

option4 Update #87

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Legalised overfishing

Overfishing is legal in New Zealand, provided you are a commercial fisherman; you land any fish taken in excess of your quota and pay a penalty fee called 'deemed value'. option4 are appalled that over 2,000,000 snapper have been taken in excess of sustainable limits over the past twelve years. It's an injustice that some commercial fishermen are reaping handsome rewards from selling those extra fish while non-commercial fishers are struggling to 'catch a feed'.

Deemed value payments were a mechanism designed to cover accidental overcatch. The penalties were never intended to legitimise widespread fishing above the set quotas, and is particularly concerning when it occurs in important shared fisheries.

Recently the Ministry of Fisheries (MFish) issued new proposals to increase the deemed values for many species. While ramping up the penalties may help reduce the profit motive for overfishing the plan fails to address the fundamental issue of replacing the fish that were taken in excess of quota limits.

option4 has made numerous submissions addressing the deemed value issue, the most recent was a joint effort with a number of organisations in October 2006.

Considerable energy was put into outlining why excess commercial catch should be taken off the following year's quota. This would make up for the loss of fish and their subsequent productivity, from the overall fish population. It would also keep catches to sustainable limits over the long-term.

A fundamental principle of the quota management system is that ALL catch and fishing related mortality is accounted for. Deemed fish were falling through the cracks. Our alternative proposal would ensure that deemed fish were counted against commercial allocations, as they should.

Disincentive to improving sustainability

One of the crucial roles of a fisheries manager is to implement incentives that encourage compliance and promotes sustainable fishing. Incentives need to be matched to the particular situation to be effective. Setting high deemed values creates a disincentive (rather than an incentive) to improve the sustainability of fisheries.

If fishing occurred in areas where others could observe the activity (as occurs in agriculture) then using incentives such as penalties for taking too much are likely to be effective. The harvester would have no option but to land the catch in excess of the quota limit if there were witnesses. As we all know, fishing in New Zealand is quite different than that.

Commercial fishing usually occurs in isolated locations where the public or other fishers cannot see the fishing operation. This remoteness provides fishermen with the opportunity to undertake activities that are illegal, because there is little chance of being caught. An example is overfishing, the fisher can dump the excess fish without being seen and therefore without penalty.

Setting the deemed value penalty too high would encourage such illegal activity – why would a fisher return to port with excess catch when the action will result in him/her losing money?

The objective to reduce wastage and ensure sustainability of fisheries through deeming has obviously failed in many fisheries important to non-commercial fishers.

Effect on Recreational Fishers

An inevitable consequence of overfishing is that fish numbers and size decrease over time.

All New Zealanders have a common law right to fish to provide for their needs. This right was recently confirmed in the Kahawai Legal Challenge decision. Justice Rhys Harrison ruled that enabling people to provide for their wellbeing was a mandatory consideration for the Minister.

The ability to exercise that right comes down to access to the marine environment and the availability of fish of an acceptable size.

Deeming above the sustainable total allowable commercial catch (TACC) limits erodes people's access to a reasonable number of fish, particularly where there is a need to rebuild stocks.

Overcatch of Snapper

Specific concerns are held for depleted fisheries such as the snapper population on the west coast of the North Island (Snapper 8). This fishery has been seriously overfished for 30 years. In 1998 the Fisheries Minister decided it needed rebuilding so a ten-year strategy was put in place to restore the snapper fishery, which stretches from Wellington to North Cape.

Despite quota limits and the Minister's decision, Snapper 8 (SNA8) quota has been exceeded fifteen times over the past eighteen years. In 2005 the current Minister, Jim Anderton, reduced catch limits again and adjusted the deemed value penalty. However, the profits to be made from deeming excess fish have meant that these new quota limits have had little effect on overcatch.

In 2006 the chronic deeming continued and the SNA8 quota was exceeded by more than 10 percent. This is a serious issue when this fishery is at only half the sustainable level required by the Fisheries Act, and when recreational and customary allowances have been reduced as a consequence of excessive commercial fishing.

Viewpoints

Some industry representatives don't support excessive deeming but agree that it is commercially viable to target and land some species if the deemed value penalty is not high enough.

MFish has acknowledged the difficulty in setting the deemed value at a level that encourages fishers to report their catch and not resort to illegal dumping of fish, particularly in fisheries such as SNA8 where MFish' compliance response is limited.

option4 accept that exploiting a natural resource will always have an element of variability associated with factors such as seasonal changes, productivity and water temperature. However, the current system is obviously flawed when the economic model that is supposed to control excess catch fails.

Fish caught in excess of quota is either landed or slipped over the side and that decision is based on economic return. It is not possible to have a single dollar value that serves as both as an incentive to land and a disincentive to catch excess fish.

Export returns for snapper in 2006 was around \$29 million dollars. With that amount of return on investment you would think it would be in the collective interest of all commercial fishers to put their hand up and take responsibility for their combined actions.

Commercial fishers have been given a property right to extract an explicit amount of fish from a resource that belongs to all New Zealanders. With rights comes responsibilities. option4 believe the fishing industry should respect that limit and MFish should hold them to it.

To read the 2006 submission on deemed values go online to
http://www.option4.co.nz/Fisheries_Mgmt/deemedvalues.htm