

PAUA INDUSTRY COUNCIL Ltd

NEWSLETTER 17 – DECEMBER 2009

At a Glance

A late run of good weather in early December has given most dive crews the chance to catch up on what has been one of the slowest starts to a season for a very long time.

While the market is still a real headache to quota owners, marketers and divers alike the prospects for the New Year show some glimmers of hope. The threat of the worst global recession since the Great Depression nearly 80 years ago which played havoc with commodity prices looks to have receded.

While the economic hangover lingers in Europe and the USA, Asian economies including the crucial (for us) Chinese economy are now starting to crank up. GDP in China for the September quarter peaked at just under 9% with no sign of slowing in the near future.

At PIC we see good reasons for optimism in the market but more importantly that we are now well able to manage the health and productivity of our fisheries ourselves. So the Christmas message is to hang tough, things will come right on the price front. In the meantime the best things you can do to help your business are to look after your fishery by observing industry management measures and to work on improving the quality of the pua you put through the factory door.



Catch Sampling

Thanks to all those crews who partook in the 2008/09 season catch sampling (a dozen beer for each four samples completed will be organised for you).

While we have increased the number of samples by 15% over last year, the scientists are now debating whether the randomised sampling we are doing is representative of the commercial catch.

The issue with random sampling is that some statistical zones may not be sampled and sampling is not done in proportion to the catch coming from each area.

The easiest and most cost effective solution is to do more sampling. Ideally if each crew tagged one bin each time they went out diving we would be a lot closer to getting true representation of the commercial catch.

While a sample for every day may not be possible we need to increase sampling as much as possible. If we can achieve more reliable and representative data being entered into the stock assessment modelling it will produce more relevant outputs.

The data will be a critical for stock assessments and better understanding the population dynamics within fisheries. In the future shell length could also provide a useful indicator on which to base decision rules.

PIC is therefore asking all harvest crews to partake in the catch sampling project. It doesn't take much effort to tag one bin each dive event and the sampling kits are readily available in each region (ask your PIC director).

The 2008 / 2009 red bag league tables were as follows below...

| DIVER CREW | SAMPLES | DIVER CREW | SAMPLES |
|----------------------|---------|-------------------|---------|
| Floyd Prendiville | 1 | G Banhidi | 5 |
| G Tuuta/ R Thompson | 1 | P Richardson | 5 |
| J Solomon | 1 | R.Keen | 5 |
| L Turner | 1 | G Champion | 6 |
| Multimarine | 1 | S Kirkland | 7 |
| S. Young | 1 | Trevor Robb | 7 |
| B Ballantyne | 2 | Jason Ruawai | 10 |
| C.Cuff | 2 | S Ford | 12 |
| Dean Wilkenson | 2 | Thomas Tuhimata | 13 |
| Ian King | 2 | Gerald Predeville | 15 |
| Fred Nicholls | 2 | Don Winter | 15 |
| Tim McCleod | 2 | Shane Cuff | 15 |
| W Thurlow | 2 | L Simeon | 17 |
| M Pattison | 3 | Emeboys Ltd | 20 |
| Bruce Matthews | 4 | Alan Culverwell | 23 |
| Paul Young | 4 | J Hildebrand | 27 |
| C. Leith | 5 | Andrew Parker | 35 |
| E Fraser/ T Tuhimata | 5 | Jason Baker | 36 |



Emissions Trading Scheme (ETS)

The ETS legislation was passed in November and will apply to liquid fuels from 1 July 2010. It will come as no surprise that to help slow global warming, the best idea the economic wizards in New Zealand could come up with is that the Government put their hands in your pockets.

The price of petrol is to rise by 3 cents a litre and diesel (because it is a less refined fuel) by 3.5 cents a litre. Actually the cost is to be twice that because general taxation, which of course you pay, will provide a further 3 cents a litre. In 2013 the full cost will apply directly to liquid fuels.

A compensatory clause was built into the legislation to help phase in these charges over three years. The fishing sector is to be offered 700,000 carbon credits to ease the pain.

However despite vigorous lobbying from many in the industry including PIC these credits are to go to quota owners not vessel operators. So if you catch ACE but don't own the quota you will bear the ETS cost but will not be entitled to the credits.

Perhaps timely to remind everyone to make sure that you at least claim back the RUC and ACC component of any fuel you use from the LTSA. Claim forms are available on their website.

Don't know if this is just a sick coincidence, and the exact details may not be quite accurate, but you get the idea...

In the Year of the Chicken – Bird Flu Pandemic devastates parts of Asia

In the Year of the Horse – Equine Influenza decimates Australian racing

In the Year of the Pig – Swine Flu Pandemic kills thousands around the globe.

Has anyone else noticed this? It gets you thinking...

In the Year of the Cock – **what could possibly go wrong?**



Data Logger update

The first of the new 'retail ready' DIVER data loggers have been delivered to PauaMac4. These are performing above expectation and should make the job of collecting fine scale information easy. These models have been developed by taking into account lessons learned with the original Australian units and more recently the off-the-shelf units.

There are no buttons for you to worry about. All switching is done by the unit itself using a combination of salt water and pressure switches. The unit has high tech batteries and is tuned so you should get a week or more of fishing before recharging/data downloading need be done. It is anticipated these will be rolled out across the industry over the next few years.

One of the big advantages is that they will provide the platform to bring about much needed change in the quality of the data that is going into the stock assessment process. This is a steep learning curve but we are not about to embark on this process ourselves. Rather we are partnering Tasmania, New South Wales and South Australia abalone industries in developing new methodologies to maximize the benefits of fine scale data collection.

The details are being worked through and the project is due to start



in July 2010 but we believe the cost of being involved will be a fraction of New Zealand trying to do it ourselves.

International Food Safety Standards for Abalone/Paua (Codex)

In 1999 bio-toxins of the type Paralytic shellfish poisoning (PSP) and Diarrhetic shellfish poisoning (DSP) were found in wild and farmed South Africa Abalone.

The main market for South African product is Europe the European Community have imposed stringent (and many might say over the top) food safety standards for abalone product entry in that area. In an attempt to introduce a more reasonable and workable set of standards South Africa applied to Codex, the more superior international standards body, to have a set of standards adopted by the Codex Commission for application internationally.

Codex is an arm of the World Food and Agriculture and World Health Organisations of the UN. One of the main purposes of Codex is protection of consumer health and coordination of food standards internationally.

The South African report had been tabled and discussed at a previous conferences and was tabled for consideration at the most recent being in Morocco in October this year. Initial reactions were that there would need to be a set of standards set for abalone worldwide which would involve an extensive and intensive bio-toxin and sanitation sampling programmes to allow any abalone exports to continue (Aotearoa Fisheries Limited investigations identified potential costs of \$2.5million for programme development and annual sampling of \$1.5m for the NZ industry).

NZ, Australia, USA, Canada, UK and others sent representatives to fight this possibility. We were also very fortunate to have Pau2 Chairman, Tony Craig in a position to attend and go into bat on our behalf. Tony was only able to go because AFL was willing to fund his trip. So a huge thanks to TC and to AFL. Tony and the NZ officials present (with the support of our international friends) successfully argued that:

- No known reports of health issues from Abalone internationally
- Seemingly isolated to South America and South Africa
- Body of research not sufficient to justify an international standard
- Unreasonable to impose international standard from potentially isolated occurrences.
- South Africa has problems on one coast not the other

The standard has been sent back for redrafting in accordance with the views of the Codex meeting delegates and will likely be resubmitted in Norway in 18 months time for a decision.

We are not out of the woods yet and PIC will be looking at how we might piggyback on the work of the Australians to see if our paua / abalone is susceptible to the same level of absorption rates as the South African and South American species before considering any further moves.



Notified Users

Those fishing Kaikoura and Marlborough will be aware that for much of this year there has been some to-ing and fro-ing between us and MFish enforcement over the issue of who is and isn't liable to obtain a notified users permit.

Industry understanding is that if a permit holder fishes off a registered vessel that is not their own and the vessel's owner is absent, then the permit holder must obtain a notified users permit (\$112.50) from Fishserve. This also means that PCELR needs to be filled out by the notified user for that vessel.

However it has been our contention, and industry practice, that if the registered vessels owner is present (ie: two permit holders, one of whom is the vessel's owner) each catch their own fish off the one registered vessel, then a notified users permit is not required.

This view is shared by Fishserve who actually administer the register.

The situation had developed to the point where Fisheries Officers were preparing to take action against divers who they felt were in breach of the notified user regulations.

Pauamac7 have sent in a submission to MFish enforcement outlining the industry view on all this, and as a consequence Ministry Managers are in the process of developing an agreed position paper which they will forward to us. They see the current regulations as being ambiguous and plan to clarify things.

We have now been told by Mfish Enforcement Managers that the agreed position will be that in the case of the owner being present a notified users permit is NOT required.

The paper will act as an interim understanding between us while they work on a regulatory change to formalise this interpretation.

So, as soon as PIC has a copy of the agreed position paper we will forward to your executives. In the meantime we have an undertaking that there will be no action taken against divers sharing boats, provided the permitted owner is present and all paperwork is correct.

THE JOBS LIST

The PIC board of directors put in place a prioritised list of achievable goals for the year. It is one of PIC's tasks to work through that list making sure that these things get done.

This year saw a number of important works ticked off.

For example:

- Regulatory changes which allowed green-weight to meat-weight reporting on the Chathams.
- Restriction of the recreational accumulation limit for paua to two days catch with matching personal export restrictions.

For the 2009 /2010 season we have prioritised the following with a target date of October 2010 for most.

- Support work to Pauamac2 to get the Wellington south coast reopened for commercial fishing.
- Support work to enable Pau7 western boundary with Pau6 to be shifted south to re-include the traditionally fished Kahurangi fishing grounds.
- Removal of the restriction on the use of UBA on the Chatham's as part of a management package.
- Reinstatement of the 10% under-catch regime.
- Development and startup of a pilot harvest/management programme for stunted stock on Banks Peninsular

This of course is just the priority short list. A whole lot of other work will be getting done as well. For example data logger roll out as mentioned earlier, fine tuning and implementation of Annual Operating Plans and integration of AOPs with a five-year strategic plan to tie such things as management and research needs together and so on.

Prior to the Pauamac AGMs a comprehensive report on work in progress is sent out.

Quote of the month:

Cause change and lead
Accept change and survive
Resist change and die

Ray Noorda, Chairman, Novell



That's all from the PICL team. As always if you want to bend someone's ear about your latest 'you beaut' idea for saving the fisheries or just want to gripe then give Storm or Jeremy a call. Though for gripes, Jeremy is probably best one to call first!

Safe and successful diving — have a very Merry Christmas and a Happy New Year.

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