[To be placed on Association letterhead]

[Date]

Minister of Fisheries Parliament Buildings Wellington

Dear Sir

Kenepuru Sound - Extension of Commercial Fin Fishing Ban

I write in my capacity as Chair of the Kenepuru and Central Sounds Residents Association Inc. The Association was established in 1991 and currently has 165 members. The Association's objects include, among others, to coordinate dealings with central government and promote the interests of residents of Kenepuru Sound and adjacent areas.

At the 2010 AGM of the Association, attended by 65 members, a resolution was unanimously passed, directing the incoming Committee of the Association to have the current six-month ban each year on commercial fin fishers operating in Kenepuru Sound extended to a ban for the whole year. This was seen to be in the interests of preserving the special status of Kenepuru Sound for the maintenance of certain fisheries and would also bring Kenepuru Sound into line with similar bans elsewhere in the Marlborough Sounds.

Following the AGM, the Committeegot in touch with Ministry of Fisheries personnel who advised that in order to achieve this objective, the Association first needed to follow the "Resolution of Disputes procedure" set out in Part 7 of the Fisheries Act 1996.

A Working Sub-Committee was formed and got busy. Firstly, with the assistance of your officials we gathered together and reviewed various scientific research papers concerning stock assessments and yield estimates compiled by your officials (MoF Science). Following that review and again with the assistance of your officials we made contact with the affected commercial fin fishers' representative (Carol Scott, Chief Executive, Challenger Finfisheries Mgt Co Ltd).

As part of that process we prepared and circulated to her the consultation document attached as schedule 1 to this letter. One of our representatives then met in person. We have also consulted local Tangata Whenua and supplied them with, among other things, the paper attached as schedule 1.

The Working Sub-Committee in due course reported to the Committee as to its findings and this report is attached as schedule 2 to this letter. Both schedule 1 and schedule 2 were then made available to our members well in advance of the 2011 AGM. At that

AGM the resolution suggested in paragraph 6 of schedule 2 was put to the members and was passed unanimously.

There was only one amendment – the word "fin" was inserted between commercial and fishing so that it read …"Write to the Minister of Fisheries requesting that the current 6 month ban on commercial fin fishing operations in Kenepuru Sound be extended to 12 months". This resolution was also communicated to Tangata Whenua and other stakeholders in the Nelson/Marlborough region.

Based on the MoF catch data it seems reasonably clear to us that our proposal would have no significant impact on commercial fin fishing operations in the Kenepuru Sound. Accordingly the Part 7 process is not relevant.

Further, as we understand it, current government policy is supportive of putting in place "recreational only" fishing reserves in order to recognize recreational fishing needs. The Association applauds such focus as both appropriate and pragmatic. This is particularly so for the Kenepuru Sound as our review of the latest MoF scientific report suggests that a reliance on a scientifically-based debate around sustainability has, given the current low level of understanding and available data in the relevant fisheries, serious flaws and is fraught with difficulty. (See our review of the MoF 2010 Fisheries Assessment Report as attached in schedule 1).

Accordingly, on behalf of the Association please favourably review our request to have the current annual six month ban on commercial fin fishing operations in Kenepuru Sound extended to a twelve month ban.

If you would like to discuss the above, or any aspect of the Association's request, we would be happy to meet at a mutually convenient time and place.

We look forward to hearing from you.

Yours faithfully

Chair Kenepuru and Central Sounds Residents Association Inc

Cc Mr J Taunton-Clark Ministry of Fisheries PO Box 19747 Avondale Auckland 1746

Schedule 1

Kenepuru and Central Sounds Residents Association ("Association")

Meeting with the Representative of Commercial Fishers in Kenepuru Sound

Dear Carol

As a preliminary step to our meeting on 23 February 2011, you requested a background paper setting out the Association's position on the matters currently under discussion.

Background

The Association is a body incorporated in 1991 under the Incorporated Societies Act. The Association's objects include, among others, to coordinate dealings with central and local government and to promote the interests of residents of Kenepuru Sound and adjacent areas.

At the last AGM of the Association, which was attended by 60-70 members, it became apparent that there was an increasing level of concern among members about threats to recreational fishing in the Kenepuru Sound and associated actions by government such as the moratorium on blue cod fishing in the Marlborough Sounds generally. After some discussion, the AGM unanimously passed a resolution directing the incoming committee of the Association to take the necessary steps to have the current six month ban on commercial fishing operations in Kenepuru Sound extended to a year-round ban.

By way of clarity, we note that references to Kenepuru Sound is that area of sea and sea-bed described by regulation 2E (6) of the Commercial Fishing Regulations (Challenger area).

Following the AGM, the Committee has been in touch with the Ministry of Fisheries (MoF) who advised that, in order to achieve this objective, the Association would need to follow the "Resolution of Disputes procedure" set out in Part 7 of the Fisheries Act 1996. This requires the Association to, among other things, meet with stakeholders such as yourself as what is being proposed by the Association would, on the face of it, significantly affect the commercial fishing activities of some of your members.

In order to obtain the appropriate technical and quantitative data, the Association made certain Official Information Act requests of MoF seeking relevant fishery information and data. We note your earlier advice that you have been supplied with copies of the MoF response to these OIA requests. Accordingly we limit our comments to the broad themes emerging from the writers review of that information.

In essence, the MoF information can be divided into two parts:

- 1. Some limited commercial catch history information for Kenepuru Sound alone, and
- 2. Extracts from a more detailed scientific report entitled "Report from the Fisheries Assessment Plenary, May 2010: stock assessments and yield estimates". This report was compiled by MoF Science in conjunction with various working groups made up of MoF and other stakeholders. The Chief Scientist, MoF, states that this report represents the best available scientific information relevant to stock and fishery status as at 31 May 2010.

Discussion

Kenepuru Sound forms a very small part of what is known as Quota Management area 7. It is only in relatively recent times that MoF has broken QMA 7 into smaller reporting areas for statistical purposes. MoF advises that Kenepuru Sound represents approximately 30% of what is known as statistical area 17. MoF have also advised that set netting is the only permitted commercial fishing method in the Kenepuru Sound area. After some discussion, MoF was able to advise that between 1 October 2006 and 30 September 2009 approximately 9.121 tonnes of flatfish (FLA) and approximately half a tonne of snapper (SNA) was reported as being landed by commercial fishers from Kenepuru Sound. We understand the SNA was bycatch.

As noted, the MoF 2010 Fisheries Assessment Report is fairly broadbrush in that it refers to fishing activities in QMAs. Given the nature of the commercial catch from Kenepuru Sound, we make some brief comments on the Report's coverage of FLA 7 and SNA 7.

Flatfish – From 1989 the Total Allowable Commercial Catch (TACC) has been set at 2,060 tonnes for FLA 7. However, landings have varied from a high of 1,560 tonnes in 1992 to a low of 417 tonnes in 1999, although in the period 2004 to 2009 landings have been more around 1,000 to 1,400 tonnes. The Report suggests that the TACC has purposely been set at a high level so as to provide commercial fishers with the flexibility to take advantage of the perceived variability associated with annual flatfish abundance and accordingly should not be expected to be reached each year. The Report acknowledges that due to "processor grading" issues, unrecorded fishing mortality may be higher.

The Report notes that estimates of current and reference biomass are not available. In terms of estimation of Maximum Constant Yield (MCY), these are considered to be extremely unrealistic and there is no estimate of current annual yield available. The Report also notes some concerns around the high TACC and associated bycatch. In other words for species such as flatfish whose availability is seen to be highly variable, high TACCs provide an incentive to maximize target catch regardless of how much bycatch quota is held.

In summary, it would seem that the current fishing management strategy for flatfish relies on the assumption that New Zealand flatfish species are fast growing, have high size limits and have high fecundity. **Snapper** – For SNA 7, the Report details the decline of commercial landings from the highs in 1950 of 1,776 tonnes to a TACC of 200 tonnes for the period 1998-2009. In this period, the commercial catch varied from 248 tonnes to 141 tonnes. We understand the various annual reoprted commercial catches above the TACC of 200 tonnes were due to bycatch. It would seem that the TACC of 200 tonnes set first in 1998 was due to a perceived collapse of the fishery. Further, it would seem that by 2006, confidence in the MoF model used to depict SNA 7 biomass had disappeared, although the Report suggests that there is some optimism (uncorroborated) that the stock is rebuilding. We understand from the Report that a reliable index of abundance is not yet available. It is clear from the Report that the science of fisheries management of SNA 7 is a difficult and complex task.

Association concerns – In seeking to ban commercial fishing operations from Kenepuru Sound, the Association's members (many of whom are recreational fishers) are expressing their concern as to the need to protect what they see as a vulnerable narrow waterway fishery and their own recreational fishing activities. The writer's review of the MoF information collected to date gives no great comfort that the Associations members' views are misplaced. However, trying to determine the materiality of the Association's objective on your members who have been carrying out commercial fishing in the Kenepuru Sound has not yet been able to be clarified as that is seen as impacting adversely on the commercial sensitivity of the commercial fishers involved. Accordingly, one of my objectives for our meeting is to try and seek ways to clarify the degree of materiality on your members bearing in mind commercial sensitivity.

I look forward to meeting with you on Wednesday.

Andrew Caddie

Schedule 2 Kenepuru and Central Sounds Residents Association Committee Report – Commercial Fishing in Kenepuru Sound

At the last AGM, the members of the Association unanimously passed a resolution; "That the KCRSA recommend to the Government that there be no commercial fishing in the Kenepuru Sound because of its enclosed water".

The attached paper prepared by the writer for a meeting with the commercial fishers' representative sets out the approach subsequently taken by the Committee and reviews the various scientific and catch information subsequently obtained from the Ministry of Fisheries (MoF) via the Official Information Act (OIA).

As at the date of this report, consultation (as requested by MoF) with Tangata Whenua (local Maori) was yet to be completed and certain OIA requests of MoF were still outstanding. Subject to completion/review of these outstanding matters, I report as follows:

- 1. The scientific rationale behind the Government's management of inshore fisheries is not persuasive.
- 2. The management history of the affected fisheries (flatfish and snapper) in the Quota Management Area (QMA7) of which Kenepuru forms a very small part details a declining resource reflecting my comments in point 1 above and as further elaborated in the attached report.
- 3. The current commercial finfishing activities in Kenepuru Sound (as that area is defined in the attached report) are, we have been advised by MoF, restricted to commercial netting operations and are currently restricted to six months of the year.
- 4. The commercial finfish take from Kenepuru Sound seems small relative to the total take in QMA7, albeit with a snapper bycatch. Nevertheless, removal of that fishing pressure from Kenepuru Sound would in the writer's view, benefit the fishery and enhance recreational fishing.
- 5. Continuing to proceed down a part 7 of the Fisheries Act 1996 Dispute Resolution Process seems something of a dead end relative to the effort/likely outcomes involved. Clearly commercial fishers have little incentive to be seen to agree with our members' objectives. Further, their resistance seems to stem from their concerns as to a possible flow-on affect in other areas rather than whether or not a 12 month commercial fishing ban in Kenepuru Sound would significantly impact on their fishing operations.
- 6. Accordingly, I recommend we report to our members at the next AGM advising what has been done to date and outcomes with the recommendation that they reaffirm last years resolution and direct the Committee to wrap up their investigations and write to the Minister of Fisheries requesting that the current six month ban on commercial fishing operations in Kenepuru Sound be extended to 12 months.

Andrew Caddie 24. 3. 2011