previous policy development, recognise the legitimate concerns of recreational, customary, and commercial interests that emerged during those efforts, and address the issues raised with practical measures in recreational, customary, and commercial management.
- 43 This policy project will be contentious, but it is important. Uncertainty in allocation is probably the most important weakness in our regulatory framework for fisheries management. Reducing uncertainty is in the interest of the commercial, recreational and customary sectors. It is also in the interests of the Ministry and the Minister of Fisheries, as the current situation requires exhaustive advice over the full range of matters that are relevant to the broad discretion available to the Minister, every time an allocation decision is contemplated. Reform that reduces uncertainty for stakeholders will reduce the scope of discretion in routine adjustments to TACs while providing recourse to specified processes for adjusting allocations if required.
- 44 Reducing uncertainty in allocation is important to enable the fishing industry to contribute more effectively to growth and development in the New Zealand economy. However, the recreational sector is concerned that they may be disadvantaged by tighter specification of the allocation of the TAC. To overcome recreational resistance to change, some effort will be needed to address key issues they have raised. The most desirable approach would be to proceed with a package that offers tangible gains to all sector interests. In the end, however, progress may be reliant on some tough decisions by Government.
- 45 Using the project to create more effective tools to enhance recreational interests in fisheries will provide opportunities to address specific recreational (and customary) concerns and increases the scope for making necessary adjustments to secure increased certainty in allocation.

Recommendations

46 It is recommended that you:

- a) **Note** that uncertainty in the allocation of the TAC is of major concern to the fishing industry because it inhibits future planning, puts at risk financial commitments, and undermines incentives for sustainability, investment, and cooperation;
- b) **Note** that allocation uncertainty is also of concern to the recreational sector, and that improvement of management tools for recreational fishing has the potential to enhance the value of recreational fisheries to New Zealand;
- c) **Note** that under the 2005/06 SOI, the Ministry is required to provide you with a report, by 30 June 2006, assessing options to improve certainty around intersectoral allocation;
- d) **Confirm** that policy should not be inconsistent with the objectives and constraints noted by Cabinet in November 2001 (Annex 1);
- e) **Note** that previous attempts to reach agreement on a reform package including allocation of the TAC have been controversial and inconclusive;
- f) **Agree** that the scope of the policy initiative on management of shared fisheries should

~~EITHER~~ (Scope A)

i) only encompass options to increase certainty in the allocation of the TAC (as described in paragraph 30);

~~OR~~ (Scope B, Ministry preference)

ii) encompass options to increase certainty in the allocation of the TAC and options to provide better management tools for the recreational component of shared fisheries (as described in paragraph 30);

- g) **Agree** that the policy initiative will have two phases:
 - i) policy development (including preparation of a public discussion paper on options, consultation, and development of final policy advice), to be completed by June 2007;
 - ii) legislative reform (including preparation of a Government Bill, introduction, and select committee consideration), to be completed by May 2008;
- h) **Note** that the Ministry will provide you with a brief by the end of January 2006 outlining initial options to address the scope agreed in recommendation (f);
- i) **Note** that it would be useful to brief the RFMAC at their meeting in February on the scope of the shared fisheries project and the process for policy development; and
- j) **Note** that officials intend to initiate meetings with key stakeholders in February 2006 to brief them on the scope of the project, and seek their initial views on options to address the issues; and

- k) **Approve** for your signature the appropriate version of the attached letter to key stakeholders and Members of Parliament indicating that the project is commencing, its broad scope, and when there will be opportunity for input.



G T (Stan) Crothers
Acting Chief Executive

16/12/05

APPROVED/NOT APPROVED/APPROVED AS AMENDED



Hon Jim Anderton
Minister of Fisheries

20/12/2005

Encls

Two versions of letter to stakeholders for scope A or scope B.



Cabinet Finance, Infrastructure and Environment Committee

FIN Min (01) 28/4

Copy Number: 320

Minute of Decision

This document contains information for the New Zealand Cabinet. It must be treated in confidence and handled in accordance with any security classification, or other endorsement. The information can only be released, including under the Official Information Act 1982, by persons with the appropriate authority.

Recreational Fisheries Reform

On 14 November 2001, the Cabinet Finance, Infrastructure and Environment Committee:

- 1 **noted** that the first round of public consultation on recreational fisheries reform has been completed and the need for further work has been identified;
- 2 **noted** that all parties to the discussion following the public consultation agree that the following objectives of recreational fisheries management provide a basis for continuing the discussions:
 - 2.1 access to a reasonable share of inshore fishery resources equitably distributed between recreational fishers;
 - 2.2 improve, where practical, the quality of recreational fishing;
 - 2.3 increase public awareness and knowledge of the marine environment and the need for conservation of fishery resources;
 - 2.4 improve management of recreational fisheries;
 - 2.5 reduce conflict within and among fishery user groups;
 - 2.6 maintain current tourist fisheries and encourage the development of new operations where appropriate;
 - 2.7 prevent depletion of resources in areas where local communities are dependent on the sea as a source of food;
 - 2.8 provide more opportunities for recreational fishers to participate in the management of fisheries;
- 3 **noted** that the Minister of Fisheries has requested that the Ministry of Fisheries work closely with the recreational sector to develop a specific proposal for reform to enable implementation of the objectives outlined in paragraph 2 above, within the constraints of the current fisheries management environment which are to:
 - 3.1 avoid the undermining of the fisheries Deed of Settlement;
 - 3.2 recognise the legitimate rights of other fisheries stakeholders including the commercial and customary sectors;

- 3.3 operate within the fiscal constraints imposed by the Crown and the rules surrounding expenditure of public funds;
- 3.4 recognise the explicit consideration given to sustainability of fishstocks and the environmental principles of the Fisheries Act 1996;
- 3.5 be consistent with any outcomes of the Oceans Policy process and with the biodiversity strategy;
- 4 **agreed** that the Ministry of Fisheries develop and implement an information strategy to improve the nature and extent of information on the recreational harvest;
- 5 **invited** the Minister of Fisheries to report to the Cabinet Finance, Infrastructure and Environment Committee (FIN) on the outcome of further analysis and a recommended option for public consultation no later than 1 February 2003;
- 6 **agreed** that the Minister of Fisheries report back to FIN with the outcome of public consultation no later than 1 June 2003.



Hamish Finlay
Secretary

Reference: FIN (01) 216

Present:

Hon Jim Anderton (Chair)
Hon Steve Maharey
Hon Pete Hodgson
Hon Matt Robson
Hon Paul Swain
Hon Marian Hobbs
Hon Dover Samuels

Officials present from:

Department of the Prime Minister and Cabinet
Treasury

Copies to:

Cabinet Finance, Infrastructure and Environment Committee
Chief Executive, DPMC
Peter Martin, DPMC
Secretary to the Treasury
Director-General of Conservation
Chief Executive, Ministry of Fisheries
Director, Office of Tourism and Sport (Tourism)
Minister of Maori Affairs
Chief Executive, Te Puni Kokiri
Secretary for the Environment



Cabinet

CAB Min (01) 36/5

Minute of Decision

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Chair, Cabinet Finance, Infrastructure and Environment Committee

Copies to:

Prime Minister	Attorney-General
Minister for Arts, Culture and Heritage	Minister of Maori Affairs
Deputy Prime Minister	Minister for Land Information
Minister for Economic Development	Minister of Internal Affairs
Acting Minister of Customs	Minister of Defence
Minister of Finance	Minister of Tourism
Minister of Foreign Affairs and Trade	Minister of Commerce
Minister of Justice	Minister for the Environment
Minister of Health	Minister of Transport
Minister of Conservation	Minister of Youth Affairs
Minister of Local Government	Hon Judith Tizard
Minister of Agriculture	Minister for Disability Issues
Minister for Trade Negotiations	Hon Dover Samuels
Minister of State Services	Chief Parliamentary Counsel
Minister of Fisheries	Secretary, FIN

Report of the Cabinet Finance, Infrastructure and Environment Committee: Period Ended 23 November 2001

On 26 November 2001 Cabinet made the following decisions on the work of the Cabinet Finance, Infrastructure and Environment Committee for the period ended 23 November 2001.

Committee Minute	Title	Cabinet Decision
FIN Min (01) 28/1.1	Marine Reserves Act Review: Paper A: Overview	CONFIRMED
FIN Min (01) 28/1.2	Marine Reserves Act Review: Paper B: Purpose, Principles, Scope and Treaty	CONFIRMED
FIN Min (01) 28/1.3	Marine Reserves Act Review: Paper C: Process for Establishing Reserves	CONFIRMED
FIN Min (01) 28/1.4	Marine Reserves Act Review: Paper D: Management, Miscellaneous and Transitional Provisions	CONFIRMED

Committee Minute	Title	Cabinet Decision
FIN Min (01) 28/1.5	Marine Reserves Act Review: Paper E: Offences, Penalties and Powers	CONFIRMED
FIN Min (01) 28/2	Dairy Industry Act 1952: Exporter Registration and Control Regulations	CONFIRMED
FIN Min (01) 28/3.1-3.6	Aquaculture Reforms: Papers A - F	Separate Minutes: see CAB Min (01) 36/14.1 and 14.2
FIN Min (01) 28/4	Recreational Fisheries Reform	CONFIRMED
FIN Memo (01) 28/1	Extension of Report Back: Access to Telecommunications Services for People with Disabilities	CONFIRMED



Secretary of the Cabinet

Reference: CAB (01) 683

Attachment: Letter to key stakeholders

The attached draft letter is intended as a general notification to stakeholders of the commencement of the policy project. We suggest that it is mailed directly to key stakeholder groups from industry and the recreational sector, and to iwi, as well as all Members of Parliament. In addition the letter will be posted on the Ministry website and public attention drawn to it by way of a low-key press release.

The suggested distribution list is:

- NZ Recreational Fishing Council
- Big Game Fishing Council
- Option4
- Seafood Industry Council (SeaFIC)
- Te Ohu Kai Moana Trustee Limited
- Commercial Stakeholder Organisations
- Members of regional recreational forums
- Members of RFMAC
- Iwi
- Members of Parliament

Scope A version

POLICY DEVELOPMENT FOR SHARED FISHERIES

This note is to inform you that I have requested that the Ministry of Fisheries develop policy options to address the long-standing issues of concern over inter-sectoral allocation and management in shared fisheries. Shared fisheries are those where both commercial and non-commercial fishers have significant interests.

The new policy project will carry forward the extensive and valuable work carried out between 1998 and 2003 by former Ministers, the Ministry, and stakeholders. Lessons will be drawn from this experience concerning both process and the substantive issues raised, to positively address the concerns of all stakeholders. I want the Ministry to develop a management framework to reduce conflict between the sectors and to enhance the opportunities for all stakeholders to better realise the values they seek from use of New Zealand's fisheries resources.

The policy will encompass options to increase certainty in the allocation of the TAC in shared fisheries.

Process and Timeframe

Ministry staff will be initiating discussions with key stakeholder groups during February 2006, seeking comments on the main issues and suggestions on the most constructive ways to address them. The Ministry will then develop a public discussion document containing reasonable and practical options to address the issues of concern. All going well this document will be released in June, and submissions invited over the next four months. Following consideration of stakeholder feedback, I will consider the options for moving forward with my colleagues in Government.

These issues have proved contentious in the past and success in improving management for the benefit of all users will require good will and commitment to positive outcomes from all parties. I look forward to a positive interaction with all interested parties in 2006 as we proceed with the Shared Fisheries Policy Project.

Yours sincerely

Hon Jim Anderton
Minister of Fisheries

Scope B version

POLICY DEVELOPMENT FOR SHARED FISHERIES

This note is to inform you that I have requested that the Ministry of Fisheries develop policy options to address the long-standing issues of concern over inter-sectoral allocation and management in shared fisheries. Shared fisheries are those where both commercial and non-commercial fishers have significant interests.

The new policy project will carry forward the extensive and valuable work carried out between 1998 and 2003 by former Ministers, the Ministry, and stakeholders. Lessons will be drawn from this experience concerning both process and the substantive issues raised, to positively address the concerns of all stakeholders. I want the Ministry to develop a management framework to reduce conflict between the sectors and to enhance the opportunities for all stakeholders to better realise the values they seek from use of New Zealand's fisheries resources.

The policy will encompass the allocation of the TAC in shared fisheries, and the development of more accessible tools to enhance recreational management and outcomes for the customary component of shared fisheries.

Process and Timeframe

Ministry staff will be initiating discussions with key stakeholder groups during February 2006, seeking comments on the main issues and suggestions on the most constructive ways to address them. The Ministry will then develop a public discussion document containing reasonable and practical options to address the issues of concern. All going well this document will be released in June, and submissions invited over the next four months. Following consideration of stakeholder feedback, I will consider the options for moving forward with my colleagues in Government.

These issues have proved contentious in the past and success in improving management for the benefit of all users will require good will and commitment to positive outcomes from all parties. I look forward to a positive interaction with all interested parties in 2006 as we proceed with the Shared Fisheries Policy Project.

Yours sincerely

Hon Jim Anderton
Minister of Fisheries