



30 June 2008

Dear Stakeholder

SUSTAINABILITY AND OTHER MANAGEMENT MEASURES FOR 1 OCTOBER 2008

The Ministry of Fisheries (MFish) has undertaken a process to review the management measures for some of New Zealand's fisheries. The Initial Position Paper (IPP) provides you with MFish's initial position on the sustainability measures and other management measures being reviewed. If approved, these would take effect on 1 October 2008.

The purpose of this letter is to provide you with a summary of the issues in the IPP, so that you can decide if you would like to examine the issue further, and potentially provide comment to MFish.

The issues summarised in this letter include:

FISHSTOCKS FOR REVIEW

- Orange roughy (ORH 3B);
- Bluenose (BNS 1, 2, 3, 7 and 8).

REVIEW OF OTHER MANAGEMENT MEASURES

- Review of deemed value rates for selected fishstocks.

A copy of the full IPP for the above issues can be found on the MFish website www.fish.govt.nz under the "Consultations" section. If you do not have access to the website, or have any queries on the content of the IPPs, you can contact Tracey Steel at (04) 8194585 or tracey.steel@fish.govt.nz to request a paper copy to be posted to you.

ORANGE ROUGHY (ORH 3B)

ORH 3B is a large and spatially complex fishery, comprised of several biological stocks. A range of sub-Quota Management Area (QMA) catch limits are managed under a voluntary agreement by the Deepwater Group (DWG) which represents 97.95% of the ORH 3B quota owners.

The status of the individual biological stocks that make up ORH 3B are evaluated independently, with the results compiled to determine the status of ORH 3B as a whole. No new stock assessment information was available for the Northwest Chatham Rise, Puysegur or the Sub-Antarctic portion of ORH 3B in 2008. The most recent (2006) assessment of the Northwest Chatham Rise estimated that the biomass was likely to be below B_{MSY} ; Puysegur remains voluntarily closed in recognition that it is likely to be below B_{MSY} ; and there is no information on the status of the remainder of the Sub-Antarctic portion of ORH 3B.

The 2008 Plenary agreed that the 2004 and 2006 model-based stock assessments for the East and the South Chatham Rise are not reliable. These assessments were set aside and existing survey and fishery information was assembled and analysed to evaluate the stock structure and status of the East and South Chatham Rise portion of ORH 3B. The Plenary concluded that for the East and South Chatham Rise:

- The orange roughy found on this part of the Chatham Rise comprise a single biological stock;
- Current mature biomass ($B_{current}$) is between 15 and 30% B_0 ;
- The best estimate of $B_{current}$ is 98,000 tonnes.

Based on the best available information the ORH 3B stock as a whole is likely to be below B_{MSY} . As no new stock assessment information is available for the Northwest Rise or the Sub-Antarctic portion of the QMA, MFish is not proposing to change the management of these parts of ORH 3B at this time. MFish is, however, proposing a new management strategy for the East and South Chatham Rise.

The strategy is based on setting a catch limit based on the fishing mortality (F) that will result in the stock fluctuating around the biomass that will support the maximum sustainable yield (F_{MSY}). A research programme is a key component of the management strategy to better inform the estimate of current biomass which is the key input for deriving the F_{MSY} -based yield. Once established, and fully implemented, the strategy is likely to result in relatively small annual variations to the catch limit on the East and South Chatham Rise. However, on the basis of the best available information, the F_{MSY} -based yield is 4,410 t. This represents a 3,240 t reduction from the current catch limit.

In making his determination on the TAC for ORH 3B, the Minister will be required to consider the way and rate that the ORH 3B stock is rebuilt. As only the East and South Chatham Rise catch limit is being considered at this time the way and rate decision relates to the timeframe over which the East and South Chatham Rise catch limit is reduced to the F_{MSY} -based yield estimate to initiate a rebuild of this part of the ORH 3B stock.

MFish considers it appropriate to consider a staged implementation of the new strategy whereby successive annual catch limit reductions would be taken until the F_{MSY} -based yield

is reached. Such a staged approach recognises that the F_{MSY} -based yield estimate will be refined over time. The two options proposed are based on reaching a target catch limit of 4,410 tonnes by:

- i) Reducing the catch limit by 1,080 tonnes for each of three years;
- ii) Reducing the catch limit by 1,620 tonnes for each of two years.

As new information better defines the estimate of current biomass each year, the target catch limit for the East and South Chatham Rise will change. The size of the catch limit reductions in the second and third year of option 1, and the second year of option 2, will be altered to accommodate these changes ensuring that the refined catch limit is reached within the specified timeframes.

MFish considers it prudent to continue to ensure that the amount of fish taken from the main spawning plume is limited to ensure that fishing pressure does not have a negative impact on spawning success. A catch limit for the main spawning plume set at 50% of the East and South Chatham Rise catch limit is included under all options.

BLUENOSE (BNS 1, 2, 3, 7, 8)

All five major bluenose fishstocks (BNS 1, 2, 3, 7 and 8) have this year been reviewed by the Adaptive Management Programme Working Group (Working Group) and the Plenary. All bluenose stocks show significant declines in catch per unit effort (CPUE).

All CPUE indices for all bluenose stocks show markedly similar declines in the period between 1 October 2001 and 30 September 2007. For the six most reliable CPUE series CPUE has declined by between 43% and 79%. Current catches in all BNS stocks are not likely to be sustainable.

MFish scientists believe that if bluenose were assumed to be one single New Zealand-wide stock then the current biomass would almost certainly be below B_{MSY} . Based on the declines in CPUE, and the likelihood that bluenose stocks are below B_{MSY} , MFish proposes reducing the total allowable catch (TAC) in BNS 1, 2, 3, 7 and 8.

MFish considers that new TACs should be based on a total allowable commercial catch (TACC) that is between 10 and 40% below average commercial catch between 1 October 2001 and 30 September 2007.

MFish considers that these options represent the range of reasonable options for the basis of consultation and will increase the likelihood that the biomass of bluenose stocks remains at or rebuilds to appropriate levels.

MFish considers that any reduction in the TAC should be applied only to the commercial sector. This is considered reasonable because the initial Adaptive Management Programme for each fishery increased substantially the TACC only. This represented an allocation of the TAC to the commercial sector so any reduction in the TAC should now be applied only to the commercial sector. Secondly, the combined recreational and customary non-commercial allowances are very minor components of the bluenose TACs (between 2.2% and 3.7%); it also considered unlikely that catches by these sectors have increased significantly in recent years.

MFish is also proposing to set an allowance for other sources of fishing-related mortality in BNS 1, 3, 7 and 8, and is also consulting on increasing deemed values in BNS 1, 3, 7 and 8; further information on this is included in the Ministry's deemed value review.

REVIEW OF DEEMED VALUES FOR SELECTED FISHSTOCKS

Under s 75 (1) of the Act the Minister of Fisheries is required to set interim and annual deemed value rates for each quota management stock. Section 75 (2)(a) requires the Minister, when setting deemed value rates, to take into account the need to provide an incentive for every commercial fisher to acquire and hold sufficient annual catch entitlement (ACE) that is not less than the total catch of that stock taken by the commercial fisher. Section 75 (2)(b) sets out the factors the Minister may have regard to when setting deemed values. These factors form the basis of the analysis spreadsheet that has been produced for all the stocks under review.

MFish developed a Deemed Value Standard in 2007 ("Deemed Value Standard") to set out a process for managing the setting, reviewing and amendment of deemed value rates. This standard has been used to review the deemed value rates as part of this sustainability round.

The Deemed Value Standard details a set of criteria that determine if a fishstock should be considered for a deemed value review. Table 1 details the stocks that meet one or more of these criteria and therefore are eligible for a review.

Table 1: Stocks that met the review criteria set out in the Deemed Value Standard

Species Name	Fish Stock Reviewed	Summary of Recommended deemed value changes		
		Annual	Interim	Differential
Barracouta	BAR5	No change	No change	No change
Blue cod	BCO3	Increased to \$3.75 per kg	Increased to \$2.50 per kg	Adjusted to match annual rate
Blue shark	BWS1	No change	No change	No change
Elephant fish	ELE3	No change	No change	No change
Frostfish	FRO8	No change	No change	No change
Garfish	GAR1	No change	No change	No change
Grey mullet	GMU1 (GMU2, GMU3 & GMU7)	No change	No change	No change
Gurnard	GUR3	No change	No change	Alter differential deemed values
Hake	HAK1	No change	No change	No change
Hapuka/Bass	All HPB stocks	No change	No change	No change
John dory	JDO2 & JDO7	No change	No change	No change
Kingfish	KIN7 (KIN8)	Increased to \$10.00 per kg	Increased to \$5.00 per kg	Adjusted to match annual rate
Ling	All LIN stocks	No change	No change	No change
Moki	MOK1	No change	No change	No change
Parore	PAR1 & PAR9 (All other PAR stocks)	Decreased to \$0.31 per kg	Decreased to \$0.16 per kg	Apply differential deemed values
Paua	All PAU stocks	Increased to \$90.00 per kg	Increased to \$70.00 per kg	Adjusted to match annual rate
Pilchard	PIL1	No change	No change	No change
Porae	POR2 (All other POR stocks)	Increased to \$1.35 per kg	Increased to \$0.68 per kg	Apply differential deemed values
Ruby fish	RBY3 & RBY4	No change	No change	No change
Ribaldo	RIB7 (RIB3, RIB4, RIB5 & RIB6)	Increased to \$0.80 per kg	Increased to \$0.40 per kg	Higher differential deemed values applied
Rough skate	RSK1 & RSK3	Increased to \$0.44 per kg	No change	No change
Gemfish	SKI2 (SKI1)	Decreased to \$1.29 per kg	Decreased to \$0.65 per kg	Adjusted to match annual rate
Sea perch	SPE2	No change	No change	No change
Sea perch	SPE8	Increased to \$0.43 per kg	Increased to \$0.23 per kg	No change
Rig	SPO2	Decreased to \$2.00 per kg	Decreased to \$1.00 per kg	Adjusted to match annual rate
Rig	SPO7	No change	No change	No change
Arrow squid	SQU1T	No change	No change	No change
Smooth skate	SSK1 (all other SSK stocks)	No change	No change	No change
Kina	SUR1A & SUR7A	No change	No change	No change
Swordfish	SWO1	Decreased to \$3.00 per kg	Decreased to \$1.50 per kg	No change
Tarakihi	TAR1 & TAR8	No change	No change	No change
Trumpter	TRU4	No change	No change	No change
White warehou	WWA4	No change	No change	No change

In addition stocks that are being considered for a total allowable catch (TAC) review as part of the October 2008 sustainability round are also included in this review process. These stocks are listed in Table 2 below.

Table 2: Stocks that are being considered for a TAC adjustment and therefore will also require a review of their deemed value rates

Species Name	Fish Stock Reviewed	Summary of Recommended deemed value changes		
		Annual	Interim	Differential
Bluenose	All BNS stocks	Increased to \$3.00 per kg	Increased to \$1.50 per kg	Higher differential deemed values applied
Orange roughy	ORH3B	No change	No change	No change

All stocks in Tables 1 & 2 were considered at the deemed value review group meeting held Monday 5 May 2008. If the review group considered that a deemed value adjustment was appropriate, a range of information sources (see Appendix 2) was then used to propose a new deemed value rate. The individual assessments for each stock can be found in this paper.

In a number of cases, stocks associated with the stock under review were also considered for a deemed value adjustment. These associated stocks include neighbouring stocks of the same species (for example, SSK3 is included in the review of SSK1). These associated stocks are included in Tables 1 & 2 in brackets.

MFish welcomes written submissions on the proposals contained within the IPP.

Written submissions are due by Monday, 11 August 2008 and should be posted to Tracey Steel, Ministry of Fisheries, PO Box 1020, Wellington. Alternatively, electronic submissions can be emailed to tracey.steel@fish.govt.nz.

Finally, we note that all submissions that are received for the purposes of the regulatory measures process are publicly available under the Official Information Act 1982. Should any person or organisation wish for any information contained in their submission to be withheld under the Official Information Act 1982, the grounds for withholding the information must be provided in the submission.

Yours sincerely



Tom Chatterton
Manager Deepwater and National Issues