



Office of Hon Nathan Guy

MP for Otaki

Minister for Primary Industries

Minister for Racing

B16-0162

Dear Stakeholder

Fisheries sustainability measures for 1 April 2016

This letter outlines my final decisions on the review of sustainability measures and other management controls for selected stocks that are managed with an April fishing year. My decisions on Total Allowable Catches (TACs), non-commercial allowances, Total Allowable Commercial Catches (TACCs) and deemed value rates come into effect on 1 April 2016.

In reaching my decisions, I have considered submissions received from tangata whenua and stakeholders on the initial proposals, final advice from the Ministry for Primary Industries (MPI) and the National Rock Lobster Management Group (on rock lobster stocks), and my relevant legislative obligations under the Fisheries Act 1996 (the Act).

The best available scientific and management information has shown the need to reduce the TACs and TACCs for the Wellington/Hawkes (CRA 4) rock lobster fishery and the Coromandel scallop fishery. This action will help to ensure continued sustainability of these stocks in response to observed decreases in abundance.

I have decided to increase the TAC and recreational allowance in the Canterbury/Marlborough (CRA 5) rock lobster fishery to reflect best available information that suggests recreational and amateur charter vessel take has increased in the fishery. I have also decided to retain the current TAC settings for the Southern (CRA 8) and Westland/Taranaki (CRA 9) rock lobster fisheries.

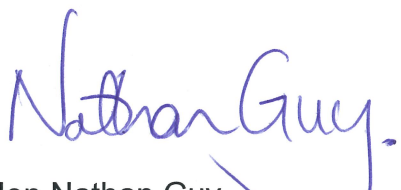
For four surf clam stocks at the top of the South Island, I have decided to increase the TACs and TACCs to increase utilisation opportunities for each stock while ensuring sustainability. New scientific survey information indicates these surf clam stocks are capable of supporting higher catch levels. In addition, I have decided to increase the allowances for customary, recreational and other sources of fishing-related mortality for each of these stocks, except for no change to the deepwater tuatua recreational allowance.

Finally, I have decided to increase the deemed value rates for two of the surf clam stocks at the top of the South Island (PDO 7 & SAE 7), and one sea cucumber stock (SCC 3), to encourage more regular balancing of commercial catch with available annual catch entitlement.

I would like to thank everyone who contributed to the review of fisheries sustainability measures for April 2016.

More detailed rationale for each of my decisions is attached to this letter and within the Decision Documents, which can be found on the MPI website at:
www.mpi.govt.nz/news-and-resources/consultations/review-of-fisheries-sustainability-measures-for-1-april-2016/

Yours sincerely

A handwritten signature in blue ink that reads "Nathan Guy". The signature is fluid and cursive, with a long horizontal stroke at the end.

Hon Nathan Guy
Minister for Primary Industries

Rock lobster

My decisions for rock lobster were guided by the National Rock Lobster Management Group (NRLMG), which acts as my primary advisor on rock lobster management matters. For each of my decisions, I also considered new stock assessment and/or the results from the operation of management procedures (“decision rules”).

The NRLMG provided me with carefully considered final advice that sought to balance utilisation with the continued sustainability of four rock lobster stocks. I acknowledge the good work of the NRLMG in striving to move or maintain the abundance of each rock lobster well above agreed reference levels. This management approach is sophisticated and provides for an ongoing range of customary, recreational and commercial benefits.

My decisions for four rock lobster stocks that were reviewed as part of the April 2016 sustainability round are provided below.

Stock		TAC (t)	TACC (t)	Allowances		
				Customary (t)	Recreational (t)	Other mortality (t)
CRA 4	Current	662	467	35	85	75
	New	592 ↓	397 ↓	35	85	75
CRA 5	Current	467	350	40	40	37
	New	514 ↑	350	40	87 ↑	37
CRA 8	Current: Retained	1053	962	30	33	28
CRA 9	Current: Retained	115.8	60.8	20	30	5

CRA 4 (Wellington/Hawkes Bay) rock lobster fishery

I have agreed to decrease the TAC for CRA 4 from 662 to 592 tonnes, and decrease the TACC from 467 to 397 tonnes. No changes will be made to the non-commercial allowances.

The 70 tonne decrease to the CRA 4 TAC and TACC was not formally consulted on – it stemmed from industry considerations during the consultation period. The results of the operation of the current CRA 4 management procedure recommended a 21 tonne decrease to the TAC and TACC. However, the CRA 4 industry has expressed concerns that the fishery is sliding into a decline and that meaningful action is needed now.

I congratulate the CRA 4 industry on recommending the larger TACC reduction and consider that this demonstrates the industry’s responsibility and desire to ensure the long-term sustainability of the fishery. The 70 tonne decrease, compared to a smaller decrease, provides the greatest opportunity for the CRA 4 stock to increase and provide for utilisation benefits for all sectors.

I understand that a new CRA 4 management procedure will be evaluated later this year. I encourage the industry and all other stakeholders to carefully consider a new procedure that recommends the right action when catch-per-unit-effort (CPUE) declines to lower levels.

CRA 5 (Canterbury/Marlborough) rock lobster fishery

I have agreed to use a new management procedure to guide the setting of the CRA 5 TAC for the next five years. Ongoing use of this new procedure is expected to maintain the CRA 5 stock well above agreed reference levels with very high probability. The 2015 CRA 5 stock assessment results suggested there were no sustainability concerns for the fishery.

Based on the use of this new CRA 5 management procedure, I have agreed to increase the TAC and recreational allowance by 47 tonnes. The increase to the allowance for recreational fishing interests reflects best available information that suggests recreational and amateur charter vessel take has increased in the fishery.

No changes will be made to the TACC or other non-commercial allowances. The 350 tonne TACC for CRA 5 has remained unchanged since 1999 despite there being opportunities for the industry to seek an increase. This reflects the industry's conservative approach to the use of the fishery so that catch stability and economic goals continue to be achieved.

I am aware of reports that the recreational rock lobster fishery, particularly in the Kaikoura area, is increasingly under pressure. I encourage tangata whenua and stakeholders with an interest in the CRA 5 fishery to engage in finding workable solutions in a way that is consistent with the newly released MPI Recreational Fishing Initiative. In line with this initiative, I wish to see further community engagement on the NRLMG proposals on recreational telson clipping and an accumulation limit in CRA 5, before these measures are considered for formal consultation. As noted by tangata whenua and some submitters, there is also an ongoing need for better information on recreational harvest levels to ensure effective management of the CRA 5 fishery.

CRA 8 (Southern) rock lobster fishery

I have agreed to use a new management procedure to guide the setting of the CRA 8 TAC for the next five years, which is expected to continue to maintain the stock well above reference levels. The CPUE information that is used in the new management procedure is unique to CRA 8 in that it reflects fish that were landed only. I consider that the use of this new CPUE is appropriate for this fishery due to the considerable amount of lobsters legally returned to the water.

The operation of the new CRA 8 management procedure for the April 2016 fishing year results in no changes to the TAC, allowances or TACC for CRA 8. No change is proposed to the customary or recreational allowances for CRA 8 because it is considered that they adequately allow for these interests at this time. The proposal to retain the CRA 8 TACC is based on the industry's preference to ensure that high levels of stock abundance continue so that the commercial goals of catch stability and enhanced economic performance are achieved.

The stock assessments for the CRA 7 (Otago) and CRA 8 fisheries were carried out as one assessment in 2015, because of the periodic movement of CRA 7 lobsters into CRA 8. This provided the opportunity to re-evaluate the current CRA 7 management procedure's performance to ensure it complies with my statutory obligations. As a consequence of this evaluation, I have agreed to use the current

CRA 7 management procedure for another five years (up until the 2020-21 April fishing year).

CRA 9 (Westland/Taranaki) rock lobster fishery

I have decided to retain the current TAC, allowances and TACC for the CRA 9 fishery. This is the second year in a row that I have decided not to be guided by the results of the current CRA 9 management procedure.

In 2015, I agreed to retain the current TAC for the CRA 9 fishery because of concerns expressed by the NRLMG that the CRA 9 management procedure may not be appropriate given the small amount of commercial fisheries information available to support its operation. In hindsight, the NRLMG now considers that moving to a management procedure approach for CRA 9 was not the right decision given the shortcomings in the available information to support its operation.

I am comfortable with not using the current CRA 9 management procedure as long as the NRLMG explores alternative management approaches for the fishery during 2016. I recommend that the NRLMG and the CRA 9 industry starts to discuss feasible options for the future management of the CRA 9 as soon as possible, and in conjunction with the Rock Lobster Fisheries Assessment Working Group.

Making no change to the CRA 9 catch limit in the short-term is unlikely to pose a sustainability risk; the size frequency distribution of commercial catches does not suggest a rock lobster stock under high fishing pressure.

Other comments

During consultation, it was proposed for the CRA 5 and CRA 8 rock lobster fisheries that the allowance for other sources of fishing-related mortality be decreased based on advice from MPI that the levels of estimated illegal take were lower in these fisheries. Under the Act, I am required to allow for all other mortality to a stock caused by fishing when setting any TACC. Therefore, I agree with the NRLMG proposal that the other mortality allowances are retained for CRA 5 and CRA 8 until an estimate of all other mortality (i.e. handling related mortality), in addition to illegal take, is calculated.

Coromandel scallops (SCA CS)

I have agreed to decrease the TAC for Coromandel scallops from 131 to 81 tonnes (meatweight), and decrease the TACC from 100 to 50 tonnes.

This decision recognises that the previous TAC increase from 48 to 131 tonnes in April 2013 was in response to the discovery of a large commercial scallop bed, and that this bed has now died off and is no longer fished. Aligning the TAC and TACC with recent performance in the fishery better meets my obligations under the Act and takes into account the absence of updated biomass information or a formalised management plan.

I acknowledge the industry-led controls that are currently operating in the fishery that support management of the commercial fishery by mitigating some of the risks associated with a higher TACC in a variable fishery such as scallops. I note the

development of a research and monitoring plan is a priority and support a multi-sector approach to the development of this plan.

No changes will be made to the non-commercial allowances. I understand that recreational fishing primarily occurs in areas closed to commercial fishers and no changes to scallop biomass in these recreational areas are evident.

Stock		TAC (t)	TACC (t)	Allowances		
				Customary (t)	Recreational (t)	Other mortality (t)
SCA CS	Current	131	100	10	10	11
	New	81 ↓	50 ↓	10	10	11

Surf clams – four stocks

I have agreed to increase the TACs and TACCs for four surf clam stocks in Quota Management Area 7 (QMA 7): deepwater tuatua (PDO 7), triangle shell (SAE 7), large trough shell (MMI 7), and ringed dosinia (DAN 7).

New survey information reviewed through MPI's science working group process indicates the levels of biomass for these four surf clam species in QMA 7 are capable of supporting higher catches, while ensuring sustainability. The TACC increases could result in an approximately \$3 million increase in annual commercial revenue.

I have also decided to increase the customary allowance to 5 tonnes for each stock, provide for a nominal 1 tonne recreational allowance for SAE 7, DAN 7 and MMI 7, and set an allowance of 5% of the TAC for each stock to account for other sources of fishing-related mortality.

I acknowledge that some members of the local community do not support the proposed TAC increases. This is mainly because of concerns about the loss of amenity values given the close proximity of commercial fishing to the shore. These issues are beyond the scope of my consideration as part of the April 2016 sustainability round. However, I encourage commercial fishers and the local community to work together to see if voluntary arrangements can be put in place to address these concerns. I am advised that fishing operators have already invited the community to work with them on these issues.

Stock		TAC (t)	TACC (t)	Allowances		
				Customary (t)	Recreational (t)	Other mortality (t)
PDO 7	Current	52	50	1	1	-
	New	200 ↑	184 ↑	5 ↑	1	10 ↑
SAE 7	Current	112	112	-	-	-
	New	235 ↑	217 ↑	5 ↑	1 ↑	12 ↑
MMI 7	Current	61	61	-	-	-
	New	144 ↑	131 ↑	5 ↑	1 ↑	7 ↑
DAN 7	Current	15	15	-	-	-
	New	133 ↑	120 ↑	5 ↑	1 ↑	7 ↑

Deemed value rates – three stocks

Deemed values incentivise commercial fishers to catch within their individual annual catch entitlements (ACE). Monthly shortfalls incur an interim deemed value, which are refunded if the fisher purchases ACE before the next monthly balancing date. At the end of the fishing year, any ACE shortfall relative to reported catch incurs the full annual deemed value.

For two surf clam stocks (PDO 7 & SAE 7) and one sea cucumber stock (SCC 3), I have decided to increase the deemed value rates across the board following new information on the port price for these stocks, and to increase interim deemed value rates from 50% to 90% of the annual deemed value rate (as shown in the table below). This change is expected to encourage more regular balancing throughout the year with ACE.

Stock	Current				New			
	Interim \$	Annual \$	Annual 200% \$	Differential	Interim	Annual \$	Annual 200% \$	Differential
SAE 7	0.51	1.02	2.04	Standard	4.50	5.00	10.00	Standard
PDO 7	0.72	1.44	2.88	Standard	4.50	5.00	10.00	Standard
SCC 3	1.80	2.00	8.00	Variable	13.50	15.00	30.00	Standard

MPI also considered a review of deemed value rates for Coromandel scallops (SCA CS), giant spider crab (GSC 5) and southern blue whiting (SBW 1). At this time, I have decided not to make changes to the deemed value rates for these stocks based on an analysis of relevant information.