

Outcome Contribution

OUTCOME 1: MAXIMISE CURRENT BENEFITS FROM THE USE OF FISHERIES

Fisheries provide a range of benefits from a variety of uses, including customary, recreational, aquaculture and commercial catch as well as non-extractive uses. The Ministry has an important role in ensuring benefits across these uses is maximised, without compromising future benefits and the capacity and integrity of the environment. This involves ensuring:

- > the management framework and rules enable the different sectors to access fisheries; and
- > improved industry performance is achieved through sustained and improved market access.

Stock sustainability underpins both current and future benefits. What the Ministry does to ensure stock sustainability is discussed in more detail under Outcome 2.

Management framework and rules enable access to fisheries

Each year the Ministry provides advice to the Minister on the setting and allocation of Total Allowable Catches (TACs) for stocks in the Quota Management System (QMS).

From the TAC an allowance is made to provide for customary uses, recreational fishing and all other fishing-related mortality. It is only after this that the balance is made available to the commercial sector as the Total Allowable Commercial Catch (TACC). This is the total amount of each fish stock the fishing industry can catch for that year.

The Ministry also uses regulations and spatial allocation tools where appropriate to manage tradeoffs between uses and to balance use with environmental considerations.

Demonstrating success

Ensuring Access

In 2010/11, the Ministry provided advice to the Minister on sustainable catch limits and sector allocations for 24 fish stocks including important commercial and non-commercial species such as lobster, hoki, orange roughy, hāpuka bass and kahawai.

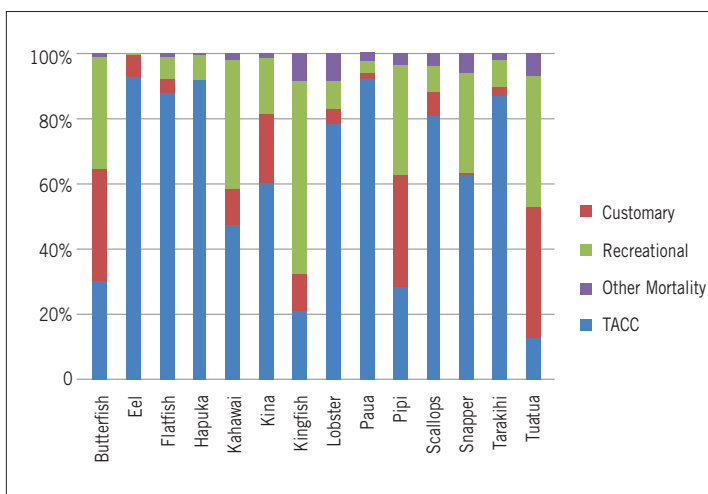


Figure 3: Sector allocations in key inshore fisheries for 2010/11.

Deepwater Fisheries

For key commercial deepwater fisheries, the focus of advice is on setting catch limits that ensure the long-term health of the fish stocks and enable industry to maximise benefit from the sustainable use of the stocks.

An example of this approach is the management of the hoki fishery over the past decade. The number of juvenile hoki entering the fishery declined in the early 2000s resulting in a decrease in stock biomass. In response, the Ministry made large reductions in catch limits that have helped rebuild the stock above target levels. Although this responsive management came at a financial cost to the industry in the short-term, it has meant that, over each of the past four years, the catch limit for hoki has steadily increased from 90 000 tonnes to the current catch limit of 130 000 tonnes. This additional 40 000 tonnes of hoki has an export value of approximately \$64 million.

Managing Access to Inshore Fisheries

For important shared fisheries like kahawai and rock lobster, the focus is on setting catch limits that ensure long-term health, providing for use by all fishing sectors and supporting maximisation of overall benefits from New Zealand fisheries. For example, the northern kahawai fishery is large and most

highly valued by recreational fishers. In this fishery, catch limits have been set this year in a way that will enable the stock to grow to a size able to provide for good recreational fishing experiences.

Non-commercial Sector Benefits

Customary Fisheries – Rolling out the Customary Fishing Regulations

The Ministry of Fisheries works with iwi and hapū to ensure they are able to realise their expectations from the allocation for customary use. For customary fishing, we have a target of 75 percent of the North Island coastline being managed under customary fishing regulations by 2014 and 95 percent of the South Island by 2012. As a result, an increasing number of hapū and iwi are now managing their customary fisheries under the customary fishing regulations (Figure 4).

Twenty mātaimai reserves have now been established since the customary fishing regulations were created in 1998. Four temporary measures were put in place in 2010/11 to manage localised depletion in Kaikoura-Wakatū Quay, Umupuia Beach, Maunganui Bay and Marsden Bank.

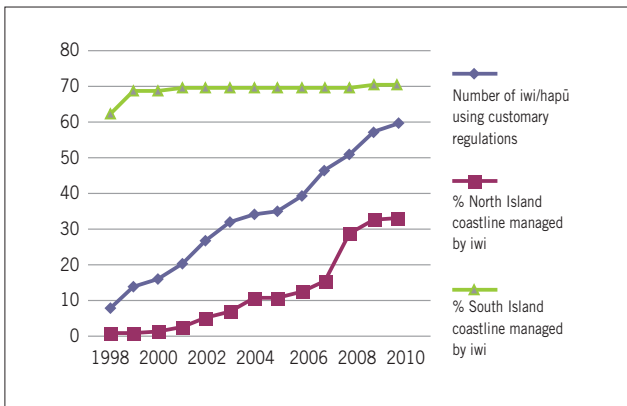


Figure 4: Take up of customary fishing regulations.

Recreational Fisheries

Recreational fishing is important for New Zealanders; more than one in five New Zealanders go fishing each year. The Ministry provides advice to the Minister on catch and size limits, and method restrictions, to ensure the recreational allowance is effectively managed so that recreational fishers are able to maximise the benefits they are seeking.

One example of this in 2010/11 was the Marlborough Sounds blue cod fishery. This is an important fishery that was closed in 2008 because of concerns about local depletion of blue cod. The Ministry supported a recreational stakeholder group to generate ideas on future management

options for the fishery, which provided a foundation for consultation with the public and advice to the Minister. The Marlborough Sounds blue cod fishery was reopened on 1 April 2011 with a set of new rules to manage recreational fishing effort sustainably. The Ministry supported the reopening with education and compliance services.

Improved Industry Performance

Demonstrating success

Economic Performance

Export Value

Total seafood export value has increased by 22.9 percent between June 2005 and June 2011. This increase in value reflects the general increase in the world price for food commodities (including seafood). The increase in world prices is being driven by increased demand from emerging economies such as China and India.

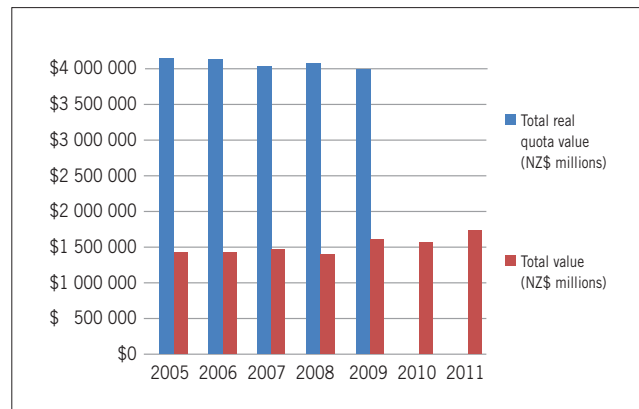


Figure 5: Total seafood export value and total real quota value, from New Zealand Seafood Industry Council based on Statistics New Zealand data.

Quota Value

There has been a slight decrease in Total Real Quota Value (-4.0 percent) between 2005 and 2009. Total Real Quota Value is the value after the impact of inflation is removed.³ The last Fish Monetary Stock Account, which provides data on quota value, was produced in 2009 and there currently is no data for 2010.

The sustainability of fish stocks and the broader integrity of the fisheries management regime underpin quota value. The importance of this increases as other countries' fisheries continue to decline and demand for sustainably managed fish grows. An increase in quota value is expected as a result

³ Using the gross national expenditure or GNE price deflator produced by Statistics New Zealand.

of ongoing work to ensure the sustainability and integrity of New Zealand's fisheries, reduce regulatory burden and support innovation and market access.

Aquaculture Export Value

Aquaculture export value increased by 49.7 percent between June 2005 and June 2011 while aquaculture export volume only increased by 18.8 percent.

The increase in aquaculture export volume has been constrained by the aquaculture regulatory regime. Ministry-led aquaculture reforms will result in new space coming on stream and existing farms converting to higher-value species (see Outcome 2). These reforms, alongside major government-industry investment in research and innovation, should see major improvements in aquaculture performance in the near future.

The Ministry has also continued to support MFAT in negotiating Free Trade Agreements to ensure our fisheries interests are properly represented. These have the potential to significantly enhance export returns from New Zealand's fisheries resources by improving access to new, developing and existing markets through reduction in tariffs and other barriers.

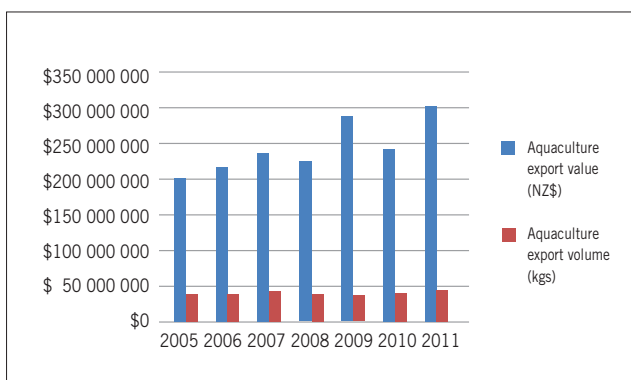


Figure 6: Aquaculture export volume and export value.

Market Access

The work of the Ministry to support international market access is very important for ensuring the sustainability of the seafood export market. The Ministry takes a proactive approach, working closely with the Ministry of Foreign Affairs and Trade (MFAT) and industry, to engage with governments, retailers, consumer groups, international scientists, NGOs, and others to defend and promote New Zealand's seafood industry.

For example, when the European Union (EU) brought in regulations that required every fish taken into Europe to be certified as being caught legally, the Ministry worked with the EU to maintain access for New Zealand products to this important market – the EU is the third largest direct market for New Zealand seafood exports.

■ OUTCOME 2: MAXIMISE FUTURE BENEFITS FROM THE USE OF FISHERIES

The sustainable management of fish stocks underpins all uses of fisheries, today and in the future. This outcome focuses on what the Ministry needs to do to ensure the integrity of the fisheries management regime – domestically and internationally – to maximise future benefits from the use of fisheries resources and enable the sector to take advantage of new opportunities. The Ministry achieves this in four ways:

- > maintaining the health of fish stocks;
- > removing unnecessary barriers to benefits being realised;
- > facilitating commercial development opportunities; and
- > contributing to the integrity of the global fisheries management regime.

Maintaining the Health of Fish Stocks

The Harvest Strategy Standard (HSS) is the Ministry's principal tool for sustainably managing fishstocks in the QMS. The HSS requires that target and limit biological reference points be set for all QMS fishstocks but is flexible about the means by which this is achieved. The HSS consists of four key measures:

- > A soft limit, below which a stock is considered “overfished” or depleted, triggering a requirement for a formal, time-constrained rebuilding plan.
- > A hard limit, below which a stock is considered collapsed, triggering consideration of a fisheries closure.
- > An overfishing threshold, above which the rate of extraction is considered to be too high.
- > A specified management target about which a fishery or stock should fluctuate.

Fisheries Plans and/or Annual Operational Plans incorporate the core elements of the Harvest Strategy Standard and specify the objectives that are to be achieved.

Demonstrating Success

Fisheries Assessment Working Groups assess the status of New Zealand's fish stocks based on the results of the Ministry's scientific research, combined with catch reports and data from the observer programme. Fish stocks are evaluated against the four HSS measures.

These assessments are summarised in two annual Fisheries Plenary Reports.

Stock Status

There are currently 636 stocks in the QMS. However, 286 stocks are considered to be “nominal” stocks (fish stocks for which a significant commercial or non-commercial potential has not yet been demonstrated).

Although stocks of known status represent less than half of the remaining 350 stocks, they account for 66 percent of the total landings by weight and value⁴ and represent most of the main commercial fish species.

The number of stocks with enough information to assess their status relative to the soft limit has increased to 127, up from 105 a year ago. Of these, 85.0 percent were considered to be above the soft limit (Figure 7).

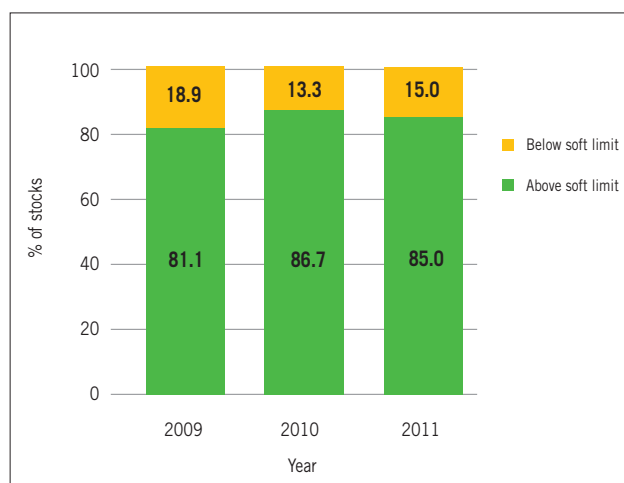


Figure 7: Percentage of stocks above and below soft limit.

The number of stocks evaluated relative to the hard limit was 164, up from 146 a year ago. Of these, 93.9 percent were above the hard limit (Figure 8).

The number of stocks evaluated relative to the overfishing threshold was 103, up from 89 a year ago. Of these, 78.6 percent were below the threshold (Figure 9).

⁴ This excludes squid, which has a life cycle that is not amenable to management relative to maximum sustainable yield benchmarks.

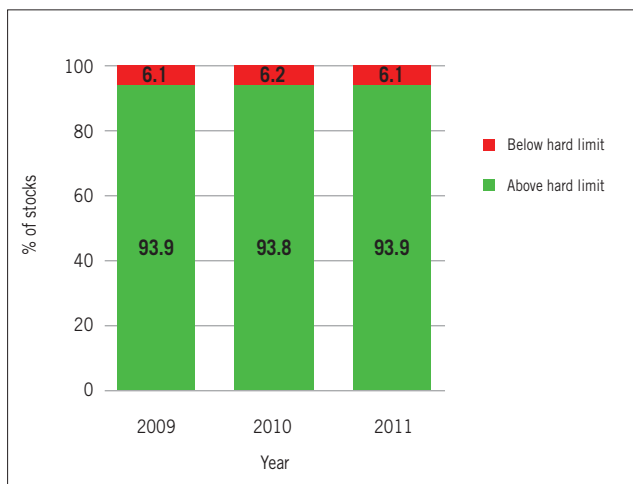


Figure 8: Percentage of stocks above and below the hard limit.

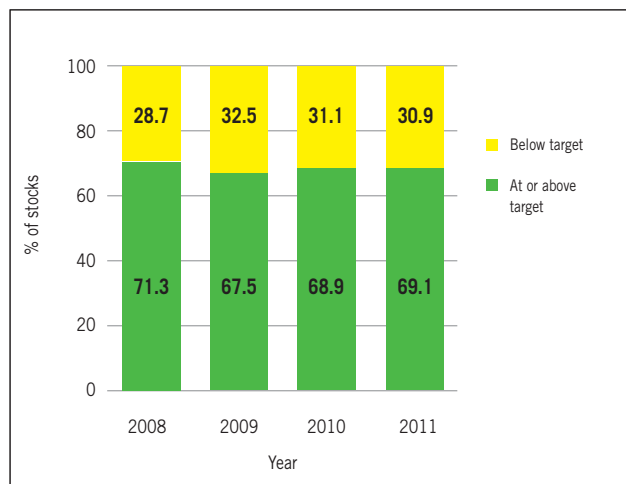


Figure 10: Percentage of stocks at or above and below the management target.

The number of stocks evaluated relative to the management target was 123, up from 119 a year ago. Of these, 69.1 percent were above the target (Figure 10). However, just because a stock is below its management target it does not mean the stock is being fished unsustainably as fish stocks are expected to fluctuate around their targets. More important indicators are the numbers of stocks below biomass limits and rates of overfishing.

Managing At-risk Fish Stocks

The 19 stocks considered to be below the soft limit are:

- > southern bluefin tuna (a highly migratory species over which New Zealand has limited influence);
- > three stocks of black cardinalfish;
- > five stocks of bluenose;
- > six stocks or sub-stocks of orange roughy; and
- > one stock or sub-stock each of rock lobster, scallop, snapper and rig.

Ten of these 19 stocks were also considered to be below the hard limit.

In all cases where fisheries are below the soft or hard limit, corrective management action has been, or is being, put in place to rebuild the stocks.

For example, fisheries on three previously collapsed orange roughy stocks were closed to maximise the rate of rebuilding. Two of these have since been reopened. A sixth consecutive year of TACC reductions has been implemented for the main Chatham Rise orange roughy stock. A TACC reduction has also been implemented for orange roughy on the Mid-East Coast for 2011. In 2010, the industry Deep Water Group voluntarily agreed not to fish for orange roughy on the northwest Chatham Rise.

The Tasman Bay scallop fishery has been closed by the fishing industry to commercial fishing since 2006. Bluenose stocks were identified as being in need of rebuilding in May 2008, and TACCs have subsequently been reduced with

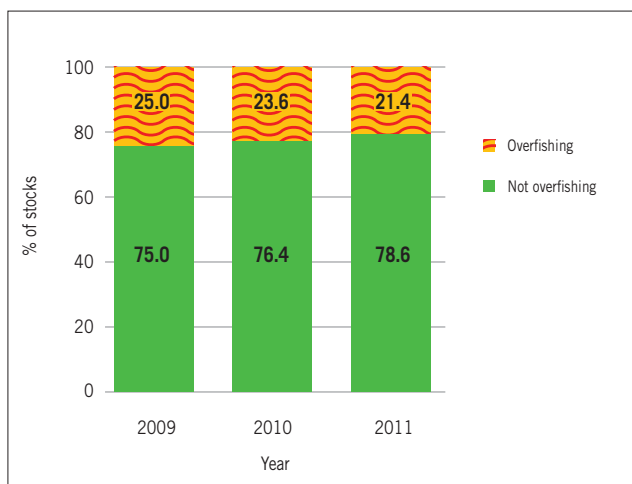


Figure 9: Percentage of stocks above and below the overfishing threshold.

further reductions implemented for 2011. Staged TACC reductions have been adopted for black cardinalfish. The TACC for one rock lobster stock was reduced in April 2010.

International Context

The overall status of New Zealand's fish stocks compares favourably with the rest of the world. For example, in the USA, which has one of the most extensive research, monitoring and fish stock assessment programmes in the world (and defines "overfished" in much the same way as New Zealand), the most recent information indicates that 23 percent of stocks of known status are overfished. The comparable figure for New Zealand is 15 percent (noting that corrective actions have been, or are being, taken to rebuild the stocks).

Fisheries Information

Good fisheries management is underpinned by robust scientific research and assessments of the abundance of fish stocks and the health of the environment that supports them. During 2010/11, the Ministry commissioned \$18 million for fisheries research projects.

The new collaborative 10-year "Deepwater Fisheries Research Programme" will deliver more comprehensive and consistent information including research into stock assessment and the aquatic environment.

The Ministry has also made significant progress on improving the information it collects on recreational catch, with the completion of the design and, from July, implementation of the largest study into recreational fishing in a decade. In addition, amateur fishing charter vessel operators have, since November 2010, been reporting their fishing activity. Information provided includes the volumes of some high-value species, such as bluefin tuna, kingfish, blue cod, hāpuku and rock lobster caught by their customers.

Removing Unnecessary Barriers

Demonstrating Success

The Ministry aims to provide greater precision and less ambiguity in the law, resulting in greater certainty for stakeholders as they seek to maximise value from New Zealand's fisheries resources.

Aquaculture Reform

The Aquaculture Bill was passed on 16 August 2011 and comes into force on 1 October 2011.

The new law will reduce costs, delays and uncertainty with aquaculture regulatory processes, promote investment in aquaculture development and enable more integrated decision making within the coastal marine area. It allows additional water space to be made available and provides flexibility for farms to convert to higher-value species. The new law also allows decisions to be made on applications for new marine farms that have been held in limbo for many years. This will help increase investment and regional employment while protecting the coastal environment.

Towards the end of 2010, a specialist Aquaculture Unit was established within the Ministry to be the Government's principal adviser on aquaculture matters, develop a National Aquaculture Strategy and Action Plan, and lead implementation.

Better and Less Regulation

The Ministry has continued its work on the Government's Better and Less Regulation reform programme. The Ministry's focus is to ensure that its regulatory activity is effective, well prioritised and supports the Government's economic and sustainability outcomes in Fisheries 2030. The 2010/11 regulatory plan represents a 13 percent reduction in overall regulatory proposals as compared with the 2009/10. The Ministry is also consolidating its recreational and commercial fishing regulations into two sets of regulations and revoking 12 sets of commercial and seven sets of recreational regulations.

Facilitating New Commercial Opportunities

Demonstrating Success

Primary Growth Partnership

The Ministry has been working with the seafood industry on two major innovative Primary Growth Partnership projects: New Generation Shellfish and Precision Harvesting. These projects will receive funding of \$26.1 and \$26.3 million respectively over the next six to seven years and will result in improved sustainability of broodstock and fish stocks, improved productivity and enhanced environmental performance.

These programmes are based on smart innovations and demonstrate the value of Government partnering with New Zealand industries to drive better economic performance and growth. They will also deliver significant economic growth for the seafood sector by supplying markets with high-value seafood products. Once completed and fully

commercialised, it is expected that these projects combined will generate an additional \$330 million in revenue each year (representing a 20 percent increase on current revenue).

Contributing to Global Fisheries Management

Demonstrating Success

Pacific Island Country Capability Development

The Ministry's involvement in building the fisheries management capacity and capability of Pacific Island countries is expected to lead to improved outcomes. This is a priority objective for the Government. In February 2011, the Ministry of Fisheries and the Ministry of Foreign Affairs and Trade signed a memorandum of understanding to deliver a whole-of-government approach to meeting this priority. This provides the framework for a number of initiatives to support Pacific Island countries' fisheries management and development.

Regional Fisheries Management Organisations

The Ministry particularly works to strengthen the performance of the Regional Fisheries Management Organisations (RFMOs) to which New Zealand is party, primarily the South Pacific Regional Fisheries Management Organisation (SPRFMO), Commission for the Conservation of Southern Bluefin Tuna (CCSBT) and the Western and Central Pacific Fisheries Commission (WCPFC). This involves taking an active role in processes to improve scientific assessments of stock status, governance arrangements and compliance with conservation and management measures.

OUTCOME 3: BETTER MANAGE THE ADVERSE IMPACTS OF FISHING ON THE AQUATIC ENVIRONMENT

Fishing can have an impact on the natural environment and the seabirds, marine mammals, fish and other marine life in the seas surrounding New Zealand. The Ministry is responsible for managing these impacts under the Fisheries Act 1996. The Ministry works with tangata whenua, stakeholders and other government agencies to minimise negative effects on environment by ensuring:

- > fishing interactions with protected species are managed to any limits set;
- > risks to biodiversity/ecosystems/habitats from fishing are managed; and
- > fisheries decisions are enhanced through improved understanding of the aquatic environment;
- > fish stocks below soft and hard limits have measures in place to rebuild them (see Outcome 2).

Fishing Interactions are Managed to Set Limits

Demonstrating Success

New Zealand Sea Lions and the Squid Fishery

Each year, the Ministry advises the Minister of Fisheries and Aquaculture on options for the number of sea lions that can be killed that year before the squid fishery is closed. The Minister sets a Fishing Related Mortality Limit (FRML), which balances the need to use the squid resource against the need to protect the sea lion population from unacceptable risk.

No captures were observed in 2010/11. The FRML has not been reached in the past five years.

TABLE 1: SEA LION CAPTURES AND FISHING RELATED MORTALITY LIMITS SINCE 2006/07

Year	% observer coverage	Observed captures	Estimated captures	FRML
2006-07	41	7	56	93
2007-08	47	5	46	81
2008-09	39	2	72	113 (95)†
2009-10	19	2	44	76
2010-11	33	0	58	68

† Industry agreed to a lower limit of 95 for 2008/09 due to a decrease in pup numbers that became apparent after the Minister announced the FRML for that year.

Risks to Biodiversity, Ecosystem and Habitats are Managed

Demonstrating Success

Observer Programme – Protected Species Interactions

The Observer Programme is a key tool for monitoring and assessing the impact of fishing on the aquatic environment.

Observers recorded 512⁵ protected species interactions while aboard commercial fishing vessels within the New Zealand EEZ this year (see Figure 11). The figure includes all protected species interactions (except protected coral species), including recently protected fish species (Basking Sharks and Manta Rays).

Overall, there has been a steady fall in the number of observed protected species interactions over the last decade and this translates to declines in the estimated number of protected species caught (for example, Figure 12 for seabirds⁶). Wider use of mitigation devices have contributed to this improvement.

The move to full observer presence in the deepwater fleet, more comprehensive coverage of the inshore fleet, and the adoption of risk-based approaches will enable more confident identification of these trends.

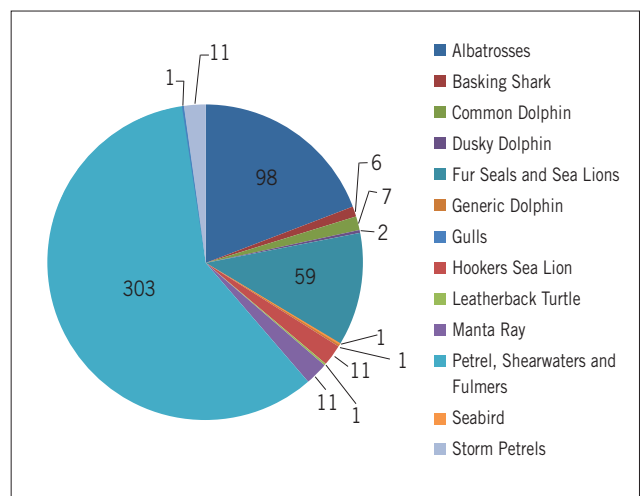


Figure 11: Breakdown of protected species interactions in 2010/11.

⁵ Provisional.

⁶ From Abraham and Thompson 2011, Summary of the capture of seabirds, marine mammals, and turtles in New Zealand commercial fisheries, 1998-99 to 2008-09. Final Research Report for Ministry of Fisheries research project PRO2007/01.

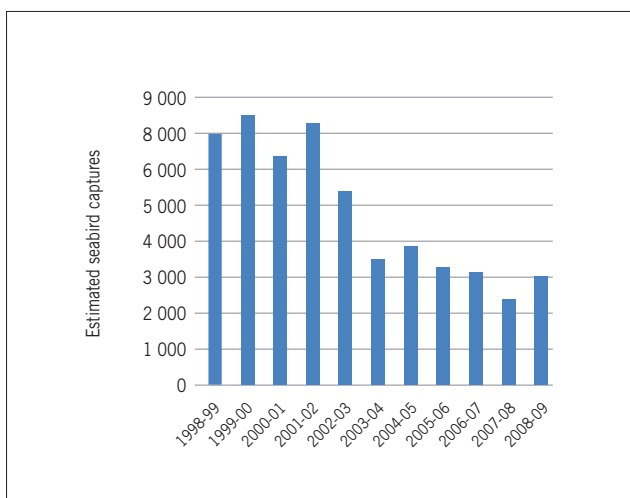


Figure 12: Estimated number of seabirds captured in major trawl and longline fisheries since 1998/99.

Marine Protected Areas (MPAs)

The Ministry provided advice to the Minister on a number of MPA proposals in 2010/11. In September 2010, the Minister concurred with the Minister of Conservation's decision to establish a marine reserve that largely overlaps the existing Tawharanui Marine Park in the Hauraki Gulf.

In January 2011, the Ministers of Fisheries and Conservation announced their decision to establish new MPAs in the entire territorial sea around each of the Antipodes, Bounty and Campbell Islands. These MPAs will be a combination of marine reserves and MPAs established by regulation under the Fisheries Act 1996.

Improved understanding of the aquatic environment

Demonstrating Success

The Ministry's Aquatic Environment Research Programme delivered some key results on the effects of fishing on protected species, seabed habitats and habitats of particular significance for fisheries management this year.

A five-year programme of field studies on a variety of seabird species is nearing completion. This information is integrated into risk assessments, one of which underpins the draft policy on seabird bycatch.

The Biodiversity Research Programme continues to deliver research information. Key projects to be finalised this year include an analysis of the enormous store of data and specimens that came from the Oceans Survey 20/20 voyages

in 2007, a study of the long-term effects of climate variation and human impacts on selected coastal ecosystems and an assessment of the functioning of rocky reef systems.

Enhanced reputation for environmentally responsible and sustainable fisheries management

Demonstrating Success

New Zealand's fisheries management continues to be recognised internationally in many different forums. We chair the scientific committee and the jack mackerel sub-group of SPRFMO, and vice chair the OECD Fisheries Committee and the Western and Central Pacific Fisheries Commission.

Ministry officials are also invited to participate – often as chairs and keynote speakers – in international fisheries management, science, economics and marine environment conferences.

Environmental Certification

Currently, only the New Zealand hoki fishery has been independently environmentally certified (by the Marine Stewardship Council). Since 2008, the Ministry has actively encouraged industry to obtain independent certification or assessment of New Zealand fisheries by providing grants to assist with the costs.

Nine grants have been provided so far. The first four totalling \$344 730 – for deepwater fisheries, scallops and tuna – are currently being assessed and the Ministry expects decisions in the next 12 months. Five grants totalling \$345 682 were awarded in 2010/11 to support assessment of a number of capture fisheries (snapper, lobster, surf clam) and aquaculture (mussels, king salmon and Pacific Oysters).

■ OUTCOME 4: DELIVER THE GOVERNMENT'S FISHERIES AND AQUACULTURE OBLIGATIONS TO MĀORI MORE EFFECTIVELY

The Crown and iwi have agreed specific rights and obligations relating to fisheries and aquaculture in accordance with the Treaty of Waitangi. Delivery on these obligations is fundamental to the Crown's partnership with tangata whenua. The Ministry achieves this by incorporating the Crown's obligations into its strategic objectives and core business, and by providing for meaningful engagement with Māori.

Treaty Partnership

Demonstrating Success

Iwi Fisheries Plan Framework

The Ministry believes its new Iwi Forum Fisheries Plans framework will be an effective solution for more meaningful engagement with, and input from, Māori. The framework has two complementary phases.

Phase 1: The Ministry works with individual iwi to develop Iwi Fisheries Plans. Iwi Fisheries Plans will provide for input from tangata whenua at a local level. They will communicate an individual iwi's fisheries management objectives, integrating their commercial and non-commercial fisheries interests.

Phase 2: The Ministry then assists iwi to come together at forums to develop Forum Fisheries Plans that will identify and communicate collective objectives at a Fisheries Management Area scale.

Fisheries Forums and Iwi Fisheries Plans

The Ministry aims to establish regional iwi forums for all fishery management areas by 2014. Two integrated forums were established in 2010/11; one for the South Island iwi and one for the Chatham Islands iwi/imi.

The two integrated forums aim to have Forum Fisheries Plans submitted to the Ministry to enable engagement in the 2011/12 annual planning discussions.

Settlement Obligations

Demonstrating Success

The Kaimoana and the South Island Customary Fishing Regulations are key tools for recognising and providing for customary fisheries interests. The roll out of these regulations is reported on in Outcome 1.

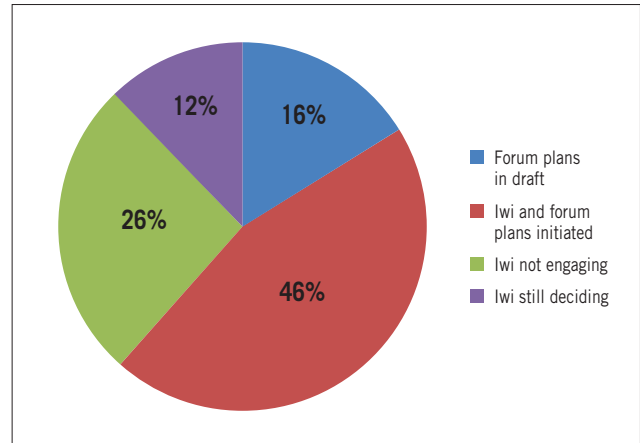


Figure 13: Status of Iwi Forum Fisheries Plan development as at 30 June.

Historical Treaty Settlements

The Ministry actively supports the Government's goal to settle the historical Treaty claims of all mandated groups by 2014. In particular, it assists the Office of Treaty Settlements to develop fisheries redress as part of the cultural redress offers made to claimant groups.

The Ministry has issued fisheries protocols to 12 claimant groups to date and a Fisheries Accord to Waikato-Tainui in relation to co-management of the Waikato River. The Ministry is currently involved in negotiations with another 38 groups.

Waikato River

In partnership with Waikato-Tainui, the Ministry has developed a set of customary fisheries regulations for the Waikato River. Public consultation on the regulations occurred in mid-2011. Subject to Cabinet approval, the regulations should be operating later in 2011.

Aquaculture settlement

Pre-commencement Space

The Ministry has made significant progress in discharging over 90 percent of the Crown's pre-commencement space obligations under the Māori Commercial Aquaculture Claims Settlement. In 2010/11, the Crown agreed and paid post-agreement in principle decisions relating to offshore space in the South Island (Clifford Bay, Marlborough, and Pegasus Bay, Canterbury).

The Crown has also completed settlements in the Chatham Islands and Kaipara Harbour. The Ministry has reached agreement in principle to settle the obligations in the Bay of Plenty and Hawke's Bay. The Ministry will be working closely with iwi in the remaining regions to discharge its outstanding obligations by 31 December 2014.

New Space

The Crown and Aquaculture Iwi Leaders successfully negotiated an amended settlement delivery mechanism as part of the 2011 aquaculture reforms. The Māori Commercial Aquaculture Claims Settlement Act 2004 was amended to provide that the 20 percent obligation of new space can be delivered on a regional basis, through agreements between the Crown and iwi. This includes space, cash and/or anything else that can be agreed to form all or part of a settlement package.

■ OUTCOME 5: BUILD INCREASINGLY TRUSTED AND EFFECTIVE FISHERIES MANAGEMENT

A trusted and effective fisheries management regime is essential to ensure New Zealanders understand their rights and responsibilities and act accordingly.

Public Confidence and Trust in the Ministry

Demonstrating Success

Public Confidence and Trust

There has been a fall in public confidence⁷ in the management of New Zealand's fisheries from the peak in 2009 to a level of around 40 percent, still above the level of five years ago.

However, there has been a notable fall in those who reported they lacked confidence in the management of fisheries. The figure this year is just over 10 percent, down from over 30 percent five years ago. This is significant and would indicate that the Ministry's work with stakeholders and members of the public, such as the informed and assisted approach to compliance, summer education campaigns, successful prosecutions and programmes, such as Coastwatch, are having a positive effect.

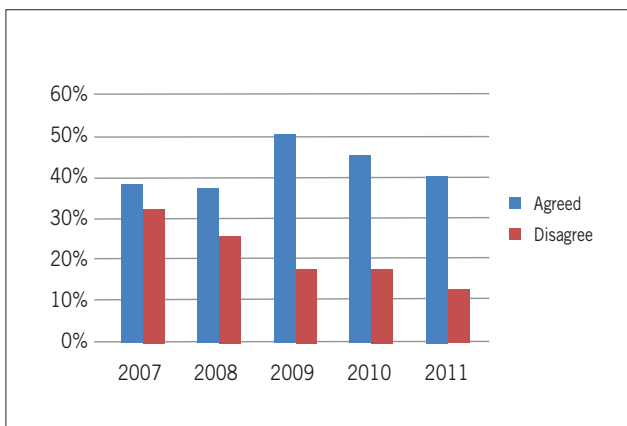


Figure 14: Confidence in the management of New Zealand fisheries.

Ensuring Quality and Trusted Information

In April 2011, the Ministry of Fisheries released its Research and Science Information Standard for New Zealand Fisheries (Research Standard). The Research Standard is a policy statement of best practice in the delivery and quality

assurance of research and science information for New Zealand fisheries. It is founded on international best practice for science quality assurance, tailored to New Zealand's requirements.

Providing Quality and Evidenced-based Advice

In 2010, the Ministry implemented a policy improvement programme aimed at lifting the capability of the Strategy Group after a New Zealand Institute of Economic Research (NZIER) review of its policy papers ranked the Ministry bottom of 19 public sector agencies reviewed (with a mean score of 6.4 out of 10). In March 2011, a second review by NZIER showed a significant shift in the quality of papers with a mean score of 7.4, lifting the Ministry into the top third of the 19 agencies.

An Informed Public and Stakeholders

The Ministry proactively engages and communicates with industry, tangata whenua, recreational fishers, other stakeholders and members of the public using a variety of tools. It maintains and regularly updates its website to provide important information about what the Ministry does and issues of significance to fishers and others. The website also includes a dedicated educational resource centre for teachers and children – Starfish (www.fish.govt.nz/en-nz/Starfish).

Through their day-to-day interactions, Fisheries Officers play an important role in informing both commercial and non-commercial fishers about their obligations and how the Ministry ensures compliance. In 2010/11, for example, Fisheries Officers undertook 4335 educational activities and 35 570 inspection activities with each contact used as an opportunity to inform and educate.

Compliance

Demonstrating Success

The Fisheries Service Delivery Model is an engagement and decision-making escalation process that responds to increasing levels of fisher non-compliant behaviour. It is applied to all activities of the Field Operations group including patrols, inspections and investigations. The model has so far delivered:

- > presentations on the Fisheries Service's Delivery Model at various stakeholder and iwi forums to raise awareness;

⁷ Note: in 2011 the question was amended to "Do you have confidence in the integrity of the management of fisheries?" from "Do you believe fisheries in NZ are managed effectively?". This change was to provide a measure that better reflected the Fisheries 2030 Governance Conditions. Although not the same, for the purpose of reporting trends in public confidence, it is believed similar enough to use in this context.

- > direct community and school programmes developed and delivered;
- > increased focus on “educational” contacts; and
- > publication of compliance information sheets targeting key compliance concerns in recreational, commercial and customary sectors.

Research undertaken in the East Coast South Island commercial fishery⁸ showed strong support for an adaptive response model that encourages collaboration, with many respondents making specific references to the Fisheries Service Delivery Model. Respondents also self-reported high levels of voluntary compliance with fisheries regulations and a strong desire to ensure the sustainability of their fishery.

Optimal Compliance

The Ministry has a target of optimal compliance whereby the observed commercial compliance rate improves annually and is between 85–90 percent by 2014 and the observed non-commercial compliance rate is annually maintained at a minimum of 95 percent.

TABLE 2: COMPLIANCE PERFORMANCE

Measure	2006/07	2007/08	2008/09	2009/10	2010/11
Number of commercial vessel inspections	1 585	1 377	1 404	1 466	1 556
Number in breach	254	193	225	222	242
Observed compliance rate	84%	86%	84%	85%	84%
Number of non-commercial inspections	23 333	26 401	26 250	30 533	35 570
Number in breach	1 633	1 320	1 575	1 815	1 715
Observed compliance rate	93%	95%	94%	94%	95%

Reoffending

A key indicator of the success of increasing voluntary compliance is the number of fishers who reoffend after they have previously received a warning from fishery officers.

In 2010/11, 291 recreational fishers reoffended after they had previously receiving warnings. This information will be used to establish the baseline for future years’ monitoring and reporting on the success of, and to inform improvements in, the delivery model.

⁸ *Commercial Fisher’s Compliance Decision Making; Perceptions, Experiences and Factors Influencing Regulatory Compliance*, report prepared for the Ministry of Fisheries by Lindis Consulting, full report available online: <http://www.fish.govt.nz/en-nz/Commercial/Compliance+Information/default.htm>

Organisational Effectiveness

The Government has set high expectations of the Public Service and is demanding:

- > better results from the public services that it funds;
- > greater back-office savings initiatives;
- > further restraint in terms of core government administration positions;
- > stronger performance from government agencies; and
- > enhancement of the quality of services to the public.

The Ministry needs to ensure that government priorities and expectations and Ministry outcomes are reflected in, and drive, the organisation's structure, capability development and investment decisions. The Ministry also needs to be adaptive – able to respond quickly and effectively to an ever-changing environment, effectively monitor and improve its performance and ensure its services, systems and processes are cost-effective and provide value for money.

Governance

The Ministry undertook a major business transformation in 2009 that resulted in a clearer organisational purpose and governance structure. The most significant elements are:

- > Fisheries 2030 providing clarity of purpose and direction for the Ministry;
- > a strategically aligned and more functionally integrated organisation to deliver better, more targeted services to tangata whenua and stakeholders at lower cost to all parties;
- > a Strategic Leadership Team focused on whole-of-Ministry outcomes;
- > objectives-based fisheries management as the axis of the Ministry's business model; and
- > a more agile organisation, with the ability to deploy resources more flexibly and quickly within a reduced baseline to where they are most needed.

Organisational Health and Capability

The Ministry has established several strategies to assess progress and success in maintaining organisation health and capability.

Staff Development and Improving Capability

The Ministry has continued to develop its People Strategy to attract, engage and retain good staff. The strategy has incorporated a range of initiatives including asking all staff to engage in the Performance and Development Agreement (PDA) process with their managers, carrying out a repeat Gallup Q12 Engagement Survey, implementing an internal communications strategy for 2010/11 and undertaking a benchmark review of the Ministry's policy advice.

The Ministry undertook the Gallup Survey in August 2010, looking at the levels of staff engagement. Overall, the results were very positive. The engagement of Ministry employees improved in a meaningful way since the last survey conducted in March 2010. Anything over 0.1 is considered a meaningful improvement at the organisational level and, using a scale of 1–5, the Ministry's Grand Mean from the August survey was 3.70 compared with 3.58 in March. Other improvements from the March survey to the August one included:

- > Staff felt they have more “opportunities to learn and grow”.
- > Staff felt more strongly that “someone at work cares”.

At the business group level, there was either a positive meaningful change or March levels were maintained for all the questions in the Gallup Survey.

Code of Conduct and Values

The Ministry participated in the 2010 State Services Commission Integrity and Conduct Survey to obtain benchmarked feedback from staff to inform its approach to maintaining awareness and standards within the organisation.

Key findings of the 2010 survey included:

- > Nearly all Ministry staff (97 percent) are aware of its written standards of integrity and conduct.
- > Levels of awareness of how to report breaches confidentially and/or anonymously are relatively low (23 percent) compared with all public service department employees (51 percent).
- > Nearly six in ten staff are aware the Ministry provides integrity and conduct training, and most say they found it useful.