

**What does Proportional Allocation Mean?  
Why is it unfair to non-commercial fishers?**

**Presentation to the Hokianga Accord  
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10 November 2005**

**Introduction**

**How It Used To Be**

There were more fish and they were bigger.

**How it is now**

The average size of fish we now catch north of the Manukau has become much smaller. Northland's west coast was once famous for its numerous big snapper.

Now, there is not much difference between the size of a snapper caught off the Hokianga and a snapper from the Hauraki Gulf.

**Fisheries Management**

There is a widespread belief that our fisheries are not well managed.

As recently as this week environmental groups were complaining on TV3 about the poor management of our fisheries and the lack of constraints on commercial fishing.

The Ministry of Fisheries freely acknowledge there is only half as much snapper on the west coast as what there should be, this means that recreational and customary fishers will inevitably catch smaller fish and fewer fish as there is only half as many fish in the sea as there should be.

The flounder and mullet fisheries are further examples of how the Ministry of Fisheries has given preference to commercial fishers.

They admit the quotas in these fisheries are set far too high and are unsustainable yet fail to take action and cut the quotas.

The reality is that after having a QMS for 20 years many of our fisheries are still in a depleted state.

It is recreational and customary fishers who bear the brunt of this mismanagement.

As the size of fish stocks fall the recreational and customary catch falls.

Commercial fishers simply get bigger boats or nets to continue to catch or exceed their quota

After 20 years of failing to implement the QMS properly and rebuild depleted inshore fisheries the Ministry of Fisheries now wants to change the way it allocates catches between commercial and non-commercial fishers.

The Ministry has recently started using a system it calls proportional allocation.

Proportional allocation of fisheries is a method of giving all of the competing users in a fishery, an explicit portion or share of the available catch.

If the fishery improves, everyone's portion is increased by the same percentage.

If the fishery becomes depleted everyone's catch is reduced by the same percentage.

It sounds very simple, and on the surface, it appears to be fair.

### **Nothing could be further from the truth.**

The reality is that the proportional system of allocation does not adequately provide for non-commercial fishers, it will only make them minor shareholders in a commercial fishery.

Recreational leaders first became aware of the true objective of a proportional allocation system at a public meeting in Auckland in the year 2000.

I asked Jenni McMurrin, a Ministry of Fisheries representative, what the objective of the *Soundings* process was, her response was, it was to cap the recreational tonnage and to avoid compensation issues for the Crown.

### **So why cap recreational catch now?**

Recreational catch has been suppressed to all time lows in many important inshore fisheries through ongoing mismanagement of the commercial fishery.

If the Ministry can cap recreational catches now it will mean the minimum possible amount of fish will have to be set aside for non-commercial fishers.

The Ministry want to do this is because the maximum possible tonnage of fish has **already been given to the commercial sector.**

This has happened because the Ministry's initial commercial quotas that were set at levels to allow the rebuild of depleted fisheries have been ignored and exceeded through a variety of measures.

### **Why Do the Ministry Need to Avoid Compensation Issues**

The Ministry of Fisheries, in their latest advice to the Minister, acknowledges the initial allocations between commercial and non-commercial fishers were set without any proper process.

It is obvious that serious mistakes have been made. Flounder and mullet are two good examples. Commercial fishers have been given so much quota in these fisheries they have never been able to catch it.

The result is excessive commercial fishing that leaves less fish available for recreational and customary fishers in areas like the Manukau and Kaipara harbours.

Both of these fisheries were reviewed this year, however the Minister decided it was more important to keep the excessive commercial quotas in place, and avoid any risk of compensation, rather than address the needs of the local communities around these harbours.

Those who have been fighting for sensible management over the past 15 years will likely have to wait another five years for another opportunity to have these issues resolved.

To understand the dangers of proportionalism we need look no further than the history of snapper 8, the west coast fishery from North Cape to Wellington.

In September the Minister made a decision to cut commercial and recreational allocation by 13% each.

In 1986 commercial fishers were given 1330 tonnes of quota.

At time the Ministry said this quota would allow this commercially depleted fishery to rebuild.

Since that time the Ministry has failed to constrain commercial fishers to this quota.

As of last year commercial fishers had removed over 6000 tonnes of snapper in excess of their initial annual quota entitlement.

These excesses have been achieved through mechanisms the Ministry has condoned such as allowing QAA increases to inflate quotas, deeming and by illegal activity, which the Ministry has failed to address.

Also during this time non-commercial fishers accepted voluntary cuts by way of reduced bag limits, increased minimum size limits and a reduction of hook numbers on longlines to conserve in this fishery.

These voluntary measures have resulted in a 26.6% reduction in non-commercial catch, a saving of 800 - 1600 tonnes since 1995.

When the Minister made the proportional decision and cut both commercial quota and recreational allowance by 13% each he explained it by saying, *“To be fair to all New Zealanders, I’ve decided these reductions should be shared across all sectors.”*

While the Minister may think these reductions are fair what is obvious is that proportionalism punishes those who conserve and rewards those who waste and squander.

### **It is hard to imagine a system that would be more unfair**

If we do not challenge decisions that are as poor as these, we can expect more of the same.

It is becoming increasingly clear that all non-commercial rights in fisheries are only strong as our determination to fight for them.

Remember, Maori customary catch was also reduced in the snapper 8 decision.

While the Ministry realise there are major unresolved issues in the way they are implementing proportional allocations it is obvious they find it easier to continue to take fish off the non-commercial sector than face the consequences of their mismanagement of the commercial fisheries.

### **Proportional Allocations**

Proportional Allocation of fisheries is a recent policy construct of the Ministry of Fisheries.

It is not a mechanism included in the Fisheries Act 1996.

Non-commercial fishers are certain that it is a means by which the Ministry will allocate the minimum possible tonnage of fish to non-commercial fishers to avoid compensation issues for the Crown.

Proportionalism is firmly rooted in the privatisation ideology of the 1980's and 90's that caused major upheavals in society.

It caused massive unemployment in the initial phase and is the reason why many unskilled workers earn a pittance to this very day.

This ideology is all about giving business priority and allowing market forces to determine social outcomes.

I am sure everyone knows someone who was adversely affected.

Now they seem to be asking us to endure more pain while commercial fishers are given total priority as to how our fisheries are managed.

The proportionalism promoted by the Ministry of Fisheries is an attempt to alter the commercial quota rights in the fishery.

Instead of commercial fishers quota representing a share of the Total Allowable Commercial Catch (TACC) it will represent a share of the Total Allowable Catch (TAC) of all sectors.

Equally, non-commercial fishers will also be given a share of the Total Allowable Catch of all sectors.

This share will be the amount that is left over after the commercial quota rights have been transferred to the proportional system.

Under a proportional system the Ministry of Fisheries will remove themselves from allocation decisions and commercial and non-commercial fishers will be asked to develop Fisheries Plans “**collaboratively**”.

The Ministry and the Minister of Fisheries would then be able to avoid their responsibility to the people of this country, the Treaty and tangata whenua.

Remember, even with all the resources available to the Ministry of Fisheries, they have failed to properly manage commercial fisheries and rebuild them to the minimum biomass required by the Fisheries Act 1996.

What hope then will an under-resourced non-commercial sector have against the might of the commercial fishing sector under a proportional system?

Proportionalism is a dangerous experiment that could see the people of this country losing their fishing rights as described in section 21 of the Fisheries Act.

It is totally against what was promised to non-commercial fishers when the QMS was discussed back in 1986.

The QMS was developed purely to constrain commercial fishers who had depleted most of our inshore fisheries.

Non-commercial fishing was covered under a separate document the National Recreational Fishing Policy and this is what was promised....

Moyle’s Promise

*“Government’s position is clear, where a species of fish is not sufficiently abundant to support both commercial and non-commercial fishing, preference will be given to non-commercial fishing.”*

We must never forget what is rightfully ours in legislation.

We must argue that setting the non-commercial allocations when our catch has been driven down to low levels by excessive commercial fishing and poor management is NOT ACCEPTABLE.

At the present time commercial quota is still a share of the TACC, not a share of the TAC, despite whatever the Ministry of Fisheries may say. They will need legislative change to pursue their proportional allocation system.

We have come one step forward this year – instead of the Ministry ignoring the obvious flaws in proportionalism they are now acknowledging them.

Our next step is clear, we have to continue to apply pressure to the Ministry of Fisheries so that our concerns are addressed.

The Ministry of Fisheries appear to be operating under an irrational fear the commercial fishers would win a court case against them if they make a decision that is not proportional.

However this belief has never been tested in court.

Neither the 1996 Fisheries Act or the Treaty of Waitangi (Fisheries Claims) Settlement Act 1992 have specifically addressed how non-commercial fisheries would be “allowed for” but they have made it clear that the Minister is not bound by some PROPORTIONAL RULE.

### **Why Is The Snapper 8 Decision Unfair?**

Whole generations of Maori customary and recreational fishers have been denied access to a healthy snapper 8 stock and will not experience this fishery even at the minimum biomass level required by the Fisheries Act.

This means two generations will have had their rightful access suppressed because of the low stock size caused by commercial overfishing.

Now the Ministry want to lock all “recreational” fishing people into proportional allocations based on what they catch in these depleted fisheries.

This includes Maori when they are fishing for their whanau.

A survey of recreational fishers clearly indicated that Maori are the highest “recreational” users, 34% of recreational fishers.

Even though Maori may not like the categorisation as being recreational they are a major player.

And also growing, population wise, at the fastest rate.

Depleted fisheries have also made it difficult for Maori customary fishers to adequately provide kaimoana for marae functions.

This impacts on the mana of the marae and Maori people.

Against this background the non-commercial initial allocations have been made when non-commercial catch was at minimum levels.