

Summary of Decisions

NOTE: Please refer to the attached table for the details of changes in Total Allowable Catch (TAC) and Total Allowable Commercial Catch (TACC) for all fish stocks in this review.

Orange Roughy (ORH 3B) South and east Chatham Rise

"I have decided to reduce the limit by 1,050 tonnes or 9.5%, setting the TAC at 11,025 tonnes, and TACC at 10,500 tonnes.

"While I have decided that this modest reduction is acceptable for one year, I am completely dissatisfied with the information available to me with which to make a decision. In particular I am not convinced the stock assessment model is providing any real guidance or bears any resemblance to reality. I regard the 1,050 tonne reduction as a reasonable step for this year while we get a better handle on the fishery, but I am requesting scientists, managers and industry to do better.

"I am willing to limit the reduction to 1,050 tonnes this year on the understanding that better information will be available in time to make decisions next year. Scientists have recently given me information that presents a gloomy picture of this stock. However, before taking drastic action that will have significant economic consequences for the industry, I am willing for discussions to be had on innovative management solutions to address the steady decline of this fishery.

If the information from the scientists presents a more accurate view of the true status of the Chatham Rise orange roughy stock, then I will be considering a range of further management responses."

Orange Roughy (ORH 7B) Waters off central West Coast, South Island

"I have decided to effectively close the fishery, setting a 1 tonne TAC and TACC.

"I know this decision will not be welcomed by industry – they see this as Government acknowledging failure. I believe it demonstrates the reverse: that Government is willing to act decisively when required, to maintain the integrity of the fisheries management system. In every instance, I will act cautiously but deliberately with the information I have before me.

"In this particular case, the best information shows the stock is well below the sustainable target, indeed around 17% of original biomass, and there is nothing to suggest that it is improving. In the absence of evidence of a rebuild from the depleted state, I am taking firm action. I understand that the fishery this year shows better catch rates, shorter tows, and more effort on the aggregations, demonstrating that this fishery is changing. But that does not eliminate my concern over the state of this stock. I acknowledge there are likely to be immediate economic consequences, but I am determined to look after the long-term interests of the fish and ultimately the fishery. Such long-lived fish as orange roughy will not be lost as a result of the closure of this fishery, rather fish in the sea are fish in the bank."

Orange Roughy (ORH 1) Waters from Bay of Plenty, north to Cape Reinga, and west coast of the North Island

"I have decided to reduce the TAC by 38% to 914 tonnes and the TACC to 870 tonnes.

"Orange roughy is a slow growing, long-lived fish. It does not forgive mistakes – there are no second chances if we misjudge the state of the stock. There is no information on the size of the stock, or on the effect that fishing is having on it. I believe this requires me to take firm and precautionary action. I have balanced my desire to reduce the

sustainability risk with the very real and immediate economic consequences, noting that recent catches have been less than the current TACC. I wish to be as certain as I can that I have looked after the long-term interests of the fish and the fishery. I am not willing to wait for evidence of decline before I take action – as that is likely to be too late.

Hoki (HOK 1) All NZ waters, split between east and west

“I have decided to reduce the hoki TAC from 101,040 to 91,040 tonnes (10% reduction), and to set a TACC of 90,000 tonnes. I also request that industry limit their harvest from the western stock to 25,000 tonnes. This means an immediate reduction by nearly 50% from the western stock, which I believe is needed to rebuild this stock to its target level.

“The harvest of the eastern stock will increase by 5,000 tonnes, and I request that this additional fishing occur in the Cook Strait portion of the eastern stock, to protect the juvenile grounds on the Chatham Rise. I have suggested this measure to soften the immediate economic impacts of the reduction on the western fishery for this year.

“Equally important, I am raising the hoki deemed values (payment for fish caught above a fisher’s entitlement) to significantly reduce the chance that catch limits will be exceeded.

“I understand that this decision will not be welcomed by all of industry, given the likely economic consequences. However, I believe I need to ensure that there is a better chance that a rebuild will occur. I decided not to reduce the TAC and the TACC even further because of the reasonably severe economic consequences, balanced with the relatively small sustainability benefits for one year. I acknowledge that a more drastic reduction has been promoted by some within industry itself, but I believe I am acting in support of others within industry who would have been severely affected by such a cut.

“I have been advised that catch rates and volumes appear to be up this year. This is not evidence of a faster rebuild than expected, but it shows that improvements are possible. It would be a mistake to raise the TACC too quickly – we need more fish to ensure that the rebuild occurs, and this means not catching them. What the performance this year suggests is that, should the fishery rebuild to the target level, it will produce large fish in substantial aggregations, and once again provide a solid foundation for the New Zealand fishing industry.

Southern red cod fishery (RCO 3) Waters off the South Island’s east coast, including Foveaux Strait and Fiordland

“I have decided to set a TAC for the southern red cod fishery of 4930 tonnes and a TACC of 4,600 tonnes. This is down from a TACC of 12,396 tonnes or a reduction of 63%.

“This original TACC was set at historically high catch levels to enable fishers to take advantage of years with high red cod abundance. Since a peak in the fishery in the 1998-99 fishing year, landings have declined and this year’s catch is expected to be the lowest on record.

“In fact, all indicators show the fishery at a very low level with increasing implications for spawning and recruitment. Continued unconstrained fishing pressure could have serious consequences for the recovery of the fishery. Available information suggests this situation may not improve for two to three years. As such, it is apparent that at this juncture, the fishery probably requires constructive management of the remaining biomass.

“I am well aware that the lower the TAC the greater the economic impact on commercial fishers. However, given the sustainability and long term economic consequences of an

excessively high TAC, I am persuaded that there is a need to set a significantly reduced TAC reflecting current catches.

"I consider this to be a stepping stone in a conservative, risk averse rebuild of the fishery. I have noted that, if information warranted it, an in-season TAC increase would certainly be considered.

"I have indicated to officials that I would like the fishery monitored to see that this TAC is set at an appropriate level over the medium term to ensure these decisions actually constrain catches.

"I have also considered the TACC and allowances appropriate for this fishery and carefully weighed the competing demands of the different fishing interests. I believe it is appropriate that any reductions in commercial catches should also be supported by concurrent reductions in recreational effort.

"I agree that, as some recreational fishing submissions supported, a change in the recreational limit for southern red cod from 30 to 10 is warranted, given the lower recreational allowance set. I have directed officials to prepare advice to give regulatory effect to such a change.

Southern flatfish fishery (FLA 3) Waters off the South Island's east coast, including Foveaux Strait and Fiordland

"The current TACC in this fishery has never been fully caught. If the TACC was caught catches are unlikely to be sustainable.

"I acknowledge that there will be economic costs associated with the setting of this TAC, however, I am determined to set realistic TACs that are sustainable.

"The Act allows this fishery to have an in-season TAC adjustment in certain circumstances. I have instructed MFish to develop a responsive "decision rule" to provide flexibility to increase the TAC when flatfish become more abundant in the future.

"I have decided to set a TAC for the southern flatfish fishery of 1617 tonnes and a TACC of 1430 tonnes. This represents a 47% reduction from a TACC of 2681 (albeit one which has never been fully caught).

Squid (1T) All squid trawling, except waters around Auckland and Campbell Islands

"The options before me were to leave the catch limits where they were, increase by 20%, or increase by 30%. All submitters recommended that no changes be made, and I have agreed with this view.

Oreo (OEO 1) All NZ waters, except the east coast of the South Island and sub-Antarctic waters

"I have decided to reduce the catch limit by 50% to 2,500 tonnes. I am pleased that the industry supports this change in catch limits. I don't believe a more drastic cut was warranted at this time, but I remain concerned about ongoing poor levels of catch and I will continue to monitor the performance of the stock carefully.

North Island eels (SFE 20-23 and LFE 20-23) Stocks split into Northland, Waikato/Bay of Plenty, Hawkes Bay/Wellington and Taranaki/Rangitikei

"I want to bring about a clear improvement in the status of this eel fishery by 2014. I have decided to reduce catch limits to between 10 and 30 percent of the existing TAC for shortfin stocks, and between 35 to 48 percent of the existing TAC for longfin stocks.

Changes for all stocks have been made through reductions in commercial catch limits. The recreational and customary allowances remain unchanged for all stocks.

“Shortfin and longfin stocks of the North Island are held in high regard by non-commercial fishing interests. I believe that the expectations of customary and recreational fishing interests have not been met in recent decades, and the management strategy I have confirmed seeks to explicitly address this situation.”

Northern school shark (SCH 1) Waters off Bay of Plenty, Northland and Waikato

“I believe there is a utilisation opportunity in the fishery. I have therefore decided to set the TAC 27 tonnes higher than current catch levels which allows for an increase in catch by all sectors.

“While I am aware of the vulnerability of school shark to over-fishing, the relatively stable commercial landings in the fishery provides comfort that this increase in TAC will not raise any sustainability risk to the stock.”

Northern tarakihi (TAR 1) Waters off Bay of Plenty, Northland and Waikato

“I have agreed to a modest (4%) increase in total catch, split in proportion to current allowances for the commercial and non-commercial sectors. This means a 48 tonne increase in the TACC, an additional 17 tonnes to the recreational allowance and an additional 3 tonnes to the allowance for customary Māori fishing. However, it is important that non-commercial fishers understand that the daily bag limit for tarakihi remains unchanged at a 20fish mixed bag.”

Southern flatfish fishery (FLA 3) Waters off the South Island’s east coast, including Foveaux Strait and Fiordland

“The current TACC in this fishery has never been fully caught. If the TACC was caught catches are unlikely to be sustainable.

“I acknowledge that there will be economic costs associated with the setting of this TAC, however, I am determined to set realistic TACs that are sustainable.

“The Act allows this fishery to have an in-season TAC adjustment in certain circumstances. I have instructed MFish to develop a responsive ‘decision rule’ to provide flexibility to increase the TAC when flatfish become more abundant in the future.

“I have decided to set a TAC for the southern flatfish fishery of 1617 tonnes and a TACC of 1430 tonnes. This represents a 47% reduction from a TACC of 2681 tonnes (albeit one which has never been fully caught).”

Developing the Marlborough dredge oyster fishery (OYS 7C) Waters off Marlborough’s east coast

“The Marlborough dredge oyster quota owners invested in approved research to improve the information available to set the catch levels. Based on this new information, I have decided to raise the limit to 50 tonnes. This should allow the fishery to develop in a careful manner, so that fishing impacts on both stocks and the environment can be monitored.”

DEEMED VALUES

“Setting correct deemed values is as important to the sustainability of a fishery – and its economic value – as setting a proper TAC. I have therefore decided to make a number of changes across a whole range of fish stocks to better ensure that catch is balanced with a fisher’s Annual Catch Entitlement (ACE). I will not tolerate catch in a fishery significantly in excess of the available ACE in that fishery. My message is clear: ACE

should be used to balance catch, or fishers should change fishing practices to reduce or eliminate the harvest of stocks which you cannot balance with ACE.

“I know this will cause problems for some parts of the industry. But this was a change that was a long time coming.

“I am advised that there may be a tendency for some irresponsible fishers to try and avoid deemed values by discarding unwanted fish. This is unacceptable. Under the Fisheries Act, this is a criminal act. When caught, such fishers will be prosecuted and face large fines and potential forfeiture of quota and vessels. I expect that my deemed values decisions will influence where enforcement effort is applied. I have asked MFish to step up efforts to detect any possible illegal discarding. Project Protector vessels, and the existing helicopters and fixed-wing aircraft will be deployed to detect possible offending.

“This is the first time that deemed values are being set with guidance from the deemed value standard I approved earlier this year. I am pleased that the standards framework – a critical element of objectives based fisheries management - is being implemented at a practical level. A key element of this new framework is much more active monitoring and frequent adjustments. This means that the effects of these decisions will be evaluated and changes will be made where necessary.

“Deemed values should be charged a lot more rarely than they are now, and they should be for small and unexpected overruns above ACE holdings. **It does not matter** if fishers are deliberately continuing to target species over the ACE holdings, or have insufficient ACE to cover bycatch when harvesting a target species: in all cases, my obligation is to ensure that the incentive is to cover that catch with ACE.

“For example, I have decided to increase the hoki deemed value rates in response to the over-fishing that has occurred in the last two fishing seasons. At the end of the 2005-06 fishing year, \$2.7 million of deemed value invoices were issued. I do not consider this acceptable and it is evident that the current deemed value rate has been set too low. A more appropriate deemed value rate together with my hoki TACC decision, are the two key elements to improve the rebuild prospects for this stock.

“I have also decided to increase the deemed value rates for silver warehou (SWA3 and SWA4) in response to the over-fishing that has occurred in past fishing seasons. At the end of the 2005-06 fishing season \$2.86 million of deemed value invoices were issued in SWA3 and SWA4 combined. This is not acceptable. I recognise that some believe the TAC and TACC for these stocks are too low, and I agree that these should be reviewed. However, I am not willing to decide which TACCs are worthwhile defending through higher deemed values, and which we should allow to be exceeded by setting a low deemed value. There is an ongoing programme for reviewing TACCs.

“I am pleased that the process of setting deemed values has involved staff from the Seafood Industry Council and Te Ohu Kaimoana, and various other industry groups. The information used to set deemed values is complex and more involvement from industry can only assist in setting and monitoring the deemed value setting process in future.”

The full list of deemed value rates are available on the MFish website www.fish.govt.nz (click on Commercial at the top left of the homepage, then Quota Management System, then Deemed Values).

Other Regulatory measures to come into force on 1 October 2007

“I have recently announced a number of minor regulatory changes which come into effect on 1 October 2007. These changes were widely consulted on and will assist us in managing our fisheries sustainably.”

“I have introduced regulations introducing two new statutory reporting forms in the inshore lining and trawl fisheries. These new forms will be required to be completed by all vessels between 6 and 28 metres in overall length. These forms will give ‘high resolution information (haul by haul and latitude/longitude information) to the Ministry. I am convinced that this information will support accurate stock assessments and the sustainable management of inshore fisheries.

“I have made a number of regulatory changes to remove red-tape imposed on fishers and to allow more efficient delivery of services. For example I have supported regulatory changes to allow the Ministry to grant a temporary waiver of the requirement on licensed fish receivers to be audited annually. Current rules require annual audit reports to be filed even when there have been no changes to business systems or compliance risks.

‘Simple changes such as this remove unnecessary costs. I will continue to look for opportunities to remove unnecessary regulatory red tape.’

BACKGROUND INFORMATION

Orange Roughy (ORH 3B, 7B, 1)

Orange Roughy is a valuable commercial species – caught in deep waters from 800-1200 metres by bottom trawling. These fish are slow-growing, and long-lived. They are caught throughout the year, but the best catch rates are from June to early August, when they gather in dense groups to spawn.

The main orange roughy fisheries are on the Chatham Rise (ORH3B) and off the southeast North Island/northern South Island (ORH2A, 2B, 3A).

All orange roughy fisheries are managed towards producing the Maximum Sustainable Yield (MSY) of fish. Most of New Zealand’s orange roughy fisheries have had large reductions in catch over the years in an effort to achieve this.

Hoki (HOK 1)

Hoki is one of New Zealand’s biggest fish exports, and forms an important part of the catch for offshore trawlers in New Zealand waters.

Hoki is caught mainly by mid-water trawling during spawning in late winter. This happens off the South Island’s west coast and in Cook Strait. Outside this time, hoki is mainly caught by bottom trawl on the Chatham Rise and to a lesser extent in sub-Antarctic waters.

Although hoki grow reasonably quickly, they do not mature and join the adult spawning population until they are four to five years old. There was a phase during the mid to late 1990’s when fewer young hoki were produced. This meant a lot fewer adult fish were available over the last few years, so catch levels had to be reduced quite severely.

Oreo (OEO 1)

The Oreo fisheries are made up of black, smooth and spiky oreos. They are caught in deep waters by bottom-trawling and are most abundant between 600 and 1000m. Oreo is often a by-catch in the orange roughy fishery but is also a target fishery in its own right.

Oreos are slow-growing, late to mature and aggregate around underwater features. The most important oreo fishery is on the Chatham Rise (OEO 4).

Squid (1T)

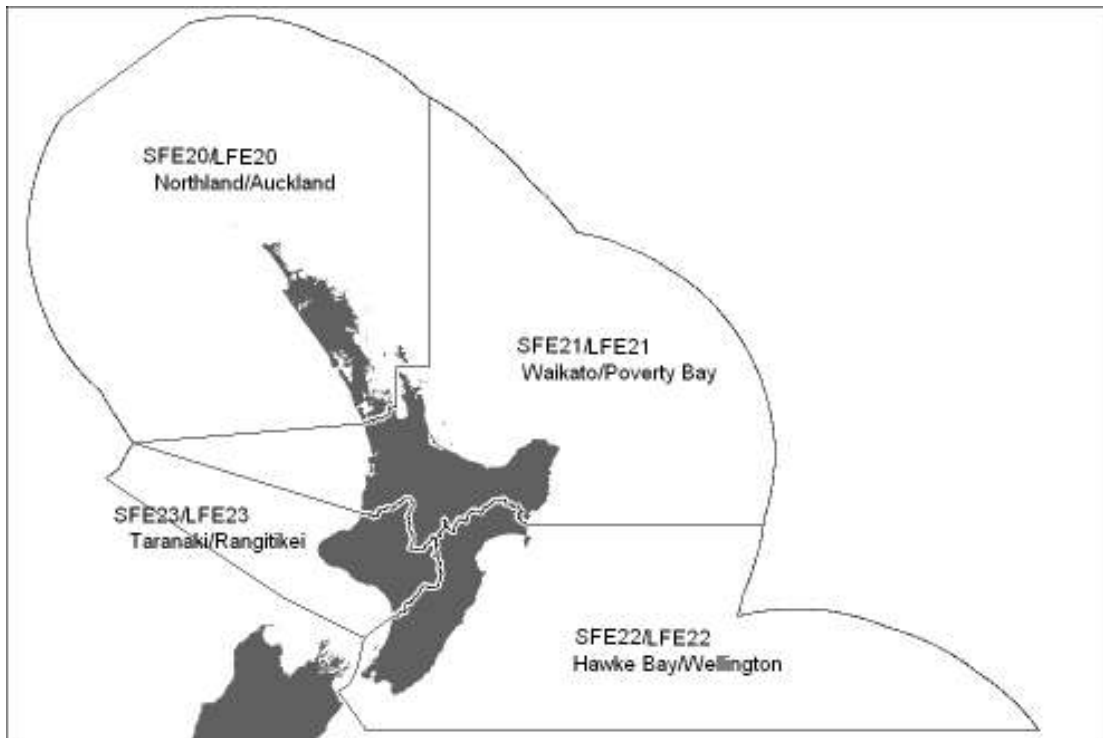
Arrow squid is another of New Zealand's largest fish exports. Arrow squid live for one year and die shortly after spawning. Their population varies widely year to year, based on hatching success and the numbers of juvenile squid reaching maturity, which is in turn influenced by natural conditions. As a result the catch can be highly variable year to year.

Squid are found at depths of up to 500m and are caught by trawling or jigging. Squid 1T is a trawl fishery. Most trawling occurs between December to May, with waters around the Snares Islands and Snares Shelf, south of New Zealand, contributing much of the catch.

It is very difficult to predict squid numbers year to year, so a conservative approach is taken with the opportunity for the Minister to increase the TACC within the fishing year, if squid are in high numbers. It is unknown how much squid customary and recreational fishers catch.

North Island eels (SFE 20-23 and LFE 20-23). See map below for stock boundaries
Maori consider freshwater eels a taonga species.

The North Island eel fishery comprises four shortfin and four longfin stocks. Following concerns about the status of the stocks, the fishery was brought into the Quota Management System in 2004.



The commercial catch limits have generally not been reached since this time and scientific information suggests the condition of the fishery has not improved.

Longfin catch is not considered to be sustainable for the longer term, and there is a need to rebuild both shortfin and longfin stocks. A more conservative approach to harvest is required.

Northern school shark (SCH 1)

In the north of the North Island, school shark are valued by customary, recreational and commercial fishers, particularly off the west coast.

Northern tarakihi (TAR 1)

Tarakihi is taken by both non-commercial and commercial fishers in this northern region. While we do not have a formal stock assessment for northern tarakihi, current information suggests that the stock is likely to be in good shape.

Commercial catches over the past decade have run an average of 5 percent above the catch limits set in the fishery. This has had no apparent detrimental effect on the fishery, which suggests catches at this level are likely to be sustainable.

Commercial fishers believe that there is scope for greater catches in this fishery and further research is planned over the next two years to build towards a full stock assessment to better determine sustainable yields.

Southern flatfish fishery (FLA 3)

Flatfish species include flounders, soles, brill and turbot (8 species altogether). Some flatfish are short-lived and have 'boom-and-bust' population cycles.

New Zealand's southern flatfish fishery is a large fishery in terms of area and importance to the south east trawl fishery, but MFish does not have a lot of research information on population numbers and character of the fishery. As it is a large fishery there are many regional differences.

Catches in the fishery have been low over the past five years. In some parts of the fishery, certain flatfish species numbers have reduced to the point where some recreational fishers find it difficult to catch them - sand flounder being an example of this.

These low catch rates may be due to environmental or climatic factors (e.g. water conditions or ocean temperature) that have affected spawning or juvenile growth, or it may be due to fishing pressure.

Whatever the reason, the lack of fish means catch limits should be reduced to ensure the population remains healthy.

Southern red cod fishery (RCO 3)

Red cod, or Akaroa cod as it sometimes is called, is an important east coast South Island coastal fishery.

Red cod are a short-lived species, and their spawning or juvenile growth is affected by ocean climate. Generally, cooler water during the spawning season results in more young red cod surviving than in warmer years.

Information from catches and a recent trawl survey show a significant drop in the numbers of red cod in the southern fishery. Commercial landings have fallen substantially since a peak in the 1998-99 fishing year; while recreational fishers feel that in some places these fish have become particularly difficult to catch.

In recent times, the ocean climate on the east coast South Island has remained consistently warm and there have been many consecutive years of poor recruitment. As a result of this, it is thought that commercial fishing pressure could reduce the adult spawning population of red cod to even lower levels.

A recent trawl survey suggests little likelihood of an improvement to this situation within the next 2-3 years. So it has become necessary to limit catch in the fishery.

Developing the Marlborough dredge oyster fishery (OYS 7C)

Marlborough dredge oysters were brought into New Zealand's Quota Management System in 2005, with an annual commercial catch limit of 2 tonnes.

This was an undeveloped fishery and, at the time of introduction into the QMS, the Ministry was limited to anecdotal information on oyster numbers there – hence the conservative catch limit. However, such a low limit has made the fishery uneconomic.

The Marlborough dredge oyster quota owners invested in approved research to improve the information available to set the catch levels.