

# Kenepuru & Central Sounds



Kenepuru & Central Sounds Residents Association Inc.

Inshore Fisheries Management  
**Ministry for Primary Industries**  
P O Box 2526  
Wellington 6011

**Email: [FMsubmissions@mpi.govt.nz](mailto:FMsubmissions@mpi.govt.nz)**

*Ross Withell*

*President KCSRA*

*2725 Kenepuru Road*

*RD 2*

*Picton 7282*

*email: [president@kcsra.org.nz](mailto:president@kcsra.org.nz)*

*WWW: [kcsra.org.nz](http://kcsra.org.nz)*

30 May 2017

Dear Sir/Madam

## **Submission – MPI Discussion Paper (2017/19) – Temporary Closure of Southern Scallop SCA7 Fishery**

I submit this submission on the above Ministry for Primary Industries (**MPI**) Discussion paper in my capacity as President of the Kenepuru and Central Sounds Residents' Association (**KCSRA**).

### **Introduction**

1. **Who we are:** KCSRA was established in 1991, and currently has around 250 household members whose residents live fulltime or part-time in the Kenepuru and Pelorus Sounds. The KCSRA's objects include, among others, to coordinate dealings with central and local government and promote the interests of residents of Kenepuru Sound and adjacent areas, and to promote and act in the best interests of residents, ratepayers, and persons associated with the Kenepuru and Central Sounds area.
2. **What we do:** Our website ([www.kcsra.org.nz](http://www.kcsra.org.nz)) demonstrates that KCSRA is very busy representing the interests of members in a wide variety of matters. For example, advocating for better and safer roads and provision of public toilets in places of high visitor use, liaison and representations to the local council, and involvement in local environmental/conservation issues.

---

### **Kenepuru & Central Sounds Residents Association Inc.**

President	Ross Withell
Vice President	Andrew Caddie
Secretary	
Treasurer	Stefan Schulz
Chairman Rooding Committee	Robin Bowron

<a href="mailto:president@kcsra.org.nz">president@kcsra.org.nz</a>
<a href="mailto:vicepresident@kcsra.org.nz">vicepresident@kcsra.org.nz</a>
<a href="mailto:secretary@kcsra.org.nz">secretary@kcsra.org.nz</a>
<a href="mailto:treasurer@kcsra.org.nz">treasurer@kcsra.org.nz</a>
<a href="mailto:rooding@kcsra.org.nz">rooding@kcsra.org.nz</a>

## Background

3. **Why we are interested:** In January 2014 KCSRA received notice of a MPI Initial Position Paper entitled “*Review of Sustainability Measures for SCA7*”. The focus of that paper was a review of the Total Allowable Catch (TAC) then set at around 800 tonnes meat weight for SCA7. We were shocked to realise that the TAC bore no relationship to what was actually happening in the fishery (and still does not).
4. It became very clear to KCSRA that the experiment in passing governance of the resource to commercial interests via a Memorandum of Understanding had failed. This is evidenced by the total collapse of the once flourishing Tasman and Golden Bays scallop fisheries due primarily to, in our view, commercial overfishing and governance failure.<sup>1</sup> This failure of governance was also rapidly pushing the Marlborough Sounds fishery to collapse by out of control commercial interests.<sup>2</sup> This was **not acceptable** for a resource that was much treasured by the Sounds community.
5. Accordingly, the committee of KCSRA rapidly inserted representatives into the process who came up to speed with the management and scientific issues. Crucial to our involvement was joining an alliance of local community organisations (Pelorus Boating Club and the Marlborough Recreational Fishers Association). Over the next two years we kept our members informed as we and the Alliance submitted on Industry Harvest Plans, the design and outcomes of biomass surveys, made media releases, attended MPI convened multi-sector working group meetings and wrote to the Minister over our increasing concerns.
6. The continued rapid decline in available scallop biomass in the Sounds was such that by the end of the 2015/16 season the commercial harvest from the Sounds had collapsed to 21 tonnes<sup>3</sup>. This galvanised the Alliance to greater efforts to remove the scales from the eyes of MPI officials and scientists. We were successful in that in June 2016 the Minister announced a complete closure of the Sounds scallop fishery.
7. In the intervening period the Alliance, working with MPI, tried hard to progress the much-needed restructure of the governance arrangements for the Sounds resource. We did not succeed. It is submitted that the Industry (as represented by the Challenger Scallop Enhancement Company – CSEC) achieved this result by being allowed by MPI to effectively use the tactic of refusing to engage. **It is a most unfortunate outcome.**
8. Be that as it may, we are now at the point of reviewing yet another consultation paper from MPI painting a still grim picture of the situation and seeking a response to three proposed “*management options*” – **to close or not to close?**

---

<sup>1</sup>Thus for example it is recorded that in parts of TB/GB planned rotational fishing on a 3-year cycle morphed, in fact, into annual fishing over 8 years. See page 21, paragraph 2.3.1 of “A summary of expert opinion to help rebuild shell fish fisheries in Tasman and Golden Bays” – November 2015 NIWA Information Series No 84.

<sup>2</sup>Commercial exploitation rates in the Sounds in 2012 were as high as 40% - page 1126, Volume 3 - MPI Fisheries Assessment Plenary –May 2016 -SCA7. At this point recreational representatives refused to agree to the commercial harvest plan in 2013 sparking the subsequent TAC review referred to in paragraph 3 above..

<sup>3</sup>In 2009 the Commercial take was over 100 tonnes meat weight from the Marlborough Sounds Fishery. Recreational and customary take has been estimated by MPI to be relatively stable at around 11 tonnes from all the SCA 7 fisheries.

## Support for Option Two

9. To be absolutely clear KCSRA strongly supports and **thus submits in favour of Option Two**. For the record we briefly explain in this submission why KCSRA supports Option Two.
10. We also discuss the inclusion of Option 3 and our views on that if, in the unlikely event, the Minister decided upon that option. In the balance of this submission, we then go on to discuss some related matters.

## Why Support Options One or Two?

11. **Option One:** This is the closure of all of SCA7 from recreational and commercial scallop effort for the 2017/18 scallop-season. We note the extension of the closure to all of SCA7 compared to the partial closure implemented in 2016. We draw the reader's attention to the KCSRA 2016 submission<sup>1</sup> where we (along with many other concerned submitters) queried the logic of the (then) proposal to close only part of SCA7.
12. **Option Two:** This differs only from Option One only in that the area to be closed from recreational and commercial scallop fishing effort for the 2017/18-scallop season is extended to cover the Port Underwood area. For some unexplained reason Port Underwood does not form part of SCA7.
13. KCSRA has had some discussion with a sister association based in the Port Underwood area. The general consensus is that for the reasons touched on in the MPI Discussion paper it is appropriate that if SCA7 is to be closed then so too should the Port Underwood area.
14. **Customary Fishers:** KCSRA notes that Option Two makes no reference to customary fishers. We are unclear why this is the case. In last years closure MPI sought and obtained assurances from local iwi that there would be no customary fishing permits issued over the course of the closure. We assume this is again (or will be) the case here. **We seek assurances** from MPI and the Minister that our assumption is correct.
15. KCSRA notes that our support for the closure is advanced on a principled science based best evidence basis. To this end KCSRA (and its Alliance partners) have vigorously participated in all the MPI led discussion and workshops as to the design of the proposed NIWA biomass survey and subsequent review of the draft results/report and KCSRA broadly accepts the same.
16. Following discussion, it is clear to KCSRA (and its Alliance partners) that the NIWA January/February biomass survey and the subsequent analysis and modeling of the data only indicate, **it is submitted**, that the alarming downward plunge of biomass levels in the few remaining viable Sounds beds may, at best, be levelling out.
17. Equally clearly, it **is submitted** that the NIWA report (and as seemingly echoed by MPI in its discussion paper<sup>2</sup>) show that the Sounds resource has yet to recover to a point where a harvest plan can, on an evidentiary basis, be reasonably contemplated.
18. The Sounds resource needs, **it is submitted**, at least another years break to see if these tentative signs of some recovery following removal of fishing effort are, in fact, a trend. This can be best achieved by implementing Option Two. **Thus KCSRA submits in support of Option Two.**

---

<sup>1</sup>See paragraph 11 of the KCSRA submission dated 18 June 2016. (Click on [www.kcsra.org.nz](http://www.kcsra.org.nz) then click on "Public Documents" and then locate the submission under the folder entitled "Scallops").

<sup>2</sup>See, for example, section 6.3.1 of the MPI Discussion paper.

## Why is there an Option Three?

19. The MPI Discussion paper acknowledges that the Tasman and Golden Bays fisheries have smashed through any “hard limits” such that a halt to all fishing effort is **very likely** required. The MPI discussion paper suggests that it is **likely** the same point has been reached for the Sounds fishery. MPI agrees that at best the Sounds resource is at the same point (or thereabouts) where it was deemed appropriate to close the fishery in 2016.
20. Accordingly, KCSRA is a little perplexed (and thus somewhat concerned) that MPI has even advanced Option 3 given the heavy weight of scientific evidence to the contrary. Further, there is the express statutory directive placed upon the Minister pursuant to Part 2 of the Fisheries Act 1996 (to sustainably manage the Sounds fishery for future generations) that, in our view, any form of Option 3, threatens.
21. The situation is even more alarming in that the MPI Discussion paper gives no hint as to what if any management constraints would be placed around any form of Option 3 should it come to pass. Accordingly, we are unsure of the motives behind MPI putting forward an Option 3.
22. Nevertheless given that MPI has, KCSRA feels it has no choice but to assume that MPI’s “preliminary view” that Option 3 “*is not a responsible option*”<sup>1</sup> could be subject to change. Accordingly, we briefly submit, in KCSRA’s view, how matters should play out if the Minister is somehow persuaded Option 3 is in some form viable.
23. In this scenario KCSRA believes the Sounds fishery should be opened to **recreational and customary fishers only on a limited basis**.
24. Thus, not all the five remaining viable Sounds beds should be opened (for discussion purposes say just Guards Bank and Ships Cove). This reflects that in order to rebuild the Sounds fishery this requires protecting some of the better spawning areas from fishing (the other three viable beds).
25. If Option 3 was to be pursued **it is submitted** that a recreational/customary harvest of 3 to 4 tonnes<sup>2</sup> should be seen as the maximum sustainable take in the circumstances. To achieve this (and in addition to the measures noted in paragraph 24 above) there could be a truncated season as well as other operational measures. These could be discussed in more detail if the Minister indicates that, somehow, he is persuaded that Option 3 is in fact a real possibility.
26. We **stress again**, for clarity, that even under Option 3 the fishery should be closed to commercial fishers for obvious reasons.

## We are in this Mess due to a failure of Governance

27. KCSRA is strongly of the view that the experiment of delegating effective governance of the management of the fishery to Industry is an overarching root cause as to why we are in this mess. The experiment has clearly failed in that by any objective indicator it has not resulted in the sustainable management of the fishery.
28. As KCSRA (and its Alliance partners) have said repeatedly and loudly over the last three years, matters will not turn around on a sustainable basis unless and until several things happen - most importantly the Memorandum of Understanding between the Crown (MPI) and Industry (CSEC) needs to be restructured so the Sounds Fishery is removed from its ambit. A new advisory group consisting of representatives from all stakeholders needs to be convened

---

<sup>1</sup>Paragraph 6.3.1 of the MPI discussion paper.

<sup>2</sup>This is derived using the more, in our evidentiary based view, sustainable Exploitation Rate of 15% and the MPI biomass figures set out at page 9 of the MPI Discussion paper.

at the direction of the Minister. Their task, to develop a set of management objectives and a strategy to implement the same for the Ministers review.

29. To be clear, once the Sounds fishery is scientifically established to be on a sustainable upward growth path **we do see a place** for commercial interests in the decision making as to what is or is not a sustainable harvest plan for all sector groups.
30. However, from our hard won insights into how this fishery has operated and why it is at the perilous state that it is requires the non commercial sector to have a much greater say in the decision making process. Once this fundamental concept has been grasped then the task of the multi sector-working group formulating and submitting to the Minister a package of sensible longer term operational management measures, can proceed more easily.

### **Research Efforts– Misplaced Effort?**

31. KCSRA (and its Alliance partners) have attended various science/research related workshops. It is fair to say we are increasingly frustrated at what we see as a misplaced focus on wanting to allocate scarce research dollars and resource in investigating why the Golden and Tasman Bay scallop fisheries have not responded to the removal of fishing effort.
32. To us it seems quite simple. Poor governance and management options have pushed those two fisheries past the tipping point. Fervently wishing that they bounce back like they did after removal of fishing effort for a couple of seasons back in the 1980's ignores the biological reality. Once through a tipping point the chances of a population's recovery are very low.
33. It thus makes **no rational sense** to ignore, for research purposes, the remaining viable scallop resource. It is submitted that the Sounds resource is where we should direct our research efforts. We know very little.
34. To try and turn this misguided focus around, earlier in May the Alliance partners prepared and circulated a discussion paper identifying what research questions we should be addressing in respect of the Sounds fishery. **We attach** that paper as Appendix One to this submission. We respectfully ask the Minister to direct his officials to turn their focus of scallop research efforts to the Sounds resource and put in place a program of work to address the questions posed in our paper.
35. We also note with concern the references in the MPI discussion paper to the poor condition and presence of *Rickettsia*-like pathogens in certain areas of the Pelorus Sounds. We looked in vain for indications of what steps MPI envisages to take in coming to grips with this situation. This is unfortunate.
36. Finally, we wish to make it clear that, like the CSEC Industry representatives, we view with real concern the efforts of the advocacy arm of MPI in trying to ram through a massive expansion of salmon farming in close proximity to the likes of Ketu and Richmond Bays. The proposed huge increased level of discharges into the water column from these farms pose an existential threat to indigenous threatened shellfish (such as scallops) and other marine species.

## Conclusion

37. For the coming season the best available scientific evidence supports Option 2.
38. However the closure period needs to be constructively used. We urge the Minister to take urgent steps to secure the long-term future of the Sounds resource by directing his officials to initiate a restructuring of the Memorandum of Understanding by separating out the Sounds fishery. Such governance restructuring must give non-commercial interests an equal say in the management of the Sounds resource going forward. This requires, we submit, a Ministerial appointed working group of representatives from all stakeholders. If CSEC continues to frustrate matters by declining to engage then matters should proceed without them.

Yours sincerely

  
Ross Withell

President  
Kenepuru and Central Sounds Residents' Association

# Appendix One

## Suggestions for a Research Effort focussed on the Marlborough Sounds Scallop Fishery.

### Introduction

1. What follows is some constructive comments and suggestions as to areas that a research program needs to be developed for the Marlborough Sounds Scallop Fishery. **We stress** that our primary focus is achieving a restructuring of the current governance arrangements of the fishery via the Memorandum of Understanding. This needs to be done in order to create a much better platform to deliver to all stakeholders, current and future ones, a sustainable management system for the fishery.
2. As previously indicated the Alliance partners have had some difficulty coming to terms with the apparent desire and focus of MPI, Scientists and other stakeholders on expending significant time and effort on developing a research program for the failed Golden and Tasman Bay scallop fisheries (**GB/TB**).
3. We feel this focus is ignoring the very pertinent adage of “ **reinforce success not failure**”. In this context MPI et al seem to be placing excessive and unwarranted emphasis on trying to get to the bottom of the set of circumstances that led to the failure of the GB/TB, once hugely viable, beds and largely ignoring, for research purposes, the few remaining viable beds located in the Sounds.
4. Rather than try and turn the GB/TB ship around we feel it more effective to put on the table some suggestions as to what might be some productive research effort for our remaining viable beds in the Sounds. However, pragmatically, we cannot ignore the preferred GB/TB research focus and we have put some thought into catering for this mind-set.
5. In other words, the Sounds is not without its tragedies in terms of the collapse of once viable scallop beds. We suggest that the more efficient research strategy is, in conjunction with focussed research on the few remaining viable Sounds scallop beds these failed areas could also be gainfully researched on the side.

### Suggestions as to how to efficiently approach the development of a Research Program for the Sounds

6. As we see it the research focus could be neatly and usefully divided into two main headings.
7. **Survey Issues:** For example, improving and reviewing biomass survey methods and equipment.
8. **Habitat Issues:** What are the qualities and attributes associated with the few remaining high quality scallop beds? By contrast what are the qualities and attributes now associated with once viable but now failed or severely degraded beds?
9. **Expert Panel:** As a starter, the proceedings and report of the panel of overseas experts brought into New Zealand by MPI last year should be dusted off and carefully and

dispassionately reviewed for suggestions under these headings. We can assist here. Research insights from MPI and NIWA attendees at the recent significant North American scallop conference also need to be distilled, recorded and acted on.

### **More detailed discussion and suggestions**

10. **Dredge Efficiency:** Under the heading of **Survey Issues** the basic starting point is the sampling unit – the dredge. What do we know about how dredge efficiency varies by reference to different substrate and depth? How does this impact on reliability?
11. **Extreme Caution Signalled:** The Alliance has noted with **some alarm** and unease a recent push from industry to move from the traditional (for this area) ring dredge to a form of box dredge set up utilising tines. Industry argues improved potential catch productivity from a tine-based method on hard substrates.
12. The Alliance, wearing our guardian ship hat, sees any “productivity gains” translating into rapid **over exploitation** of the few remaining beds and the potential to develop a “loose substrate” as the tines scratch their way through the current hard substrate.
13. We wish to make it **very clear** that any move to a changed dredge system for the Sounds must be carefully trialled and independently scientifically reviewed from both the viewpoint of the pros and cons prior to any larger scale implementation. A contrary unstructured and unsupervised “give it a go“ approach will be strongly and publically resisted.
14. **Analyses:** How can we make analytical improvements?
15. **Data Base:** Can the database be re-stratified so data relating to areas that once supported viable scallop beds can be reviewed over time and lessons gleaned? What happens if the relatively crude (and in our view overly generous) **current exploitation rate** is reassessed by collating data into smaller areas and against fishing effort?
16. What steps could be taken in terms of the development and improvement of our database? How useful/efficient would it be to undertake some re-analysis of the database? Is there merit when doing so to divide data into different areas (geographic and/or productivity) and assess if temporal patterns can be shown?
17. **Hard and Soft Limits:** There is also the vexed and troubling area of the (non) use of hard and soft limits let alone how these are or should be developed and calculated for shellfish such as scallops.
18. As the Alliance understands it this concept of setting hard and soft limits comes out of finfish management. The “hard” question that has to be phrased and addressed at an independent scientific level is whether this management approach is transferable to relatively immobile shellfish. If not, is there an alternative to other than taking more of a precautionary approach?
19. Is part of the problem more simply that MPI and too many stakeholders are failing to put the requirements of Section 8 of the Fisheries Act 1996 more firmly in the forefront of their minds when looking to sustainably manage this treasured resource for future generations? Should this aspect be researched and if so how?
20. **Types of survey:** Should we making more use of more expensive but arguably more effective and reliable camera or dive surveys? What are the basic requirements and techniques that need to be thought through and assessed before shifting into such alternative (to dredge) survey methods?

21. **Historical Experiments:** On more than one occasion Alliance members have heard talk of a large scale industry experiment whereby a section of the sea bed was heavily modified (rolled) in the belief that this would encourage and enhance scallop seeding and fishing efforts. We get the impression this experiment failed dismally.
22. Nevertheless **we recommend** some research effort be put into tracking down the credibility or otherwise of these reports. If these reports are proven to be credible, research might be usefully directed at what went wrong or the state of that experimental area today. Given the preferred geographical research focus of many, this suggestion has the added attraction that these large scale experiments were allegedly carried out in GB/TB.
23. Under the **Habitat Issues** heading: clearly the Sounds few remaining high quality beds are the ones both to protect and get to know better. Basic questions include what makes good scallop habitat, why, where is it found?
24. This could be done by a carefully thought out program of seabed mapping identifying the substrate type and degree of seabed development. This can then be compared to the failed Sounds scallop areas such as the Mahau Sound and Tawhitinui area. Under threat areas such as Ketu and Waitata Bays could also be mapped and compared.
25. What happens if fishing effort data is overlaid over these areas?
26. We need further research on and understanding of the required density of scallops to get good survival rates. Sadly, this sort of research can now only be carried out in the Sounds.

### **Enhancement Matters**

27. The careful reader will note we have not mentioned or suggested enhancement for the Sounds. **This is no accident.** Members of the Alliance have a number of real concerns with any proposals for CSEC to extend any enhancement operations/research initiatives into the Sounds and accordingly do not support the same. We are currently seeking further information on these matters from MPI to assist refining our position on this controversial area.

### **Next Steps**

28. We would like this short paper to be circulated to, among others, the rest of the attendees at the meeting of 10 April in due course.

Andrew Caddie

Chair - KCSRA Marine Sub Committee

Kenepuru and Central Sounds Residents' Association.

10 May 2017