

22nd October 2007

TMP Submissions
P.O Box 11-146,
Wellington 6011

Submission on the Hectors and Mauis Dolphin Threat Management Plan

This submission is written for Egmont Seafoods Ltd which represents 13 full time employees, 6 x part time employees, 5 x vessel owners & 15 crew.

Egmont Seafoods Ltd has been in operation since 1986 supplying fish to both the domestic & export markets. The company handles approx 1,000 tonnes of fish per annum with around 50% of the product sold and consumed locally in Taranaki.

The majority of the fish landed into Egmont Seafoods Ltd is caught between Cape Egmont in the south & Raglan in the north out to 12 nautical miles.

We oppose the proposal for a Marine Mammal Sanctuary on the West Coast North Island as the area is too large and there is no evidence to show that the Maui's dolphin range more than within the current prohibited set net zone. To affect the potential use of the large area proposed for the Marine Mammal Sanctuary could have huge future implications for the national economy & our ability to utilize our marine environment.

At all of the meetings & discussions had with MFish & DOC staff I never received a clear explanation as to the reasons for proposing a Marine Mammal Sanctuary. They however did explain that **No** measures or restrictions would be considered under the Marine Mammal Sanctuary proposal for further protection of the Maui's & Hector's Dolphin as this would be done under the Fisheries Act. I however note in the TMP page 201 it states 'DOC has developed preliminary proposals for marine mammal sanctuaries'. What are these & why have these preliminary proposals not been included in the TMP. How can we complete submissions on something so vague & when we have no idea of what the proposals or implications could be?

We support the status quo for the WCNI region for the following reasons:

The area should not be extended further than the status quo because:

- There are no Maui's or Hector's Dolphins in the area to the south of the current closed set net area.
- The 7 x fisherman landing fish into Egmont Seafoods Ltd, have on average 20 years experience, or 600,000 hours approx in total on the water, and none have ever seen a Maui's dolphin south of Tongapourutu. Please refer to the SeaFIC submission which will include statutory declarations by these fisherman to support that they have not seen a Maui's or Hector's Dolphin in the Tarnaki region.
- The Department of Conservation & MFish have not asked local commercial or recreational fishers whether they have seen a Maui's or Hector's dolphin in the area that they are thought to range . Both of these sectors spend more time on the water than any other sector and should have been the first port of call to assess the distribution of Maui's & Hector's dolphin. A couple of local fisherman have offered to take MFish & DOC out, at the fishermans cost, to try and find a Maui's dolphin.
- The Plan states page 82 ' There have been no verified Maui's dolphin sightings south of the closed area since it was implemented in 2003 although there is at least one inconclusive sighting and DOC has information suggesting there may have been other sightings south of the existing closure' . Suggested sightings should not be a consideration in making a decision.

More research and information is required before any decision is made to provide further protection on the WCNI as follows:

- There have been no fishing related mortalities on the WCNI since 2003 when the set net prohibition was implemented.
- It states page 194 of the Plan 'There is uncertainty over trends in population size'. We know there is limited numbers of Maui's Dolphins but we don't know whether the Maui's Dolphin population is increasing or decreasing. The Maui's dolphin are obviously a breakaway group from the main population in the South Island but maybe numbers are in fact increasing that is why they have been seen on an infrequent basis between Manukau Harbour and Port Waikato.
- The plan acknowledges on page 215 that 'Research on Maui's and Hector's dolphins is needed to aid future management decisions and enable effectiveness of management measures, including any new measures implemented under the TMP, to be assessed.' DOC and MFish realize that additional information is required before any decisions are made as per their acknowledgement above in the TMP.
- The plan also states on page 215 that 'While some information is known about Hector's & Maui's dolphins, considerable more is unknown – previous research

on dolphins has been limited because it is very expensive. No Government funded research is currently being undertaken on Hector's and Maui's Dolphins. If the existence & continued survival of Maui's & Hector's dolphins is such a high priority why has the Government not funded any research especially since 2003 when the closed area was implemented. To expect commercial, recreational & customary fishers to have further restrictions imposed whilst the Government has sat on its hands and not endeavoured to gain more information is unfair & unjust.

- The fisherman which includes recreational, commercial & customary are in an ideal position to provide additional information and research on the Maui's & Hector's dolphin. If this was to happen it needs to be inclusive where those utilizing the marine environment help develop future protection options if any is necessary for the dolphins. Too often measures are developed without input from the sectors that could have the greatest interaction.
- Since 2003 there have been 4 mortalities of Maui's dolphins which have not been fishing related. More information is required to assess the health of the Maui's dolphin population to determine whether other factors such as pollution, mining & coastal development or genetic variability are a greater threat to the long term survival of the Maui's dolphin.

Economic Impacts – Options 1,2 & 3 would all have significant economic impacts on the local communities where the options apply. We will concentrate on the economic impacts to the New Plymouth or larger Taranaki economy. We will therefore refer to the Taranaki economy in the following comments:

Option 1 – Set Netting

- Option 1 relates to the harbour fisheries and will have a lesser impact on the New Plymouth fishing industry & Taranaki economy but we support the fishers whether commercial, recreational or customary in the harbour fisheries. We have discussed this issue with a number of affected parties and they make the comment that they don't see the Maui's dolphin inside the harbours and they will be affected financially if option 1 was chosen as an option.
- Egmont Seafoods Ltd will suffer economic loss if Option 1 was imposed through the devaluation of the Quota Shares that it owns in QMA 1. Additional restrictions or reduced catch of any set net species in a QMA will impact on the value of the Quota shares for that set net species. The estimated loss of a reduction in the value of its Quota shares could be \$250,000.

Option 2 – Set Netting (As per page 84)

- This states 2 different measures on Page 84 & 92 in the TMP and I will have to answer these separately. I have had difficulty getting clarification from MFish staff at various meetings regarding the discrepancy in the measures stated and have received different answers from them which has been very frustrating. My major concern in the discrepancy is that the Aranovus Survey utilised option 2 as per page 84 and people completing this survey will have included economic and social impacts as per the option relating to the Harbours. Option 2 as per

page 92 will have a totally different economic & social impact for Taranaki fisherman and the survey completed by Aranovus may not capture the full extent of the impacts both economic & social for option 2 relating to Taranaki set netters. I will therefore endeavour to provide full impacts for each option as stated.

- Option 2 as per page 84 which states ‘Prohibit overnight set netting and require fishers stay with their fishing nets in all parts of Kaipara, Manukau, Raglan, Aotea and Kawhia Harbours, and at Port Waikato’. This will have little or no affect on Taranaki fisherman & the local economy.

Option 2 – Set Netting (As per page Page 92)

- ‘Taranaki set netters required to stay with their nets and not set at night’. It doesn’t state what area the above measure applies to so I have to assume that this is to Cape Egmont. This will have significant impacts for the Egmont Seafoods Ltd, Taranaki set netters, and the Taranaki economy for the following reasons:
 - All of the set netting by Taranaki fishers is done overnight as this is the only economic way of the fisher catching fish. Setting during the day has proven to been ineffective and would not provide sufficient catch to cover the operating costs of the fisherman. I am surprised this option was even considered or included in the TMP and shows the lack of understanding by MFish staff of the set net fishing method and practices on the open coast.
 - Fisherman attempt to stay with their gear where possible but due to the West Coast weather and prevailing westerly winds the wind tends to strengthen during the day. Set netters during marginal weather will therefore set their gear early in the morning and come back to Port before the weather comes away around lunchtime. They then leave Port early the following morning to clear their nets and return to Port early before the wind picks up. To impose a measure that requires the fisherman to stay with their gear will reduce the number of days they are able to fish and would create a safety issue if they stay with their gear during inclement weather.
 - This measure would provide no additional protection for the Maui’s dolphin from the status quo as there are no Maui’s dolphins in this southern area. If the intention of this requirement is so that fishers can pull their gear if a dolphin is sighted then this will also provide minimal protection. Most of the set netters are fishing with 3,000 metres of gear and it is unlikely that they would either see a dolphin whilst at one end of their gear or be able to recover their gear in a timely manner to reduce the threat to a Maui’s dolphin.
 - Taranaki has always been a strong set net fishery and of the 10 commercial boats operating in Taranaki 6 are either full time or part time set netters. It can also be seen from the TACC’s for FMA 8 , species such as SCH 8 & SPO 8 are relatively high for the size of FMA 8 in comparison to other FMA’s.
 - Egmont Seafoods Ltd has been operating for 21 years and a large proportion of its historical catch has come from set net fishing & the species targeted. During

the 21 years we have developed and supply export markets in Australia with Rig & Shark (set net species) with a sales value of approx \$1,500,000 per annum.

- Egmont Seafoods commenced operating in 1986 and therefore did not receive quota from the Crown based on historical catch. We have purchased quota since 1986 for set net species approx value \$1,600,000 and also have long term relationships with quota owners for the leasing of set net ACE on an annual basis \$400,000 approx per annum. The quota we own would be significantly devalued if Option 2 was imposed and could reduce the value of the quota by \$750,000.
- In the 2005/06 fishing year (the same period utilised in the TMP) we landed 427,758kgs of set net fish, calculated from only the 5 main species, out of a total of 1,008,662kgs. Refer to 'Appendix A'. These 5 species made up 42% of the total fish landed and 53% of the total value paid to the fisherman. With the state of the fishing industry presently fisherman are operating marginal businesses due to a number of factors e.g. high ACE costs, increasing fuel costs, strong NZD\$, increased compliance costs, excessive deemed values especially SNA 8, inability to attract good staff etc. I don't believe that our set net fisherman would survive if their catch was reduced because of the measures proposed in option 2. If the set net fisherman exited the industry then Egmont Seafoods Ltd would also be a casualty and wouldn't survive as the set net fishery supplies more than 50% of the total volume of fish landed.
- I have no faith or confidence in the figures shown in Table 4, page 74 of the TMP. This table shows the estimated catch and effort reporting in statistical areas 40 to 46 & utilizing port price. The majority of the landings (approx 90%) into Egmont Seafoods Ltd as shown in 'Appendix A' would have been from statistical areas 40 to 46. If we look at School Shark then Egmont Seafoods Ltd has received all of the landings for this species in the statistical areas used & we paid the fisherman significantly more than is reported in Table 4. That means no other set netters on the WCNI caught any School Shark which cannot be true & the table is not accurate. The same is the case for Warehou where we had all of the landings in the stat areas reported for 2005/06 and a greater volume landed in 2004/05 than is reported. I therefore have no confidence in Table 4 and have to question some of the other catch & value information provided in the TMP. We have not been provided enough time for the submissions to refute the calculations in the TMP or provide the information ourselves.
- Fishing by another method is not an option for most of the set net fisherman as ESL owns Quota & ACE for set net species and provides the majority of the ACE required by these fisherman. Obtaining the necessary ACE to support other methods of fishing would be cost prohibitive if the ACE or quota could be obtained. SNA 8 is a real issue for local fisherman and now is a bycatch species only for the local fisherman targeting other species. Longlining & trawling catches a far greater proportion of Snapper when targeting other species in comparison to set netting. With the increased deemed value on SNA 8 & the difficulty & cost in obtaining ACE for SNA 8, fishing by other methods is not an option.

- If Egmont Seafoods Ltd ceased operating this would impact on the other fishers in the region who are not set netting i.e. trawlers, long liners, trollers and cray fisherman. This impact could be significant as they would have to obtain ice from Auckland or Wellington, or purchase their own ice plant (approx cost \$100,000), & would have to land fish into a Company based in those regions. There is no guarantee that a Fishing Company in Auckland or Wellington would wish to service and support fishing vessels based in New Plymouth due to the increased cost & time of transportation & also the difficulties in dealing with a supplier 400km away from their base. Egmont Seafoods demise could also be the demise of the fisherman currently fishing by other methods out of Taranaki.
- Egmont Seafoods Ltd is the only fish processor on the West Coast of the North Island, of any size, and often assists vessels from other ports that are fishing the WCNI providing them with ice, fuel & unloading where necessary. ESL also purchases Albacore Tuna during the summer period from the transient Tuna trolling fleet and if there was no factory based in New Plymouth the Tuna fleet would have to steam to either Onehunga or Nelson to unload. This would increase the fuel cost to the Tuna fleet and reduce the number of days they could fish during the Tuna season.
- If Egmont Seafoods Ltd ceased operating it would directly affect the 13 x fulltime & 6 part time staff employed including their family & dependants (Total directly affected including dependants would be 41 individuals). The majority of the staff have been employed by Egmont Seafoods Ltd for in excess of 8 years and they would not be able to gain employment elsewhere in the fishing industry in Taranaki if ESL closed down. Due to the age of some employees they would find it difficult to find employment in other industries within Taranaki. I have also been advised by the majority of staff that seeking employment outside of the Taranaki Province would not be viable as they have families in the region and relocating is not an option.
- If Egmont Seafoods ceased operating it would impact directly on the Taranaki fish retailers, fish & chip shops, restaurants, cafe's & supermarkets. The quality and availability of fish would be reduced and the price would increase.
- Egmont Seafoods Ltd purchases products & services from a large number of local businesses i.e. packaging, refrigeration, couriers, freighting businesses, engineering companies etc & all of these would be affected if ESL ceased operating.

Option 3 – Set Netting

- This option would collapse the Taranaki fishing industry as 80 – 90% of the set net catch is taken within 12 nautical miles of the Coast. The industry in total would not survive with the loss of such a large proportion of its catch.
- The cost to the local economy in direct Sales from the 2 x local processors would be \$5 – \$6 million annually (Egmont Seafoods Ltd – Total turnover \$5,061,000 Export \$2,168,975 & Local \$2,892,025 plus Ocean Pearl \$750,000 approx) without taking into consideration the downstream affects to supportive or reliant businesses.

- 61 people are directly employed by the Taranaki fishing industry & the majority of these staff would be unemployed. The families and dependants of these directly employed staff would also be affected. Please refer to my comments above regarding these staff relocating or finding employment in other industries.
- The health and well being of the people & their families who are directly employed in the local industry would be severely affected. I wouldn't like to think how option 3 may impact on some individuals mental health & self worth.
- Local fish supplies would cease meaning fish supplies to the region would have to come from outside the region reducing overall supply & quality and increasing the cost of fish.
- Once an industry like fishing is lost from a community it will never return as the infrastructure around fishing would be lost and it would be uneconomic & too capital intensive for it to be replaced in the future.
- This option should not ever be a consideration when there is no evidence that the Maui's Dolphins exist or have been seen south of the current closed set net area.

Option 1 – Trawling

- Egmont Seafoods Ltd has 1 x trawler landing fish. This vessel (FV Receiver) lands 350 – 450 tonnes with a value of \$620,000 - \$750,000 annually. Refer to fish landings for years 2005/06, 2004/05 & 2003/04 by the vessel 'Receiver' attached appendix 'B'.
- 70% of the FV Receiver's catch would be taken within 4 nm of the coast between New Plymouth & Tirau point to the north. Ian Brown the skipper of the vessel 'Receiver' recently purchased 50% of the company Brown & Hayman Fisheries Ltd, the owner of the 'Receiver', raising the funds by way of mortgage over his house.
- Brown & Hayman Fisheries Ltd has been a marginal operator for the past 5 years due to increasing costs & diminishing returns and Ian Brown hopes that with a new shareholding and management structure he can get this business operating efficiently & profitably.
- Increasing the cost of Brown & Hayman Fisheries Ltd operation through observer coverage or electronic monitoring would defeat the purpose of Ian Brown purchasing into the Company. They could not sustain the additional cost of up to \$1,000 per day in their fishing operation.
- Fishing outside 4 nm would significantly impact on the volume of Brown & Hayman Fisheries Ltd catch and would probably force the Company out of business. If this happened it would impact on Egmont Seafoods Ltd ability to survive and would have a follow on effect as mentioned above under Setnet Option 2 page 92.

- Fishing inside 4nm is extremely important to Brown & Hayman Ltd operation especially on south easterly & southerly weather conditions. This is the only area on the West Coast from New Plymouth where they can safely fish.
- There have never been any known mortalities of Maui's dolphin by trawling on the WCNI and very few verified sightings (2 in 17 years) in the area that the Receiver fishes and to increase their cost of fishing or exclude them from an area because of monitoring costs is ludicrous.
- There are a number of restricted trawling areas on the WCNI providing protection from the Maui's dolphin including - 1 nm voluntary agreement Tirau Point to Awakino, 2 nm voluntary agreement Awakino to New Plymouth, Regulated trawl ban in the Urenui Bay, Parininihi Marine Reserve, restricted areas around Rigs in the north Taranaki bight. The trawl fisherman have been very responsible over recent years with the introduction of the voluntary agreements & abiding by them.

Trawling – Option 2(a)

- A trawl prohibition between Manganui Bluff and Pariokiwa Point inside 4 nm from shore between 1st June & 31st August would significantly impact local trawler operators. This is the time of year when we get strong south easterlies and with limited fishing during the winter period the protection from the coastline allows fishing to occur at this time of year. To remove this would have serious impacts as mentioned above.
- There has not been any verified sightings in the area south of Kawhia during winter and cannot see the sense in extending or introducing a winter prohibition to trawling where the Maui's Dolphin don't range. Surely a threat should exist before a measure or restriction is put in place.

Trawling – Option 2(b)

- A trawl prohibition between Manukau Harbour and Port Waikato within 4nm of the shore year round. This would have serious implications for the trawlers operating out of the Manukau Harbour as this is an area where they historically catch a good proportion of their fish. To fish further south would increase their cost of catching.
- No mortalities have occurred through trawling and measures to protect the Maui's Dolphin from a perceived risk from trawling is not justified.
- A trawl prohibition in the area proposed would shift fishing pressure to other areas of the coastline creating local depletion and impacting on the fishers to the north or south of proposed prohibited area.

Trawling – Option 3

- This would put Brown & Hayman Fisheries Ltd out of business and would have a knock on affect to Egmont Seafoods Ltd the same as option 3 for set netting. Please refer to comments above as the impacts of this option would be devastating for the Taranaki fishing industry.
- There is no factual evidence or information available to prove that this option is necessary or that it would provide any greater protection for the Maui's Dolphin.

Recreational

- Options 1, 2 & 3 would impact the recreational sector significantly. The majority of set netting by the recreational sector is done within the harbours and close to shore targeting flatfish, mullet & kahawai. These species are important to this sector in providing food for their families and as part of their historical recreational activity.
- The recreational boating sector fishing the wild West Coast often gets caught out with changing weather conditions especially if they experience a breakdown. The commercial fishing operators are generally the ones who come to their rescue as the commercial operators have the experience and the vessels to handle the rough weather conditions. If the commercial operators were forced out of the industry, because of the measures proposed, this could create a real safety issue for the recreational boaties if they breakdown.

Customary & Iwi

- Taranaki Iwi have issued customary permits to the New Plymouth commercial operators to obtain fish for customary purposes such as hui's & tangi's. If commercial operators were forced out of business this option would impact on the Taranaki Iwi's obtaining fish for these customary purposes.
- Some Taranaki Iwi now own quota shares, as part of their Treaty settlement claims, and generate income from the ACE that is generated on an annual basis to fund activities within their Iwi e.g education, health providers etc. The measures proposed could have a significant impact on the value of these quota shares and also the income that is generated from the ACE annually.

Existing Measures are Adequate – Retain the Status Quo

- There have been no fishing related mortalities on the WCNI since the set net closed area was introduced in 2003.
- There are adequate voluntary trawl agreements & restricted areas through regulation to provide protection for the Maui's dolphin. These agreements have worked well over recent years and all trawlers and set netters have abided by them.

- Fisherman are aware of the potential threats and none of them wish to interact or harm a Maui's dolphin. I have been advised by my fisherman if they see a Maui's dolphin, which would be most unlikely on past history, they will retrieve their gear and move to an area where there is no potential for interaction with the dolphins.

Other Threats to the Survival of the Maui's dolphin

- In the last 12 months 4 Maui's dolphins have died. 2 deaths were from natural causes but the others were considered to be from Brucellosis and Pneumonia.
- A comment by DOC spokesperson Nicola Vallance after the post mortem of the dolphin which had evidence of Brucella was 'The effect of this disease in marine mammals is unknown. We do know that Brucellosis causes abortions and reproductive failures in livestock, and while we know very little about how the disease manifests in marine mammals there is some evidence that this may be the case for dolphins' This type of disease could be a far greater threat than any human imposed threat.
- Another comment relating to the death by Pneumonia by Dr Duigan (Massey marine mammal expert) stated 'Hector's do have high levels of toxins in their systems because they live in the coastal waters where all run-off ends up.' Pollution and the impact that this has on the Maui's dolphin appears to be a significant threat to their long term survival and could be far greater than any other human induced threat.
- Dr Duigan also stated 'Another factor could be that the reduced genetic diversity in the Hector's Dolphin population so when they come into contact with something unusual they don't have the genetic ability to deal with it, something well documented in other species.' Due to the small population of the Maui's Dolphin and their weak genetics this population may well be incapable of survival due to disease, pollution & other factors which cannot be controlled.
- Predation is something that is only briefly mentioned in the TMP. It is known that Maui's & Hector's dolphins are killed & eaten by some shark species & the Orca whale. One of our fisherman caught a white pointer in a set net several years ago and in its stomach was a Hector's or Maui's dolphin. To his horror the cause of death of this dolphin was recorded as a set net mortality which was absolute rubbish. The death was part of nature & normal predation that happens in our marine environment.

Measures to assist Research & further Protection for the Maui's & Hector's Dolphin

- Fisherman have offered to assist with research as to the abundance & range of these dolphins providing this is done collaboratively and cost efficiently. They are on the water more than any other group and should be utilised to gather as much information & knowledge on the dolphins as possible. DOC, MFish & the researchers need to be inclusive with the fisherman not exclusive.

- The Taranaki Fisherman will be updating the Codes of Practice for Set Netting & Trawling and will be looking to adopt with some amendments for local conditions the: 1) Commercial Set Net Fishers Code of Practice prepared by Challenger Finfisheries Management Company Limited 2) South East Finfish management Company Code of Practice for Trawling.

Time frame for Submission

- I would like to have provided more accurate information as to the volumes of catch & potential impacts but due to the short time frame to digest the TMP, discuss the issues with MOF & DOC at various meetings, complete Aranovus surveys & gather information this is the best I could do.
- I am disappointed at the responses I have had from the Minister of Fisheries when I requested an extension to the submission period as Chairman of the Taranaki FLC. The period from the 20th September to 15th October is the busiest period of the year for ACE balancing & sourcing ACE for the new fishing year. To have such a short submission period during our busiest time of the year makes one wonder whether this was done for a reason. The Minister has stated that he needs good information & is required to make the decision with the best information available. How can this statement be made when inadequate time is provided to obtain the best information available?
- The timing of the submissions has made it very difficult to keep focused on the business because of the potential impacts to my fisherman, staff & investment in the fishing industry. I have to make decisions to lease ACE for the new fishing year in October and a decision before Christmas by the Minister could well make this ACE incapable of being caught & valueless. I am required to balance catch against ACE but have no idea what my catch is going to be if some of the options proposed in the TMP were enacted. It is time that MFish understood the pressure in this industry & how it operates as the Minister expects us to have consideration for his desire to provide protection for the Maui's & Hector's and to make a decision before Christmas.

We don't want to see any Hector's or Maui's dolphins die through our fishing activities and we have a desire to ensure that they survive as a species. I also would like to survive in a business that my staff and I have put 20 yrs of hard work & investment into.

We do care, we are responsible, we don't lie and we can help.

Egmont Seafoods Ltd supports and endorses the submissions from NZ Seafood Industry Council and Challenger Finfisheries Management Co. Ltd.

Can you please acknowledge receipt of this submission by replying to:

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