



PAUA INDUSTRY COUNCIL Ltd.

C/o Fishing Industry House,
Level 2, 74 Cambridge Terrace,
Private Bag 24-901, Wellington,
NEW ZEALAND.
Tel (03) 3854005,
Fax (04) 3852727
email info@paua.org.nz

June, 2007

To All Paua Quota Owners and ACE Holders

The Commercial Stake Owner (CSO) levy process is about to commence for the 2007 / 2008 fishing year. Consequently the Paua Industry Council Ltd (PICL) directors have asked that we provide a "heads up" on what is happening out there and what PICL has achieved for the levy payers in this last year.

Since the formation of the PauaMac's and the Paua Industry Council Ltd, there can be no doubt that we have made significant progress that would not otherwise have been possible.

The strong ideologically driven programs of the current Government are having profound implications for the property rights previously, we thought, guaranteed under the Quota Management System. Left unchallenged, the Marine Protected Areas Policy, Shared Fishery Initiative, Aquaculture Law Reform and the Department of Conservation's fixation with Marine Reserves, could cost us loss of access to some of our most productive coastline. In parallel, the recreational sector, Maori and conservationists (NGO's) have been lobbying the Government to establish or strengthen priority rights to fish resources.

With this increasing pressure on access we need to be more "hands on" with Fisheries Management and our contribution to the future of our fisheries. Primarily we need to change from an individual "harvesting" mentality to a collective "farming" mentality. If we don't, the future is highly predictable - our share of the pie is going to shrink dramatically.

Our industry now has enough traction with Central Government and cohesion amongst ourselves to make a difference; we have runs on the board and have shown that we are able to work together to deliver results. As our track record improves so has our relationship with many Government agencies and we are now in a position to be welcomed to the table to engage on a collaborative basis.

The following is a summary of PICL's work for the last year, and the budget for the 2007/2008 year.

Yours faithfully,

Jeremy Cooper

CEO - Paua Industry Council

Email = cooper@xtra.co.nz Mobile = 0274 323041

In 2006/07 PICL considered "Rights Protection" as the project that would require the most time and it was budgeted for accordingly. In the upcoming year, although it is still firmly on the agenda, the resources allocated to this project have been scaled back. PICL is very mindful that marine reserves, customary reserves, MFish Shared Fisheries initiative, Oceans Policy etc all have the potential to seriously erode your property rights, however, we believe the process of implementing these is going to be slower than originally anticipated.

Therefore in 2007/08 PICL is focusing more on increasing productivity, i.e. enhancement, better Fisheries Management, Harvesting Strategies and better planning, e.g. Fish Plans etc. This approach is to address problem the industry is currently facing i.e. that the pie will get smaller as each stakeholder group scrambles for a bigger share and ultimately, it is the commercial sector that will lose out.

The solution is to increase the size of the pie by increasing the quantity of paua so there is more for everyone. This is not as hard as it sounds; for example, think of a farm that has no fences, rams out all year, no input into managing the land. Under this scenario, production would plummet. This is exactly the situation we have with paua fisheries, i.e. on the whole we don't manage the resource to maximise productivity. We are already seeing gains being made in paua fisheries that are getting real about increasing productivity.

Over the next few years the PICL will spend more effort on building a suite of tools that can be employed by PauaMacs to lift paua fisheries productivity.

National and Generic Projects PICL has been busy with:

Rights Protection

Customary Reserves

Customary reserves have been less of an issue this year as MFish and iwi groups are still coming to grips with the process. However, they are still very much on the radar and it is anticipated that there will be a plethora of applications in the near future. PICL doesn't have a problem with this as long as these reserves are to install customary management over parts of the coastline that have significant historical importance to iwi and that their use is to ensure that they can catch a feed etc. The problem arises when great tracks of coastline are "claimed" as areas of significant historical importance and that these areas are far in excess of what was originally intended by the architects of Treaty Settlement and Customary Reserves legislation.

Marine Protected Areas Strategy

Fortunately for us Marine Reserves (MR) and Marine Protected Areas (MPA) have been on the back burner during the current year as the Government works to develop process standards for their implementation. The updated Marine Protected Area Strategy was released in late January 2006 and we are anticipating a flurry of activity over the next 3 years as the Department of Conservation and the Ministry of Fisheries begin incremental roll out region by region. DOC's expectation is that each of 12 bioregional zones will receive at least one marine reserve plus one other MPA.

The time spent on Rights Protection related issues by PICL employees has been decreased in the 2007/08 budget to 35 days (it was 115 days in 2006/07, 40 days in 2005/06 and 20 days in 2004/05). The logic behind this reduction is that much of the work on MPA's will now need to be handled on a regional basis by individual PauaMAC's, PIC will be acting in a support role for the PauaMAC's concerned.

Compliance

The industry Compliance Working Group (comprising of MFish, PICL, SeaFIC and TOKM/AFL representatives) presented their report to the Minister in August 2005. The report contained nine initiatives to help reduce the level of illegal take that is so seriously impacting on the paua resource. Since presenting the report there has been a change in Minister (which stalled the process for a while) but progress is still being made. In addition to this PICL was recently asked to make a presentation to all of the MFish District Compliance Managers (DCM's) expanding on our concerns and outlining our view of the future.

It was our chance put forward how industry compliance matters could be improved. As a direct result of that meeting we now have a "paua contact" person in compliance who we meet with 3 times a year so we can update each other on progress that is being made and share ideas for improvements and so on. This relationship provides us with a vehicle to keep things moving. In some cases it requires legislative changes (long term) and in others, it is a policy or attitude change, all of which take a varying degree of time.

Listed below are the items that are currently being worked on:

- 1.** Using the SITO Diver ID number on PCELR forms instead of the 6 letter alpha diver name code that is currently employed.
- 2.** Creating an industry maintained database on all harvesters (PauaMAC's maintain records and MFish has access to files via on web). This will contain things like the vehicle registrations of commercial harvesters, which boats they work from and so on and will lead to faster reaction times from enforcement officers by saving them the time involved in unnecessarily checking out legitimate commercial operators.

Recreational reporting on PCELR.

- 3.** A system to let small quantities of ACE to be rolled over to the next fishing year to avoid the annual problem of balancing the last day of the seasons catch.

Produce a Victim Impact template / kit for PauaMAC's wanting to have their say in poaching court hearings.

- 4.** Ensuring compliance won't prosecute harvesters for supporting a voluntary size increase (as the law is written this is a technical breach as it could be classed as High grading though MFish is not enforcing this after discussions with PIC).
- 5.** Make the laws clearer so that landing paua on the first day of the new season (which has been caught on the last few days of previous season) is either permitted or not permitted.
- 6.** Create the environment that sees Compliance have the right attitude and trust towards the Industry.
- 7.** Create the channels that allow information flow between Industry and Compliance.
- 8.** Build a framework where there is consistency of approach and better understanding of regulations throughout NZ (both Compliance and Industry personnel).

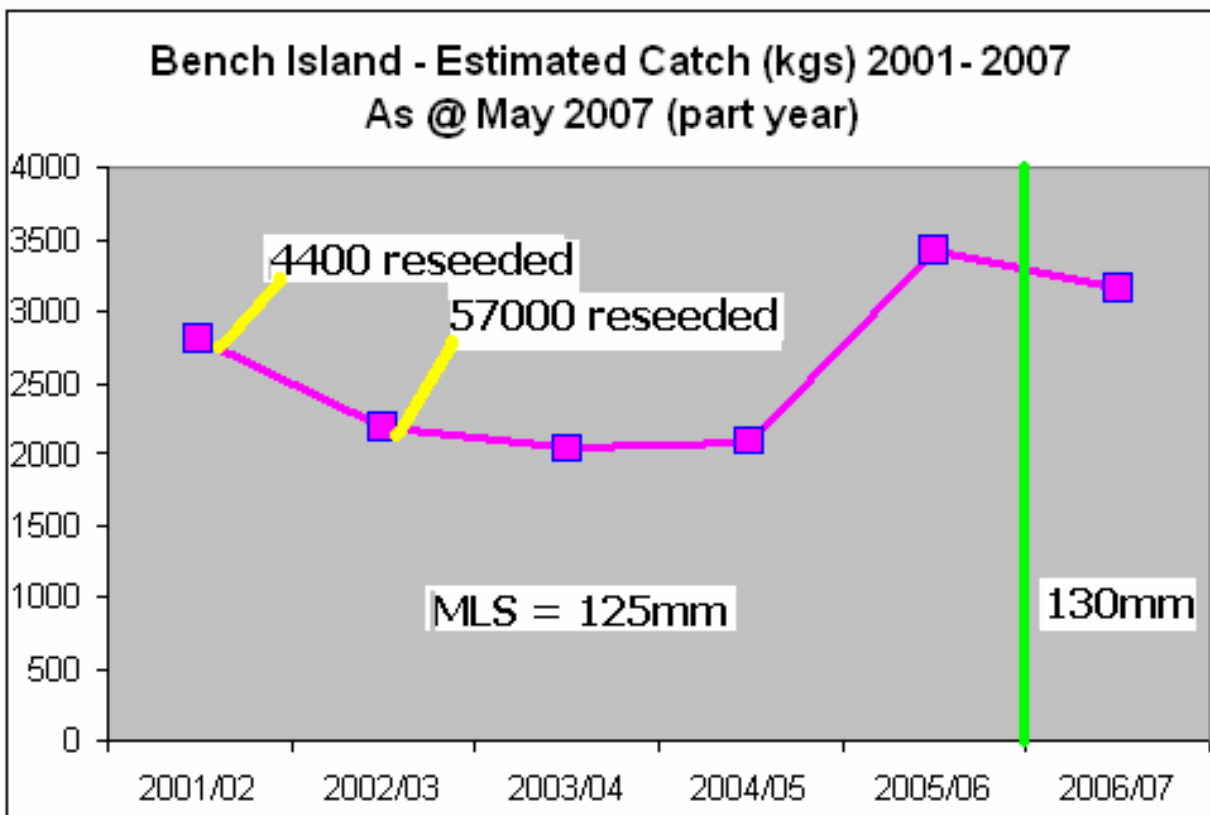
The time spent on Compliance related issues by PICL employees remains the same for the 2007/08 budget at 20 days (it was 20 days in 2006/07, 30 days in 2005/06 and 20 days in 2004/05).

Reseeding coordination

PICL is coordinating the transfer of information between PauaMac's so that while individual projects are being implemented within regions there is a free-flow of information between projects. It is beneficial to levy paying quota owners to ensure that there is minimal duplication of research effort and that the lessons learned in one region may be applied in others to save time and money.

The survey work in Pau7 is showing survival rates of reseeded juveniles growing through to harvestable size (125mm) are up around 18.5% (and it is taking about 4.5 years to reach this size). This is a phenomenal survival rate and the talk is it will improve as we learn to identify where the best juvenile habitat and highest growth areas are.

The same trend is also being witnessed in Pau5B but instead of expensive habitat surveys PauaMac5 are using the catch statistics to monitor areas that have been previously reseeded. The graph below shows a history of Bench Island (PAU5B – Stewart Island). It is clear to see a pulse of increased catch which is occurring 4 years after reseeded. The current year (2006/07) still has 5 months to go and we believe it will easily go above the 2005/06 catch and this is on top of a voluntary minimum legal size increase from 125mm to 130mm.



The results that are coming from the reseeded projects running in Pau7, Pau5B and Bob Street's work in Pau5D are demonstrating that reseeded has the potential to become the backbone of paua fisheries enhancement. It is also stacking up as an extremely cost effective way of enhancing and rebuilding paua stocks.

Tabled on the following page is an exercise that illustrates where quota owners might like to go with reseeded.

There is a lot of interest in the various reseeding initiatives but as yet no firm defined goals. An example of what might be a worthwhile target is shown. The exercise shows the costs associated with reseeding and it highlights the benefits in terms of replacing the paua we harvest.

Data needed for this exercise:

Cost of seeds each	\$ 0.45
Cost of out-planting each seed	\$ 0.05
Total Cost per Seed	\$ 0.50
Survival rate from out-planting to 125mm	18.50%
Paua per kg	3.5
Number of paua / tonne	3500
Beach price (per tonne)	\$33,150.00

The table below shows what happens if quota owners invest a percentage of their beach price (income) into reseeding:

Percent of beach price that quota owners contribute to a reseeding programme.	Therefore the dollar amount quota owners are contributing per tonne	The number of seeds that are purchased and out-planted per tonne of contributing quota	Paua that enter the fishery (i.e. get to 125mm so they can be harvested) - at a survival rate of 18.5% from out-planting to 125mm. This is the number of paua reaching 125mm per tonne of contributing quota.	The percent of paua that are replaced – i.e catch 1 tonne of TACC and the reseeding programme is replace this amount of that tonne.
10%	\$ 3,315	6697	1239	35%
15%	\$ 4,972	10045	1858	53%
20%	\$ 6,630	13394	2478	71%

What this exercise shows is that if quota owners were prepared to contribute 20% of their beach price towards reseeding the numbers of paua (at 125mm) that entered the fishery (from the reseeding project) it would replace 70% (by number) of the paua that were being harvested each year under the TACC i.e. you harvest a tonne of paua (3500 paua) and the meat is worth \$33,150 – you invest 20% of this income into reseeding and there will be 2478 survivors (at a harvestable size of 125mm approximately 5 years later).

There is a 5 year time lag but it must be remembered that if the quota owners decide to stop investing into reseeding the reseeding programme will keep producing 125mm paua for the next 5 years.

If, because of reseeding you were replacing 70% of the TACC each year, it would have had the same effect as taking 70% less from the fishery. What makes the most economic sense – reducing your income by 20% to invest into reseeding or cutting the TACC by 70% - both have the same effect on the fishery but a hugely different effect on your bank balance. Food for thought anyway.....

Paua Conference

PICL have now organised and run 3 very successful industry conferences. Conferences take a huge amount of work to organise and have to be self funding as none of PICL's funding is budgeted to go towards these. We are planning the next one in April/May 2008 – originally this was being planned to be a joint Paua/Crayfish conference but it looks like it could now expand to fit in along side the SeaFIC conference (i.e. a day of genetic industry stuff and one of Paua stuff).

Liaising with MFish

Since the establishment of PICL there has been a distinct improvement in the interaction between the paua industry and MFish officials and it appears that this will continue to improve as joint cooperation becomes imbedded in Fisheries Management. The Paua Industry is poised to make some giant strides with Fisheries Management and this would have been impossible if the relationships with MFish officials were not progressively strengthening. MFish now takes the paua industry seriously and realise we have the capacity within our ranks to "do the job". Up until now we have not had a dedicated "paua" person at MFish but we are in the process of establishing a senior person within the MFish Operations team to become the industry contact point. We plan to have bi-monthly meets so we can plan together for the betterment of the NZ paua resource.

Liaising with Overseas Abalone Fisheries

There is much that can be learnt from other abalone fisheries around the world. PICL has now established links with many of these – particularly the scientists involved in Tasmania, Western Australia, South Australia and Victorian abalone fisheries. A number of the issues we currently face are the same as the Australian abalone fisheries are facing. The Australian Government pours a lot of funding into Fisheries Management and much of the research and planning that they have developed could easily be adapted to NZ paua fisheries. At the invitation & expenses of the Australian abalone industry, PICL has attended two abalone workshops to ensure that NZ feeds into, and has access to, the outputs from their relevant R&D projects. This approach is seen as a way of saving us money, if we can adapt research results and expertise from overseas we don't have to repeat the work here.

Fisheries Management

This includes all projects / processes that encompass Fisheries Management including Fish Plans, Stock Assessment Processes (attending of Shellfish Working Group meetings, MFish Plenary meetings, Industry meetings and producing responses to MFish Initial Positioning Papers - IPP's) and developing tools that will aid in increasing productivity etc. Also included under Fisheries Management are the Catch Sampling Project (shell measuring) and potentially the 2 pending Paua Genetics projects (we are hopeful that PICL will win these tenders). MFish has now stated that Fish plans are to be developed for our fisheries starting with Pau5A this year. Fishplan involvement will require large expenditure of our time.

Because of the anticipated time demands that come under the grouping of Fisheries Management we have increased the budget for this grouping from 50 to 158 days.

Directors Meetings

This year the board is targeting to meet 4 times. Minutes of the PICL board meetings are passed on to PauaMac representatives who in turn distribute to their executives. The minutes are available to all levy payers who might wish to access them.

Communication

Industry Newsletter

PICL have now produced ten industry newsletters / industry updates that are sent to all paua quota owners, ACE holders, processors, service providers, relevant Mfish people and applicable Government agencies. The newsletters are used to keep everyone up to date with current issues and have been well received by industry.

Yearly "HEADS UP".

The document you are reading is the third "Heads Up" PICL have produced.

Public Relations and Media Releases

PICL is the public face of the paua industry at a national level and as such is acting as a "clearing house" for enquiries about our industry. PICL staff frequently appears in the media at various times to give the industry viewpoint on issues that have arisen. The SeaFIC "Big Day Out" was very well received by all Govt. / Media people that attended and it allowed PICL a chance to get our message across to people that we wouldn't normally meet face to face.

Web Site

We now have a PICL web site up and running and you can visit it at www.paua.org.nz Each week PICL gets enquires from the public / students about various issues / activities relating to the paua industry and fisheries. We can now direct people to the site which has greatly lessened the time involved in us explaining things.

Research & Development

PICL is a registered Research Service Provider to Mfish and as such can tender for Mfish research projects. Getting involved at this level achieves two things – the first being that the industry is ideally positioned to give direction to what is really required (as opposed to having the process driven by people outside of the industry). This can be a big money saver as we get to stop any research that we don't accept as important to our fishery. The second is to give PICL the potential for alternate income streams – the more money PICL can earn from outside contracts the less it relies on funding from industry. Ultimately, we would have external funding streams that provide the bulk of the revenue required to run PICL. Listed below are the research projects PICL are involved with:

Medium Term Research Plan for Paua

PICL won the tender to produce a "Medium Term Research Plan for Paua" and this project was completed in mid 2006.

Catch Sampling Contract (2006/07)

PICL won the tender to produce a "Design a Catch Sampling Programme" (we sub contracted NIWA to produce this). This has been completed to the satisfaction of Mfish and has been adopted and now forms the basis of the Catch Sampling Project (i.e. we now have robust science that specifies how many shells/samples are required from each QMA). We are on target to complete this within the next few months (the quota has been slow to come out of Pau5a).

Catch Sampling Contract (2007/08, 2009/09 & 2009/10)

PICL have tendered for this 3 year contract and Mfish has not yet announced the successful tenderer.

Possible genetic differences within paua stocks

PICL have tendered for this project – it is aimed at determining if black foot paua populations around New Zealand are significantly genetically distinct from one another across different areas. Understanding the genetic diversity and differentiation of H. iris throughout New Zealand will assist in minimizing impacts of introduced animals on wild paua populations and maximizing the success of the enhancement in terms of survivability, growth and reproductive fitness of both the introduced and recipient populations. MFish is yet to announce who has been successful in winning this tender.

Developing a successful paua marker

PICL have tendered for this project - it is aimed at developing a successful marker that will enable identification of introduced (enhancement) paua from wild paua. This will allow the survivability of released animals to be measured through to harvest and allow the opportunity for ongoing research to investigate the interactions between wild and introduced animals. The types of markers being investigated are genetic makers and Radio Frequency Identification tags. It is envisaged that the success of this project will open the opportunity for exploring different Fisheries Management options for areas where enhancement programmes are happening. This project will also develop protocols for maintaining the genetic diversity in hatchery spawned juveniles intended to be released for enhancement. Hatchery spawned animals are prone to show lower genetic diversity relative to their parents and their wild conspecifics. This loss in diversity can be minimized by using an adequate number of broodstock selected randomly from the wild population, and ensuring the genetic diversity of the juveniles to be released is not significantly different to the wild population they will be released into. This helps minimize any impacts on the genetic diversity and differentiation of the wild populations and helps utilize the genetic adaptability of the released animals to particular geographic locations. MFish is yet to announce who has been successful in winning this tender.

It takes a large amount of effort to produce the tender documents and then carry out and complete the R&D project. However, it is important PICL get involved in these as the revenue generated from the research projects means PICL can use it to help subsidize its work on other issues which lessens the overall funding it requires from the industry.

SUBMISSIONS

Port price.

It has often been said that MFish is the fastest growing sector of the fishing industry. With that comes increasing costs to pay for the increased bureaucracy. The Port Price is used to calculate the percentage contribution that quota owners from various fish stocks must pay for MFish services etc. The paua industry operates different than other fisheries and the model that MFish uses to strike the Port Prices doesn't fit in the paua our practices (ACE purchasing / leasing etc). Last year the paua port price was \$37.01 per kilo (green-weight) and the MFish draft 2007/08 port price was going to see it increase to \$44.39. PICL objected strongly to this increase and lodged a submission detailing a better way to calculate the paua port price.

The result being MFish has agreed to a draft 2007/08 paua port price of \$33.15 per kilo (green-weight) plus we will have input into developing a more robust calculation to be used in the future.

Shared Fisheries Submission

PICL produced an industry submission on Shared Fisheries and MFish is currently collating and summarising the hundreds of submissions received on this issue. We had

hoped that given no sector was happy with the proposal it may have been buried back into the "too hard" pile.

However, of real concern is the recent win the recreational sector has achieved in the courts on the kahawai allocation. The Auckland High Court made declarations that the Minister of Fisheries decisions on entry of the kahawai species to the quota management system in 2004 and 2005 were unlawful as the Minister of Fisheries (Hon. David Benson-Pope) had "*Set a TACC for kahawai without having proper regard to the social, economic and cultural wellbeing of the people - a mandatory consideration in the Fisheries Act 1996*".

Clearly, this sets a new legal precedent and Cabinet may now require that the Shared Fisheries issue is sorted once and for all. For paua stocks where no TAC has been set (PAU1, 2, 3, 4, 5A & 6) the Crown may make an allocation erring on the extreme side of caution. This may have detrimental consequences to the TACC in these fisheries. We will have to be vigilant.

Pau6 amalgamation

PICL spent a large amount of time liaising with Pau5a & Pau7 quota owners, MFish and FishServe over the potential to amalgamate Pau6 (Westcoast of the South Island) with Pau5a & Pau7. The project is currently on hold as not all quota owners supported the initiative plus while MFish supported the amalgamation in principle they have asked for more time to better access the Pau5a stock sustainability situation.

Pau5a MFish Sustainability Round – Initial Positioning Paper response.

PICL produced a submission in response to the Pau5a stock assessment – this was an organized response that networked in with the TOKM/AFL, PauaMac5 and SeaFIC submissions. It took a great deal of planning on PICL's behalf to organise what the Pau5a industry could do and that everyone would buy into re "hands on" fisheries management but it was worth the effort as the Minister agreed with the industry lead initiatives rather than quota cuts. We hope that the Pau5a model becomes the industry standard and that these types of initiatives (sub zones, harvest caps, increased size limits, increased data capture, reseeding etc plus everybody pledging their support for these) are employed by other PauaMacs as it is obvious that the Minister and MFish agree with the benefits that these will bring to the fishery.

Data Loggers

The industry now has 28 CPUE GPS data loggers and 1 shell length GPS data logger plus PICL is looking to purchase a small number of depth/temp data loggers (once our Australian colleagues establish which are the best units to employ). Over the next few years it is envisaged that these units will become the standard for our harvesting sector.

The voluntary nature of use of data loggers means that we are hoping for a high level of acceptance by divers. The high quality and irrefutable outputs from these units will allow for far better decision making and assist management of our fisheries as well as providing vital data for rights protection. There is a practical reason for the effort going into refining our data collection methods. For those in paua QMA's which have had TACC reductions in the past the production of high quality catch data is the key to developing the decision rules which will convince the Ministry that a fishery has recovered enough to reinstate lost quota to our members. PICL is working very closely with the abalone industry in Australia as they have the resources to develop the use of

data loggers and develop how the data is processed and put to use.

Ultimately the use of these by harvesting crews will save quota owners by:

1. reducing the reliance on expensive stock assessments and
2. allowing us and MFish to implement genuine fine scale management to increase production and utilisation of the paua resource.

A lot has been learnt and many of you will have already played with these units out in the field. There is still a long way to go but PICL believes these units will play a large role in insuring sustainability for the future.

Invariably there are questions about what the data will be used for etc so below is listed the answers to some of these:

The most frequent comment we get is around harvest crews not wanting to use data loggers because they do not want other people knowing where they are fishing.

The introduction of data loggers is not some sort of conspiracy to "spy" on divers, it is about gathering the most accurate and useful information we can to improve the management of our fishery to the benefit of all quota owners.

The following points should show this.

1. The first is that MFish agrees that finer scale reporting will allow finer scale management and for some fisheries this is extremely important (paua included). MFish has embarked on a programme that will see inshore fishermen required to record the latitude and longitude at the start and end of each fishing event plus additional information that is not presently recorded. The roll out of this process is at the stage where new CELR forms are being mooted for Inshore Trawling, Lining and Danish Seine. Paua and other inshore fisheries are on the list for some time in the near future.

2. The second is that the paua PCELR data is already available (in graphical map form) on the internet for all to see (free of charge) – have a look at www.nabis.co.nz – it takes a bit to learn how to drive this web site but very good maps (at a stat area scale) can be produced for all fish stocks in all areas in NZ (catch by month, by year to date, by year comparisons with other years etc are all possible).

3. The third is that MFish is increasing the use of Vessel Monitoring System (VMS) units and are now requiring them to be installed on boats in the Southern Bluefin Tuna fleet. These are radio transmitting devices that communicate with satellites and report the boats whereabouts and infer the type of fishing they are doing. In the near future we are envisaging that all in-shore fishing boats will be required to have some sort of VMS operating while they are fishing. Like it or not paua harvesters are going to have to start recording far more data on their whereabouts while fishing – it is a whole heap easier to have a data logger do it for you.

What sort of data do data loggers collect?

The CPUE data logger which most of the industry have seen, records the number of divers in the dive event when the unit is first switched on, the Lat/Long coordinates/date and time every 60 seconds and then the estimated catch when the unit is switched off. They are incredibly easy to use and the data that is collected will be far more accurate than the CPUE data that is calculated from the PCELR returns.

When these units are combined with depth/temp data loggers scientists will have a far higher

resolution data set to model paua stocks on compared to the current data sets. The data will be 3 dimensional on a reef by reef scale i.e. instead of only having only catch & effort information on a per hour per diver per stat area scale we will have data showing exactly where the reef is, how large an area on it the divers harvest from, how long the divers spend on the bottom and how much they catch etc.

Will the use of Data loggers replace the need for stock assessments?

There is a real limitation with stock models in that they don't/can't take into account spatial complexities in the fishery. A very large part of the problem is understanding the location and dynamics of the productive parts of the fishery. Unfortunately, the highly productive parts are not usually separate from the less productive areas, and this is where the GPS Data loggers come into their own. However we have a lot of work to do in terms of understanding the best way of incorporating the information in to the stock assessment process, and to understand the limitations.

The idea is that over time continuing use of data loggers in all fisheries and a change in the stock assessment process (so that it uses the data from the data loggers) will mean that the cost of stock assessments will be greatly reduced. If they are cheap and providing more relevant information then the industry will push to have them done in each fishery (or parts of fisheries) more often so we can keep the finger on the pulse.

Remember stock assessment modeling is only as good as the data that goes into it, and usually that isn't very good. With data loggers we have the potential (in theory) to general high quality, high spatial resolution data for assessment and an ability to address research questions never previously considered. The challenge is to work with fisheries and managers to step away from traditional data capture limitations and embrace a significant but positive change in fisheries management and research.

Industry Training

SITO Paua Harvesters Certification Course

PICL have been instrumental in producing a Paua Harvesters course in conjunction with the SITO. An estimated 85% of all paua harvesters in NZ have now completed this course.

Meetings / Workshops Attended

SeaFIC Policy Council

PICL always attends the quarterly SeaFIC Policy Council meetings as this is the forum to raise issues that require SeaFIC grunt or collaborative action with other CSO's. Additionally, the Minister often attends along with senior MFish management and this provides us a direct line of communication on the important issues such as mataitai, MPA strategy and now the circumvention of the Foreshore and Seabed Act.

SeaFIC Conference

The Chairman and CEO of PICL again attended the SeaFIC Conference – while the presentations may not be entirely relevant to the paua industry these few days are an excellent opportunity to mix with senior MFish people, other Government officials and peers from other seafood Commercial Stakeholder Organizations.

MFish Standards & Harvest Strategies work-shops

PICL attended these workshops to hear what MFish is proposing and to give input from a paua industry prospective.

2006/07 Budget

The PICL board has approved a 10.4% increase in the draft budget for the 2007/08 fishing year.

The differences (compared to the 2006/07 budget) are:

1. Reduced days spent on Advocacy & Promotion from 115 to 105
2. Reduced the days spent on Rights protection from 115 to 35
3. Increased the days spent on Fisheries Management from 50 to 158
4. Increased the travel expenditure from \$10,000 to \$20,000 – since the demise of Origin Pacific we have had a blow out with our travel expenditure. Although Air NZ advertises low cost fares, the real cost of airfares (when you need to book close to the travel time) has greatly increased.

**PAUA INDUSTRY COUNCIL LTD
BUDGET FOR 2007/08**

PROJECTS	PIC Employees Days	Secretary Days	Other Contractors Days	TOTAL PIC people costs	Travel Costs	External Cost	Meeting Costs	ITEM TOTAL	PROJECT TOTAL
<u>ADVOCACY & PROMOTION</u>									
PIC meetings x 6 (preparation, attendance and follow-up)	24	12	2	\$12,120	\$3,000		\$1,200	\$16,320	
Annual PIC Plans / Budgets / Accounts (monthly updating etc)	15		12	\$9,600				\$9,600	
News Letter (bimonthly)	10		3	\$4,900		\$1,800		\$6,700	
Promotion - Seafood Magazine articles, profiling, Website etc	5		2	\$2,600		\$1,500		\$4,100	
Liaising / Enquiries / Assistance with Industry people & PauaMacs	40			\$16,000	\$2,500			\$18,500	
Capacity Building	3			\$1,200		\$1,000		\$2,200	
External consultants - Legal, Accounts, directors insurance	3			\$1,200		\$10,000		\$11,200	
Generic Industry Meetings / Conferences - attendance, input (Presentations etc)	5			\$2,000		\$2,500		\$4,500	
Communications - Phones, Tolls, Data plans,						\$7,500		\$7,500	
Postage and Stationary						\$3,000		\$3,000	
Office / Hardware Allowance						\$5,000		\$5,000	\$88,620
	105								
<u>FISHERIES MANAGEMENT</u> - Stock Assessment, Stock Strategies, Management Plans, Fisheries Plans, Shellfish WG, Plenaries, Stock assessment process (IPP etc), Med Term R&D Plan, Admin of Shed Sampling,									
PIC employee	158			\$63,200	\$4,500			\$67,700	\$67,700
<u>OTHER LEVIES</u> (Planning / Strategies / Submissions etc) with Mfish, DOC, SeaFIC, ACC, MaF which include such things as Annual Plans, Strategic Plans, Port Price, Cost Recovery, Legislative & Regulatory reforms									
PIC employee	5			\$2,000	\$2,500			\$4,500	\$4,500
<u>RIGHTS PROTECTION</u> (Marine Reserves / Marine Protected Areas, Customary and Recreation reserves)									
PIC employee	35			\$14,000	\$2,500		\$1,000	\$17,500	\$17,500
<u>RESEEDING COORDINATION</u>									
PIC employee	5			\$2,000	\$3,000		\$600	\$5,600	\$5,600
<u>COMPLIANCE</u> (liaising with PauaMacs, Mfish, Involvement in Compliance WG etc)									
PIC employee	20			\$8,000	\$2,000		\$1,000	\$11,000	\$11,000
	328	12	19		\$20,000	\$32,300	\$3,800	\$194,920	

