



Office of Hon Nathan Guy

MP for Otaki

Minister for Primary Industries

Minister for Racing

B15-116

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Dear Stakeholder

Sustainability measures and other management controls for 1 October 2015

I write to inform you of the decisions I have made following the review of sustainability measures and management controls for the fishing year commencing on 1 October 2015. Any changes to sustainability measures and management controls will come into effect at the start of the new fishing year on 1 October 2015. Copies of the discussion documents and information papers providing final advice are available on the Ministry for Primary Industries' (MPI) website (www.mpi.govt.nz).

The decisions I have made reflect my desire to maximise the benefits obtained from New Zealand's fisheries whilst ensuring continued sustainability. I have increased the TAC for stocks where I considered there to be opportunities for increased utilisation, and have decreased the TAC for fishstocks where I consider there to be a sustainability risk. I have also amended the deemed value settings for a number of stocks to encourage fishers to continually balance their catch with appropriate Annual Catch Entitlement and to limit their catch within the TACC.

In reaching my decisions I have carefully considered the submissions received on the MPI's discussion documents and the final advice provided to me by MPI. I also considered the relevant legislative provisions and my obligations under the Fisheries Act 1996 (the Act). I would like to thank everyone who took the time to make submissions or has been involved in discussions during the consultation period for this process.

The specific decisions for each stock are attached.

Yours sincerely

Hon Nathan Guy
Minister for Primary Industries

Hoki (HOK1)

I have decided to decrease the TAC for HOK1 from 161,640 tonnes to 151,540 tonnes for the 2015/16 fishing year. Within this TAC, I have decreased the TACC from 160,000 to 150,000 tonnes and the allowance for other sources of fishing-related mortality from 1,600 to 1,500 tonnes. I have retained the Māori customary non-commercial and recreational fishing allowances at 20 tonnes each.

Although the TAC is set for HOK1 as a whole, the stock consists of two sub-stocks that are managed separately. The 2015 stock assessment indicates that both hoki stocks are above the level that will produce the maximum sustainable yield and above the upper bound of the management target range of 35-50% of unfished biomass (B_0). However, in response to concerns regarding the low estimate of hoki abundance from the December 2014 Sub-Antarctic research survey, I have decided to decrease the TAC for the hoki fishery. This will reduce the risk of greater TAC cuts being necessary in the future should the next research survey in the Sub-Antarctic confirm the reduction in hoki abundance.

As in previous years, my decision is made with assurances from industry of their continued support of the catch split arrangement between the eastern and western stocks. The catch split manages the proportion of the TACC harvested from each stock, avoiding potential sustainability concerns that could arise if the entire TACC was harvested from a single stock. This arrangement has proven an effective mechanism to avoid such concerns and I acknowledge that the industry has worked well to adhere to this arrangement in recent years. I expect this high level of adherence to continue during 2015/16.

The full 10,000 tonne TACC decrease will be deducted from the western stock, decreasing the catch limit for this stock from 100,000 tonnes to 90,000 tonnes. The catch limit for the eastern stock will remain at 60,000 tonnes. This decision reflects quota owners' views that juvenile hoki from both stocks that occur on the Chatham Rise should be protected from increased harvesting.

I do not consider it necessary to alter the existing annual and interim deemed value rates for hoki this year.

2015 TAC (t)	TACC (t)	Other Sources of Fishing-Related Mortality (t)	Māori Customary Allowance (t)	Recreational Allowance (t)
151,540	150,000	1,500	20	20

Chatham Rise oreo (OEO4)

I have decided to decrease the TAC for OEO4 for the 2015/16 fishing year from 7,000 tonnes to 3,150 tonnes and set the TACC at 3,000 tonnes. I have retained nil allowances for the Māori customary non-commercial and recreational fishing interests and set an allowance of 150 tonnes for other sources of fishing-related mortality.

My decision to decrease the TAC is based on the most recent stock assessment of the smooth oreo stock within OEO4 that indicates that the stock is below the management target and biomass is decreasing at the current catch level. Projections from the stock assessment indicate that without intervention to significantly reduce the TACC, the stock will decrease to a level that requires a formal rebuilding plan before 2018.

In order to ensure that the catch of smooth oreo is constrained within the TACC, I acknowledge and endorse the fishing industry's commitment to adhere to a species-specific catch limit for smooth oreo of 2,000 tonnes within the overall TACC. As with other catch split arrangements, catches in OEO4 will be reported by species and monitored via monthly reports from FishServe. This mechanism is the same as that used for hoki and other sub-QMA catch split arrangements and I am confident that it will provide an effective mechanism to limit the catch of smooth oreo to a level that will allow the stock to rebuild towards the management target.

2015 TAC (t)	2015 TACC (t)	Other Sources of Fishing-Related Mortality (t)	Māori Customary Allowance (t)	Recreational Allowance (t)
3,150	3,000	150	0	0

Red gurnard (GUR3)

I have decided to increase the TAC for GUR3 from 1,163 tonnes to 1,290 tonnes for the 2015/16 fishing year. Within this TAC, I have increased the TACC from 1,100 to 1,220 tonnes, the recreational fishing allowance from 5 tonnes to 6 tonnes and the allowance for other sources of fishing-related mortality from 55 tonnes to 61 tonnes. I have retained the Māori customary non-commercial allowance at 3 tonnes.

Latest information from catch per unit effort (CPUE) analyses and a fishery independent trawl survey suggest that GUR3 is currently in a period of relatively high abundance. The new information supports an opportunity for an increase to the current TAC for this fishery.

A modest increase to the TACC will cover increased bycatch in the commercial fishery and a comparative increase to the recreational allowance will reflect the potential for increased recreational harvests.

While gurnard is recognised as a tāonga species no increase is proposed for the Māori customary allowance as best available information suggests that current settings will provide for current levels of catch.

I have decided to set the allowance for other sources of fishing related mortality at 5% of the TACC. This is consistent with the MPI's approach other fish stocks of this nature.

2015 TAC(t)	2015 TACC(t)	Other Sources of Fishing- Related Mortality (t)	Māori Customary Allowance (t)	Recreational Allowance (t)
1,290	1,220	61	3	6

Red gurnard (GUR7)

I have decided to increase the TAC for GUR7 from 855 tonnes to 919 tonnes for the 2015/16 fishing year. Within this TAC, I have increased the TACC from 785 to 845 tonnes, the recreational fishing allowance from 20 tonnes to 22 tonnes and the allowance for other sources of fishing-related mortality from 40 tonnes to 42 tonnes. I have retained the Māori customary non-commercial allowance at 10 tonnes.

Following the CPUE analysis in 2014 it was concluded that the GUR7 biomass was about as likely as not to be at or above the management target. New preliminary information from the West Coast South Island trawl survey this year is the highest in the series and further supports observations of high abundance.

I believe there is an opportunity to provide for an increase to the current TAC for this fishery and a modest increase to the TACC, which will enhance utilisation opportunities for the commercial sector.

I have decided to set the recreational allowance at 22 tonnes. This estimate is slightly above current recreational catch levels. I consider the allowance reasonable because it reflects uncertainty in the recreational catch information, in particular that recreational surveys are not optimised for species such as gurnard, and it will allow for an expected increase in recreational catch of gurnard over time in response to increasing abundance.

No increase is proposed for the Māori customary allowance as best available information suggests that current settings adequately provide for current and anticipated levels of catch.

I have decided to set the allowance for other sources of fishing related mortality at 5% of the TACC. This is consistent with MPI's approach other fish stocks of this nature.

2015 TAC(t)	2015 TACC(t)	Other Sources of Fishing- Related Mortality (t)	Māori Customary Allowance (t)	Recreational Allowance (t)
919	845	42	10	22

Rig (SPO2)

I have decided to retain the *status quo* management setting for SPO2 for the 2015/16 fishing year. The TAC will remain at 130 tonnes, the TACC at 108 tonnes, the recreational fishing allowance at 10 tonnes, the Māori customary non-commercial allowance at 5 tonnes, and the allowance for other sources of fishing-related mortality at 7 tonnes.

Available information from a CPUE analysis suggests the biomass of SPO2 has continued to increase since the TAC and TACC were increased in 2011. However, I am conscious that this species is susceptible to overfishing and information on stock status relative to target levels is unknown. I am also aware that new information on rig fisheries will be available in 2016. On balance, I consider there is risk to stock

abundance from increasing the catch limit. I understand that industry and MPI are working on developing a low/medium knowledge management framework that will make better use of existing information, allow costs and benefits of gathering new information to be better understood, and provide more certainty around when and what management changes might occur. I encourage the development of this framework and see clear application to stocks like SPO2. I also encourage further work on identifying cost-effective ways of gathering more information on area 2 stocks more generally that I understand is part of discussions on Hawke Bay issues.

My decision will not result in any changes to Māori customary allowance, recreational allowance, or the allowance for other sources of fishing-related mortality.

2015 TAC(t)	2015 TACC(t)	Other Sources of Fishing- Related Mortality (t)	Māori Customary Allowance (t)	Recreational Allowance (t)
130	108	7	5	10

Rig (SPO7)

I have decided to increase the TAC for SPO7 from 270 tonnes to 306 tonnes for the 2015/16 fishing year. Within this TAC, I have increased the TACC from 221 to 246 tonnes, the recreational fishing allowance from 29 tonnes to 33 tonnes and the allowance for other sources of fishing-related mortality from 5 tonnes to 12 tonnes. I have retained the Māori customary non-commercial allowance at 15 tonnes.

Unlike SPO2 there are a variety of information sources (CPUE and independent trawl survey data) available on SPO7 that show an increase in abundance and suggest that the stock will continue to rebuild towards the proxy management target with a moderate TAC increase. The increase to the TAC and TACC allows for increased utilisation, without exposing the stock to significant sustainability risk.

Alongside this increase in catch levels I expect there to be further monitoring work on this fishery. Updated information is scheduled for all rig stocks in 2016 which will help with ongoing work to implement the National Plan of Action - Sharks 2013 and determine a management approach across all rig stocks.

I have decided to increase the recreational allowance at 33 tonnes to allow recreational fishers to also take advantage of the healthy status of the stock.

While rig is recognised as a tāonga species no increase is proposed for the Māori customary allowance as best available information suggests that current settings will provide for current and anticipated levels of customary catch.

I have decided to set the allowance for other sources of fishing related mortality at 5% of the TACC. This is consistent with the MPI's approach other fish stocks of this nature.

2015 TAC(t)	2015 TACC(t)	Other Sources of Fishing- Related Mortality (t)	Māori Customary Allowance (t)	Recreational Allowance (t)
306	246	12	15	33

Stargazer (STA7)

I have decided to increase the TAC for STA7 from 1,072 tonnes to 1,181 tonnes for the 2015/16 fishing year. Within this TAC, I have increased the TACC from 1,042 to 1,122 tonnes, the recreational fishing allowance from 2 tonnes to 4 tonnes and the allowance for other sources of fishing-related mortality from 27 tonnes to 54 tonnes. I have retained the Māori customary non-commercial allowance at 1 tonne.

My decision to increase the TAC and TACC is based on the best available information which suggests that the stocks has been at or around target levels since 2008 and may have increased in abundance in recent years. This suggests a moderate increase in harvest can be provided for while maintaining the stock at or above its management target.

I have also decided to increase the recreational fishing allowance from 2 tonnes to 4 tonnes to allow the recreational sector to take advantage of increased abundance.

The best available information suggests that customary Māori take of STA7 is low and as such I have decided to retain a nominal allowance of 1 tonne.

I have decided to set the allowance for other sources of fishing related mortality at 5% of the TACC. This is consistent with the MPI' approach other fish stocks of this nature.

2015 TAC(t)	2015 TACC(t)	Other Sources of Fishing- Related Mortality (t)	Māori Customary Allowance (t)	Recreational Allowance (t)
1,181	1,122	54	1	4

Deemed Value Rates (multiple stocks)

I have decided to adjust deemed value rates for a number of fish stocks to ensure they provide an effective incentive for commercial catch to be balanced with Annual Catch Entitlement (ACE). Table 1 summarises my decisions on deemed value rates.

I have decided to increase interim deemed value rates for the majority of these stocks from 50% to 90% of the annual deemed value rate to encourage more regular catch balancing throughout the year with ACE. Along with this decision, I have decided to increase the annual and differential deemed value rates for GMU1, and increase the differential deemed value rate for RIB8.

A review of all deemed value rates was considered for KIN7 and KIN8 as requested by Industry. I am aware of the costs being imposed by the existing framework. However, I have decided not to change these rates because I am not satisfied that a change either down, or up, of the existing rates will create the right incentives for fishers to balance catch with ACE and consequently manage catch within the TACC. I have asked MPI to investigate undertaking a review of the KIN 7 and 8 management framework.

I have also decided to make no change to the deemed value rates for STA7 based on the available information.

My decisions are consistent with both the Deemed Value Guidelines and my statutory obligations. For the stocks reviewed, I have given particular consideration as to how best to avoid creating incentives to misreport, whilst still ensuring the long term value of the stocks.

Table 1: Deemed value rate changes to apply from 1 October 2015 (changes highlighted)

Species	Stock	Current			New		
		Interim \$	Annual \$	Annual 200% ¹ \$	Interim \$	Annual \$	Annual 200% \$
Frostfish	FRO8	0.08	0.15	0.15	0.135	0.15	0.15
	FRO9	0.08	0.15	0.15	0.135	0.15	0.15
Grey mullet	GMU1	0.61	1.21	2.42	1.35	1.50	3.00
Gurnard	GUR3	0.85	1.70	2.42	1.53	1.70	3.40
	GUR7	0.85	1.70	2.42	1.53	1.70	3.40
Kingfish	KIN7	8.00	8.90	17.80	No change		
	KIN8	4.45	8.90	17.80	No change		
Lookdown Dory	LDO1	0.21	0.42	0.42	0.378	0.42	0.42
Pilchard	PIL8	0.30	0.60	1.20	0.54	0.60	1.20
Redbait	RBT3	0.25	0.50	1.00	0.45	0.50	1.00
Ruby fish	RBV7	0.21	0.42	0.42	0.378	0.42	0.42
Ribaldo	RIB4	0.15	0.30	0.60	0.27	0.30	0.60
	RIB8	0.15	0.30	0.30	0.27	0.30	0.60
Red snapper	RSN2	2.05	4.09	8.18	3.681	4.09	8.18
Rig	SPO2	1.50	3.00	6.00	2.70	3.00	6.00
	SPO7	1.50	3.00	6.00	2.70	3.00	6.00
Stargazer	STA7	0.90	1.00	2.00	No change		

¹ Under a standard differential deemed value rate schedule the applicable deemed value rate increases by 20% for every 20% of catch in excess of ACE holdings, up to a maximum 100% increase for all catch 100% or more in excess of ACE holdings.