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Submission: We do not support the FNZ options for the future management of Flatfish 1 (FLA 1). We propose an alternative package.

Recommendations

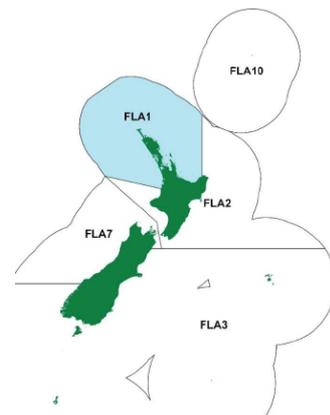
1. The Minister removes the headroom from overallocated Total Allowable Commercial Catches (TACCs) that fail to manage commercial harvest in any effective way. Fisheries New Zealand must include in their Final Advice Paper to the Minister a recommendation to achieve this outcome.
2. The Minister addresses long standing issues in the FLA 1 fishery that have caused conflict and localised depletion, which has had a detrimental effect on remote harbour communities.
3. In making his decision the Minister acknowledges the reality that the Quota Management System has not been effective at limiting flatfish catch or effort.
4. The Minister applies a staged approach to the sustainable management of FLA 1, including but not limited to the following package –
 - a. The TACC is set at the average FLA 1 commercial catch over the last 10 years, about 500 t. This will allow core fishers to remain viable and avoid the use of in-season adjustments which are inefficient and not suitable in areas where most of the catch is landed in spring and summer.
 - b. The FLA 1 Quota Management Area is split into five separate management areas. Splitting quota by area and obtaining agreement from the required proportion of quota holders will be easier with an adequate TACC.
 - c. Conduct a review of the FLA 1 fishery and establish new area based management with revised commercial catch data, CPUE analysis and recreational harvest estimates in three year's time.
5. FNZ advise the Minister in the Final Advice Paper that there is wide public support for local, high value fisheries that are well operated and managed, and able to supply quality product to the local community.
6. Fisheries New Zealand must develop a coherent policy on setting allowances for other fishing related mortality.

The submitters

7. The New Zealand Sport Fishing Council (NZSFC) appreciates the opportunity to submit on the proposals for the future management of Flatfish 1 (FLA 1). Fisheries New Zealand (FNZ) advice of consultation was received on 4 July, with submissions due by 27 July 2018.
8. The New Zealand Sport Fishing Council is a recognised national sports organisation with over 34,000 affiliated members from 56 clubs nationwide. The Council has initiated LegaSea to generate widespread awareness and support for the need to restore abundance in our inshore marine environment. Also, to broaden NZSFC involvement in marine management advocacy, research, education and alignment on behalf of our members and LegaSea supporters. www.legasea.co.nz. Together we are *'the submitters'*.
9. The submitters are committed to ensuring that sustainability measures and environmental management controls are designed and implemented to achieve the Purpose and Principles of the Fisheries Act 1996, including "maintaining the potential of fisheries resources to meet the reasonably foreseeable needs of future generations..." [s8(2)(a) Fisheries Act 1996]
10. The submitter's continue to object to FNZ's truncated consultation timetables. It has been impossible for us to consult with our constituents on the 17 various proposal papers issued by FNZ, and respond within 18 working days. In our view this timeframe does not allow for adequate consultation. It is particularly offensive for non-commercial organisations such as ours that need to consult with a range of interests and volunteers nationwide. This is unacceptable consultation and, in our opinion, most likely unlawful as per ss12 & 13 of the Fisheries Act 1996 and as judged by the Court of Appeal¹.
11. Our representatives are available to discuss this submission in more detail if required. We look forward to positive outcomes from these reviews and would like to be kept informed of future developments. Our contact is Helen Pastor, secretary@nzsportfishing.org.nz.

Background

12. Flatfish one (FLA 1) is a large Quota Management Area spanning the east and west coasts of the top half of the North Island. Most of the catch is taken by set net fishers working out of small boats in the harbours and Firth of Thames who are catching yellowbelly or sand flounder. The quota covers eight species of flounder, sole, brill and turbot. These combined species were introduced to the QMS in 1986 with a TACC of 1100 t, which increased to 1187 t (8%) following Quota Appeal Authority hearings.
13. Most flatfish are fast growing and short lived and abundance can vary from year to year. The initial TACC for FLA 1 was set at a level of the highest catches on record, to allow for increased catches of flatfish in years of higher abundance.
14. The TACC has never been fully caught in the last 31 years and there has been a long-term decline in commercial catches.



¹ International Airport Ltd and Air New Zealand (CA 23/92, 73/92[1993] 1 NZLR 671).

FNZ Proposals

15. Fisheries New Zealand (FNZ) propose significant cuts for the commercial TACC and recreational allowance in order to reduce overall harvest to estimates of current catch in Option 2, or in Option 3 to reduce the TACC 10% below the average catch for the last five years (Table 1).

Table 1: Proposed management settings in tonnes for FLA 1 from 1 October 2018

| Option | Total Allowable Catch (TAC) | Total Allowable Commercial Catch (TACC) | Allowances | | |
|--------------------------------|-----------------------------|---|-----------------|--------------|--|
| | | | Customary Māori | Recreational | All other mortality to the stock caused by fishing |
| Option 1 (<i>Status quo</i>) | 1762 | 1187 | 270 | 270 | 35 |
| Option 2 | 487 ↓ (72%) | 423 ↓ (64%) | 27 ↓ (90%) | 27 ↓ (90%) | 10 ↓ (71%) |
| Option 3 | 444 ↓ (75%) | 381 ↓ (68%) | 27 ↓ (90%) | 27 ↓ (90%) | 9 ↓ (74%) |

Submission

16. The submitters support removing the headroom from over allocated TACCs that fail to manage commercial harvest in any effective way. Flatfish is not the only species that was assumed to have highly variable recruitment and abundance and that had excessive quota tonnages set in the 1980s.
17. Most of the flatfish catch is taken by set net fishers in harbours and the Hauraki Gulf. These areas are monitored as discrete fisheries and most of the main target species are resident in each area. Some of the fishers are also resident and mainly fish locally, while others travel to fish where and when catch rates are best. There has been a longstanding problem in this fishery with a very large Quota Management Area, a surplus of cheap Annual Catch Entitlement (ACE), and a highly mobile set net fleet.
18. The Quota Management System (QMS) has not been effective at limiting flatfish catch or effort and it has created spatial conflict between resident fishers and the mobile commercial fleet, often referred to as “the mosquito fleet”. The risk of conflict can be mitigated by splitting the large QMA into 5 separate sub-stocks with their own TACC allocation.
19. The recreational and customary Maori fisheries for flatfish are long established and highly valued. There appears to have been a significant decline in recreational catch and fishing effort as catch rates declined. The results of the current 2017-18 National Panel Survey will show whether this trend has continued however, it may not tell all the story. Recreational and customary fishers in the Kaipara and Manukau Harbours have long argued that any increase in abundance is quickly mopped up by commercial effort. Commercial fishers are more mobile, fishing out areas and leaving few fish for the locals to sustain themselves. This is a particular concern for people in the upper reaches of the Kaipara where local fishing opportunities are limited. We don’t want a repeat of the situation in the 1990s where gunshots were fired however, those actions were a demonstration of how strongly some people feel about ensuring fish are available in their area.

20. There is no quantitative stock assessment that can assess the status of the flatfish stocks or predict the effect of limiting catch. There are too many species and discrete stocks for a typical stock assessment. Set net Catch Per Unit of Effort (CPUE) is not often accepted as a reliable index of abundance and there have been changes in net materials and some voluntary increases in mesh size since 1990 which are not taken into account in the CPUE analysis.
21. There has also been significant changes in harbour habitats, not just increased sedimentation but the spread of introduced species, particularly Pacific oysters and the Asian date mussels (*Arcuatula senhousia*). These changes appear to have reduced the habitat and catch rate for yellowbelly flounder, particularly in years with poor recruitment.
22. Flatfish and mullet are the primary target species for many of the commercial fishers involved. Their boats and equipment are not easily converted to other species.
23. The submitters are concerned that, given the nature of fishery, FNZ's proposals appear particularly heavy handed for an eight species assemblage with highly variable recruitment and poorly defined sustainability concerns. This is not a case like CRA 2 where a history of over exploitation led to a 60% reduction in the TACC because it was below the soft limit. Nor can the current proposals be compared to the current tarakihi consultation where a 59% reduction is proposed based on a quantitative stock assessment and the need to rebuild to a target biomass. **By comparison the 64% or 68% reduction proposed for FLA 1 seems to be excessive as the first stage in restructuring this fishery using a single blunt tool, the TACC.**
24. **The submitters do not support the use of the average of the last 5 years commercial catch in FLA 1 as the basis for TACC reductions** for a range of reasons including, but not limited to, the following –
 - a. The 64% reduction in FNZ's Option 2 is not based on any hard science and the effect on fishers may be greater than is warranted based on the sustainability risks for yellowbelly and sand flounder, which make up most of the catch.
 - b. Available quota will end up traded by speculators based on increased demand and higher prices. Furthermore, the ACE market does not function well when the TACC is close to fully caught.
 - c. If long-standing commercial flounder fishers are squeezed out then this will be another fishery sold off to the highest bidder seeking rent from hard working ACE fishers who shoulder all the risk for little reward.
 - d. Companies selling ACE may also require fishers to land their catch to that company, further reducing the ability of independent fishers to find the best price of their catch and removing the incentives to deliver the highest quality product.
25. The submitters support a staged approach to the sustainable management of this fishery by application of the following package of measures –
 - a. Setting the TACC at the average FLA 1 commercial catch over the last 10 years, about 500 t. This will allow core fishers to remain viable and avoid the use of in-season adjustments which are inefficient and not suitable in areas where most of the catch is landed in spring and summer.
 - b. Splitting the FLA 1 QMA into five separate management areas. Splitting quota by area thereby making the Minister's job easier in obtaining agreement from the required proportion of quota holders with an adequate TACC.
 - c. Reviewing the fishery and setting new area based management with revised

commercial catch data, Catch Per Unit of Effort (CPUE) analysis and recreational harvest estimates in three year's time.

26. FNZ must advise the Minister in the Final Advice Paper that there is wide public support for local, high value fisheries that are well operated and managed and able to supply quality product to the local community.
27. Fisheries New Zealand must develop a coherent policy on setting allowances for other fishing related mortality.

Footnote

28. Trying to manage a MSC certified hoki trawl fishery, and a shallow water set net fishery spanning several estuarine harbours, using the same output control levers is plain madness. The Quota Management System is a very blunt with an inflexible set of laws that causes more problems than it solves, and solving the FLA 1 problem of overallocation is not something it can resolve equitably.
29. Flatfish 1 is a fishery calling for an effort control regime, where permits are conditioned by effort limits. This practice is widespread and routinely used in Western Australia. The last 30 years of the QMS has proven that a species with wildly fluctuating and unpredictable recruitment is not suited to management by output controls alone. New Zealand can do better by our fisheries and our people.