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Submission on the Review of Fishery Sustainability Measures – October 2026 Round

1. Seafood New Zealand welcomes the opportunity to comment on the Review of Fishery Sustainability Measures – October 2026. Our comments are set out below. We note that other fishing industry representative organisations, companies, quota holders, and fishers may also provide submissions on this review, and we support their engagement in this process. We are happy to provide further information or clarification on any matters raised in this submission.
2. Our submission on the review of sustainability measures for tarakihi stocks has been provided as a separate document.

Who We Are

3. New Zealand's seafood industry generates \$5.2 billion annually in economic output and employs some 16,500 Kiwis¹, providing New Zealand and the world with high-quality, nutritious, and great-tasting seafood.
4. Seafood New Zealand is a professional organisation delivering industry-good services for the wider benefit of the seafood industry. This includes the development of responses to legislative and regulatory proposals affecting the industry. Our vision at Seafood New Zealand is that we are leading a thriving seafood industry that creates value for all New Zealanders from a healthy marine environment.
5. We work with other industry representative bodies, such as the New Zealand Rock Lobster Industry Council (NZ RLIC), the Pāua Industry Council (PIC), and the New Zealand Federation of Commercial Fishermen Inc. and with other organisations engaged in the management of New Zealand's fisheries and oceans. These include, inter alia, Te Ohu Kaimoana, Fisheries New Zealand (FNZ), the Department of Conservation (DOC), the Ministry for the Environment, regional councils, and environmental advocacy organisations.
6. To continue to provide Kiwis with locally caught seafood, the fishing industry is wholly dependent on healthy and sustainable fish stocks. We therefore actively engage in fisheries management policy to ensure our fisheries remain sustainable and beneficial to New Zealand.

¹ Business and Economic Research Limited (BERL) (2022) – [The Economic Contribution of Commercial Fishing](#)

Summary of Positions

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SKI3	Option 1 – Status quo TACC at 2,269t Option 2 – TACC increase to 2,723t Option 3 – TACC increase to 2,950t	Support Option 3	10
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Overarching Views

Sustainability Measure Review Process

7. The consultation period for the past three October rounds has been four weeks. We consider that six weeks would be more appropriate to provide adequate time for organisations to provide well-constructed and evidence-based submissions. This round contains 21 Total Allowable Catch (TAC) reviews and 7 deemed value reviews that we are mandated to represent; the workload associated with providing a response (informed by our members) is intensive.
8. We appreciate that there are time constraints on FNZ in preparing the discussion and the advice papers. However, we recommend adjusting the timeframe of the process to allow for a six-week consultation period for all October rounds.

Deemed Values

9. We consider that a TAC review in a stock necessitates an assessment of the appropriateness of the associated deemed value rates. Whether or not FNZ officials consider a review of deemed values is warranted, the consultation documents should include the relevant information so that submitters can provide informed feedback on deemed value rates.
10. Initial positions on deemed value review should be rationalised against the Deemed Value Guidelines which would include information on Annual Catch Entitlement (ACE) price, port price and stock abundance.

Low and Medium Knowledge Stocks

11. We consider there is a significant opportunity to improve the management of medium and low information stocks within the existing framework of the Fisheries Act 1996 (the Act). The current approach to managing stocks with limited information is often inconsistent, uncertain, and slow to respond.
12. The Act provides sufficient flexibility to manage stocks where biomass cannot be estimated with precision. The challenge is not the legislation itself, but the absence of a structured decision-making framework that consistently applies the Act's purpose and information principles to stocks with differing levels of information.
13. A more structured approach would recognise that management decisions should reflect both the quality of available information, and the relative risk posed by different levels of fisheries utilisation. As uncertainty increases, greater caution may be appropriate. Equally, where fishing pressure is low and available information indicates the stock is abundant or stable, the framework should provide confidence to adjust catch limits to better provide for utilisation. This is entirely consistent with section 10 of the Act, which requires decisions to be based on the

best available information while recognising that uncertainty should not be used as a reason to postpone or fail to take management measures.

14. Without such an approach, management decisions become risk-averse by default. This can result in catch limits remaining unchanged despite evidence that existing settings no longer reflect the fishery, ultimately undermining both sustainability and utilisation. Effective fisheries management requires the ability to respond in a timely manner to change in either direction.
15. The current review of yellow-eyed mullet illustrates this issue. During the 2025 sustainability review, the available information was considered insufficient to support an increase to the Total Allowable Commercial Catch (TACC), despite evidence that catches were consistently exceeding the available ACE. Rather than reconsidering the appropriateness of the catch limit, the current management response is to review deemed values. This ignores the framework agreed to be operated by FNZ and industry through the Catch Balancing Forum and instead addresses the symptom rather than the underlying management issue. It forgoes an opportunity to provide for greater utilisation of an abundant stock and instead increases the economic costs faced by fishers for catching a species that current evidence suggests can support higher levels of harvest.
16. We encourage FNZ to develop and publish a structured policy framework for managing medium and low information stocks. Such a framework should provide greater consistency in decision-making, improve transparency around how uncertainty is considered, and support more regular reviews of these stocks. This would better give effect to the purpose of the Act by ensuring that decisions continue to provide for both sustainability and utilisation, even where information is less complete than for highly assessed fisheries.

Headroom

17. Seafood New Zealand recommends that headroom should not be removed unless requested by industry and there is a clear signal of declining stock abundance, rather than fluctuations in catch alone. Further, any decision to adjust the TAC should be based on evidence that the existing level would not be sustainable if fully caught, ensuring that management responses are proportionate to the risk and are taken only where there is a clear signal of declining abundance or credible evidence that the current TAC would not be sustainable if fully caught. This approach maintains the integrity of headroom as a buffer against uncertainty, while ensuring appropriate action is taken when there is a genuine risk to sustainability.

Other sources of fishing related mortality

18. The current allowance for other sources of fishing-related mortality was established during the 2018 sustainability review as a precautionary, generic setting rather than a stock-specific estimate. In making that decision, FNZ advised that the allowance was intended to account for fishing-related mortality that is not landed or otherwise able to be accurately accounted for. Officials also recognised that information on these sources of mortality was, by its nature, highly uncertain.
19. In the absence of better information, FNZ adopted a generic approach of setting the allowance at 10% of the TACC where the majority of the commercial harvest was taken by trawl. The resulting allowance was therefore a pragmatic default designed to manage uncertainty, rather than a quantified estimate of actual mortality for the stock. Implicit in this approach was that, as better information became available, the allowance could be refined to more accurately reflect the level of fishing-related mortality occurring within the fishery.
20. We consider that the information available since 2018, and the increased certainty in that information, provides a rationale for an Other Sources of Fishing-Related Mortality (OSFRM) limit lower than the default 10%.

21. At the time the decision was made to apply a generic 10% OSFRM for trawl-caught stocks, there was no consistent, nationwide electronic reporting of species-specific sub-MLS catch across the commercial fleet until the electronic reporting rollout during 2019. Prior to that, reporting was limited by the staged implementation of electronic reporting and, for most fisheries, the absence of the reporting fields and codes needed to record sub-MLS catch in a standardised way.
22. The other aspect of unreported catch is deliberate unlawful discards. However, with the rollout of onboard cameras completed in 2025, 85% of the inshore catch by volume is monitored. This creates a high level of certainty in the reliability of fisher reported data both in relation to landed and discarded fish.
23. Because of the above advancements in reporting, the amount of unreported catch has been reduced and this change should be incorporated into the calculation of OSFRM. We recommend that FNZ review OSFRM for stocks including in future sustainability reviews.

Giving effect to all sustainability measures

24. Currently, the annual sustainability review process is largely structured around proposals to adjust catch limits for individual stocks, reflecting a historical reliance on TAC changes as the primary management tool.
25. Seafood New Zealand supports FNZ continuing to evolve the sustainability review process towards a more holistic, ecosystem-based approach to fisheries management. While catch limits remain a critical tool for managing stock abundance, the Act provides a broad suite of sustainability measures to address the diverse effects of fishing. Reviews should increasingly begin by identifying the management issue and then considering the most effective and targeted combination of management measures to address it.
26. This approach would enable environmental issues to be addressed using the most appropriate tools, rather than relying on catch limits as a “catch-all” management measure. It would also support more meaningful stakeholder engagement. Where consultation focuses primarily on catch limit adjustments, submitters concerned about environmental impacts may have limited avenues to address those concerns. A broader issue-based approach would allow these concerns to be considered directly and enable more constructive input on appropriate management responses.
27. This means moving beyond sustainability reviews that are predominantly focused on single-stock catch limit decisions. Sustainability reviews should instead identify the key management issues within a fishery and consider the full suite of management measures available to address them. This would better reflect the purpose of the Fisheries Act by considering both how to provide for utilisation and how to manage the effects of fishing, rather than focusing predominantly on stock abundance alone.
28. Aligning operational processes with the intent of the amendments will strengthen the implementation of an ecosystem approach to fisheries management and improve the transparency and effectiveness of sustainability decision-making.

Catch Balancing Forum Process

29. The purpose of the Catch Balancing Review Process is to support a more integrated approach to reviewing management settings for stocks where catch balancing issues are of concern. We are pleased to see that a review of the Catch Balancing Forum has commenced.
30. However, the yellow eyed mullet and parore stocks being reviewed for changes to deemed value rates did not go through the Catch Balancing Forum process. We consider this a misstep in process and as a result the appropriate management pathway was not identified for these

stocks. The review of deemed value rates in this instance has not been an effective use of resources and has taken time from officials and submitters which could have been directed towards a more appropriate management response for these stocks.

Recreational Fishing Management

31. New Zealand's fisheries management regime is often described as 'world-leading', yet our approach to managing marine recreational fishing has fallen behind that of comparable countries. Information on recreational catch is patchy, unreliable, and generally not available in a timely manner to inform fisheries management decisions. Although our management regime requires that total catch be constrained within the TAC to ensure sustainability, recreational catch is not always reliably constrained within its allocated allowance. This is particularly important in high-value shared fisheries such as snapper, hapuku, and bass, as well as in fisheries that are subject to international allocations, such as southern bluefin tuna.
32. Commercial fishing is one of the most heavily regulated industries in New Zealand. Government cameras are installed on approximately 220 vessels which account for 85% of the inshore catch, and observers are deployed on almost 50% of fishing effort on larger vessels in the deepwater. All these vessels have geo-spatial reporting devices on board that report vessel position to within 9m every 10 minutes from the moment the vessel leaves port until when it returns. Commercial fishers are required to report everything they catch, whether retained or discarded, generally within 24 hours, and all Quota Management System (QMS) species must be balanced to a kilogram against ACE, or a deemed value penalty must be paid.
33. The information gathered through the QMS supports quantitative stock assessments for many key species. However, for species that are also popular with recreational fishers, estimates of recreational catch are highly uncertain. These estimates are often based on inference and extrapolation, and they do not meet international standards for robust fisheries management, such as those required by Marine Stewardship Council (MSC) certification.
34. The lack of reliable information on recreational catch creates challenges for managing shared inshore stocks. We are also increasingly concerned about the Amateur Charter Vessel (ACV) sector. We are aware that the Crown has assisted reporting by this fleet. To our knowledge there has been no assessment of the adequacy of that reporting. We request that a review be undertaken to assess the robustness of the reporting data provided by the ACV fleet and recommend measures to improve the quality and timeliness of that reporting. While catch from this sector is classified as recreational, it is derived from a commercial operation, and we believe the current management of this sector does not sufficiently reflect the financial incentives involved. In particular, we would support a review of how the ACV sector could contribute to fisheries research and management, similar to the way quota owners contribute through levies in the commercial sector.
35. Given that more than 70% of recreational fishing occurs in Fisheries Management Areas (FMA) 1 and 9, we continue to propose that the Crown should hold National Panel reviews at 3 yearly intervals in these FMAs.

Mixed daily bag limit

36. We consider that recreationally important species which are commonly targeted, or have underlying sustainability concerns or rebuilding objectives, should have species-specific daily bag limits rather than being managed under a generic mixed-species limit. A generic bag limit provides only a broad control on recreational harvest and may not be appropriate where a species requires more targeted management.
37. We therefore encourage FNZ to continue reviewing species currently managed under the mixed finfish bag limit and, where appropriate, establish species or stock specific daily limits that better reflect the characteristics and management needs of those fisheries. In the current

review, we consider BUT7 is an appropriate example of a stock where a species-specific recreational bag limit should be applied.

Stock Specific Positions

Deepwater Stocks

English (Blue) Mackerel (EMA7)

38. Seafood New Zealand supports an increase to the EMA7 TACC.
39. The 2026 assessment provides further strong evidence that the stock is in a healthy state and capable of supporting additional utilisation. The assessment concludes that EMA7 is very likely (>90%) to be at or above the management target, very unlikely (<10%) to be below either the soft or hard limits, and very unlikely (<10%) to be experiencing overfishing (very low relative exploitation rate).
40. The updated assessment shows that biomass has increased more than nine-fold since the low point in 2013/14. Both fisher-reported and observer catch per unit of effort (CPUE) indices continue to show strong and sustained increases in abundance, and observer sampling also continues to provide evidence of strong recruitment entering the fishery. Biomass is also expected to continue increasing in the short term. Together, these indicators show a stock that is not only healthy but continuing to increase rapidly.
41. The strength and consistency of these signals are important. The increase in abundance is supported by multiple sources of information including fisher-reported CPUE, observer CPUE, recruitment signals, fishery characterisation data and review through the Deepwater Working Group process. The available information therefore provides a robust basis for management to respond with confidence.
42. While we support FNZ's proposal to increase, we consider the 10% increase to be conservative relative to the strength of the available evidence. FNZ has already concluded that greater utilisation is sustainable and that the stock has continued to increase. Although last year's 50% increase appeared significant, the stock has continued to grow beyond that increase. The results of the stock assessment suggest a 49% increase in biomass, just in the last year (Figure 1). A 10% increase does not align with the continued increase in abundance.

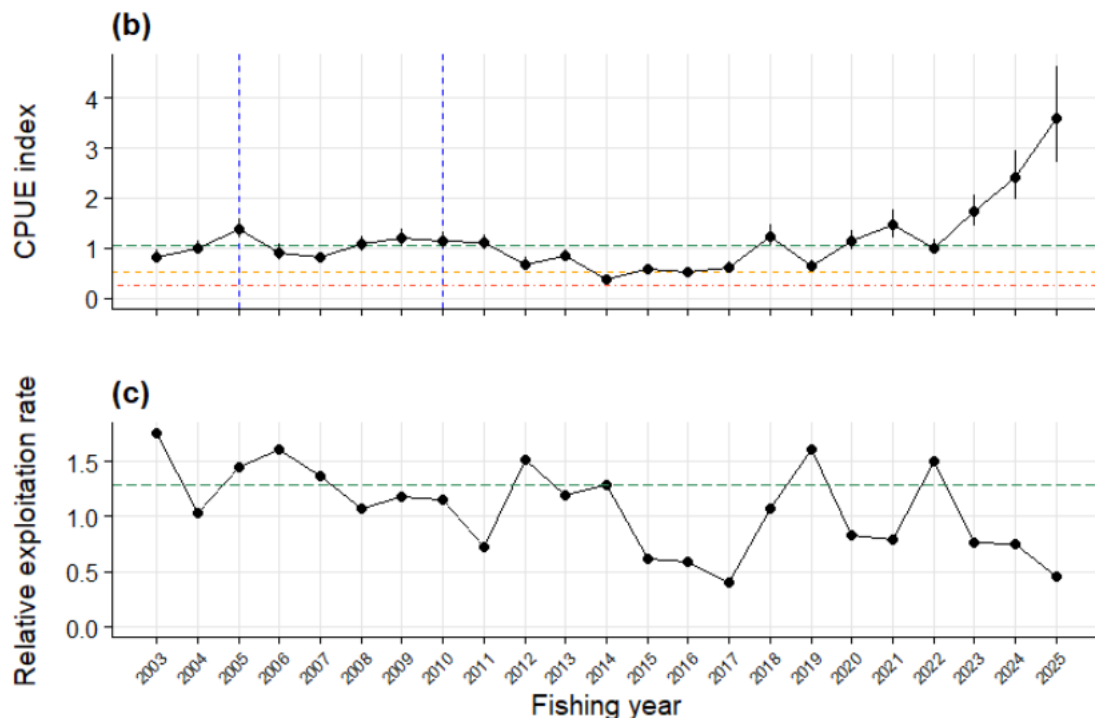


Figure 1. EMA7 catch per unit effort (CPUE) index and relative exploitation rate.

43. In 2026, industry funded a rapid update of the EMA7 assessment previously accepted by the Deepwater Working Group, specifically to verify the increase observed by fishers and to allow management to respond more quickly to biomass changes. If clear evidence of increasing abundance does not result in meaningful utilisation opportunities, we are concerned there is little incentive to invest in generating improved information outside of full assessment cycles.
44. Current catch levels may also provide a misleading picture of the true utilisation opportunity. Squid abundance has been strong, reducing fishing effort on west coast pelagic fisheries, including mackerel stocks. Had squid availability been poorer, it is likely that effort directed toward mackerel fisheries would have been higher and EMA7 catches would have increased accordingly. Under such a scenario, catches may already have exceeded existing catch limits. Current landings should therefore not be interpreted as evidence that the present TACC or a 10% increase is sufficient, but rather as a reflection of favourable alternative fishing opportunities that have temporarily slowed catches of the stock.
45. FNZ also acknowledges that fishers targeting jack mackerel remain constrained by the current EMA7 settings and are forced to avoid areas where blue mackerel are abundant. This creates unnecessary inefficiencies and avoidance costs in a fishery where blue mackerel is predominantly taken as non-target catch. As abundance continues to increase, such avoidance becomes increasingly impractical and economically wasteful. A higher TACC would better align catch limits with actual stock abundance and reduce unnecessary operational constraints.
46. Prior to the October 2025 sustainability round, catches exceeded available ACE in three of the previous four fishing years, contributing to constraints on fishing operations and limiting utilisation opportunities. While the 2025 increase improved access to the resource, both the updated assessment and industry observations indicate that abundance has continued to increase since that review. Maintaining unnecessarily conservative settings risks recreating avoidable ACE shortages and deemed value liabilities despite there being no evidence of a sustainability concern.

47. Industry observations are consistent with the scientific assessment. Fishers operating in EMA7, including both the purse seine and trawl fleets, continue to report exceptionally high abundance and strong catch rates, and quota owners consider that the fishery could accommodate an increase larger than that proposed under Option 2. Similar observations of elevated abundance are also being reported by fishers operating in EMA1, suggesting that the strong abundance trajectory observed in EMA7 may be occurring more broadly across the blue mackerel fishery. These observations provide further confidence that the increase in abundance identified through the assessment is being experienced across multiple fishing sectors and is not limited to a single fleet or area of operation.
48. Given the magnitude of the increase in stock abundance, the continued constraints associated with ACE availability, and the limited environmental risks associated with additional utilisation, Seafood New Zealand considers that the proposed 10% increase does not fully reflect the opportunities identified by the assessment. We therefore recommend consideration of an alternative option involving a 20% increase to the EMA7 TACC.
49. A higher TACC is not expected to result in a significant increase in fishing effort or environmental risk. FNZ notes that EMA7 is primarily a non-target species in the west coast jack mackerel fishery and concludes that additional fishing effort may not be required to utilise a higher catch limit and that impacts on protected species, benthic habitats, bycatch species, and the wider ecosystem are expected to remain low under increased utilisation.
50. EMA7 is also a prime example of a medium-knowledge stock which could be managed effectively using reliable CPUE indices. While the assessment is not fully quantitative, it is supported by multiple independent and consistent indicators, including fisher-reported CPUE, observer CPUE, recruitment signals, fishery characterisation data, and a robust scientific review process. In our view, the strength and consistency of these indicators provide a sufficient basis for management to respond confidently to increasing stock abundance. If management is unwilling to make meaningful decisions in response to such a clear and consistent signal, it raises broader questions about FNZ's intent to be agile in decision making for low-medium knowledge stocks.

Proposed alternative option

51. For the aforementioned reasons, we consider that a 20% increase to the EMA7 TACC would better reflect the substantial increase in stock abundance identified by the assessment and provide for the utilisation opportunity available within the fishery. This would take the TACC from 5,025 tonnes to 6,030 tonnes. Such an increase would remain precautionary, improve utilisation of an abundant resource, reduce unnecessary operational constraints, and remain consistent with the requirement to maintain the stock above the level capable of producing maximum sustainable yield.
52. Seafood New Zealand submits that the best available information supports a conclusion that the proposed 10% increase while providing for further utilisation, is still too restrictive. There is scope to provide for greater utilisation while continuing to ensure sustainability, and thereby better meeting the purpose of the Act. While Seafood New Zealand supports FNZ's proposed 10% increase as a minimum appropriate response to the assessment, it is our submission that a 20% increase better reflects the current status and trajectory of the stock.

Frostfish (FRO3)

53. Seafood New Zealand supports Option 3 which would increase the TACC from 80 tonnes to 700 tonnes. The available information demonstrates a clear utilisation opportunity and indicates that current management settings are no longer aligned with catch occurring in the fishery.
54. The recent increase in frostfish catch has coincided with increased squid fishing activity on the western Chatham Rise. As frostfish is not a target species, fishers have limited ability to avoid

catch when frostfish is encountered alongside target species. Catch levels are therefore largely driven by activity in associated fisheries rather than directed fishing effort for frostfish.

55. While information for FRO3 remains limited, the available evidence indicates that current settings are no longer aligned with the realities of the fishery. Recent catches have exceeded available ACE by a very substantial margin and catch to date in 2025/26 (approximately 731 tonnes) has already exceeded the TACC, proposed under Option 3, by June 2026 (Figure 2). This suggests that the current TACC is no longer providing sufficient flexibility to appropriately balance unavoidable catch.

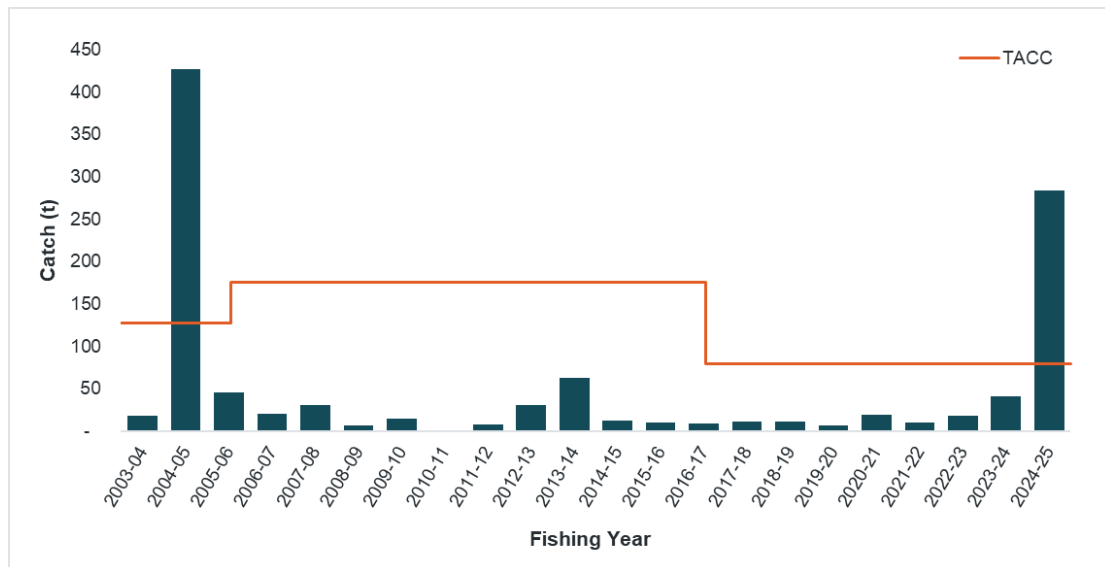


Figure 2. TACCs and commercial catches in FRO3 from 2003/04 to 2024/05 fishing years.

56. As a result, fishers have limited ability to avoid frostfish when it is abundant and catch levels are largely driven by the distribution and availability of other target species. Current management settings therefore create unnecessary balancing costs and operational constraints without contributing any identifiable sustainability benefit.
57. We agree that maintaining the status quo would unnecessarily constrain utilisation and create operational inefficiencies in the fisheries where frostfish is taken as unavoidable bycatch. We also consider there is a risk that Option 2 may not adequately address the issue that has prompted this review. If future catch levels remain similar to those observed recently, fishers may continue to face ACE shortages and deemed value liabilities despite the proposed increase.
58. Importantly, there is little reason to expect that increasing the TACC would result in a material increase in fishing effort or environmental effects. Frostfish is not a target species, and catch is largely linked to activity in other fisheries. Increasing the TACC would therefore primarily recognise catch that is already occurring rather than driving additional fishing activity.
59. While information for FRO3 remains limited, the Act recognises that uncertainty should not prevent management decisions being made where there is sufficient information to support action. A higher TACC would also reduce the need for avoidance behaviour in fisheries where frostfish is taken incidentally. Unnecessary avoidance can reduce operational efficiency and create additional costs without delivering a corresponding sustainability benefit. In our view, management settings should recognise the role of frostfish as a non-target species and provide sufficient flexibility for fishers to balance unavoidable catch.

60. For these reasons, we support Option 3. This option provides the most practical response to recent fishery performance, better reflects the apparent availability of frostfish in FRO3, and reduces unnecessary operational constraints associated with unavoidable non-target catch.

Gemfish (SK13)

61. Seafood New Zealand supports Option 3, which proposes a 30% increase to the TACC for SK13, increasing the catch limit from 2,269 tonnes to 2,950 tonnes.
62. The best available information indicates that southern gemfish remains in a period of elevated abundance and that stock biomass is expected to continue increasing over the short term. FNZ has concluded that overfishing is unlikely to be occurring and that there is no information to suggest that the increase proposed under Option 3 would pose a sustainability risk.
63. This conclusion is supported by multiple independent indicators of stock status. The 2024 assessment indicates that abundance continued to increase after 2020 (Figure 3). The assessment also notes evidence of ongoing recruitment, with observer length frequency data showing recruitment of smaller fish into the fishery, while age composition data from 2020/21 to 2022/23 showed the presence of recent strong year classes. The stock biomass was also projected to increase at current catch levels. Taken together, these indicators provide confidence that additional utilisation can be accommodated while continuing to ensure sustainability.

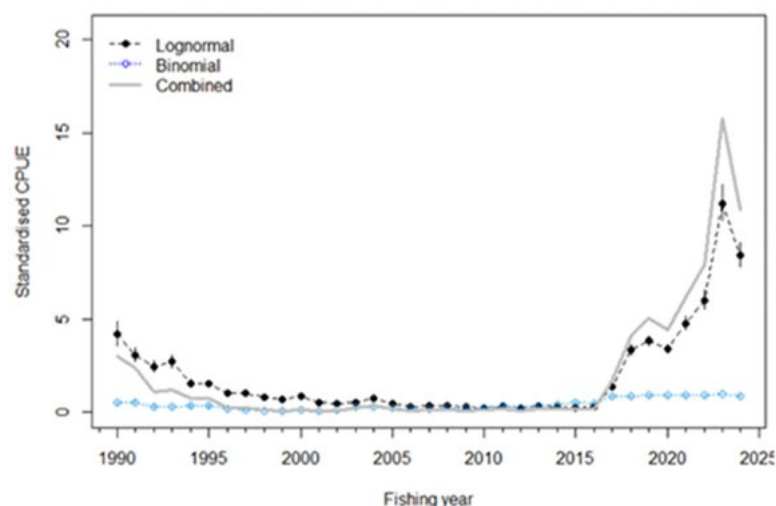


Figure 3. Updated daily processing combined delta-lognormal CPUE index for the SK13 Stewart-Snares shelf fishery (1990–2024).

64. Gemfish in SK13 is almost entirely taken as bycatch in the arrow squid, barracouta, silver warehou and ling fisheries. Consequently, the recent increase in catches reflects increased stock availability rather than increased targeting effort. Commercial catches have exceeded the TACC despite successive incremental increases to catch limits (Figure 4) and, in 2024-25, approximately \$1.3 million in deemed value liabilities were incurred due to insufficient ACE availability. For the current fishing year, approximately 78.4% of the available ACE has been caught and we expect the catches to exceed the ACE as we approach the end of this fishing year.

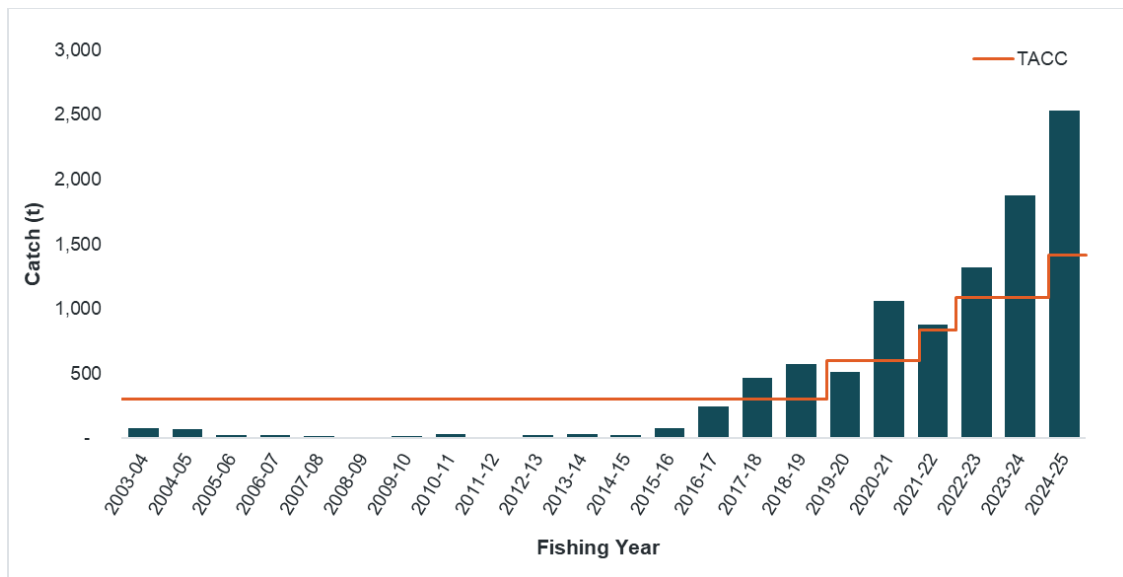


Figure 4. TACCs and commercial catches in SKI3 from 2003-04 to 2024-25 fishing years.

65. We raised similar concerns in the October 2025 sustainability round. At that time, we noted that increasing abundance and catches consistently tracking above available ACE indicated that management settings were lagging the biological reality of the stock and as such resulting in excessive and punitive deemed values.
66. The need for a further review only one year after the 2025 increase highlights how rapidly stock abundance has changed. Despite successive increases to the TACC, catches have continued to track above available ACE and significant deemed value liabilities have persisted. This suggests that management settings have struggled to keep pace with the ongoing increase in stock availability.
67. We consider that Option 3 represents a proportionate and evidence-based response that better aligns catch settings with current stock abundance and provides for increased utilisation while ensuring sustainability. Given gemfish is rarely targeted and fishing effort in associated target fisheries is not expected to increase, the proposed TACC increase represents an opportunity to improve utilisation without materially increasing environmental risk.
68. While we support Option 3 as an appropriate response, there may be scope to provide for additional utilisation in future years. Given the expectation that stock biomass will continue increasing over the short term, FNZ should consider a more responsive management approach for southern gemfish. This could include a commitment to review the stock again should abundance indicators remain positive, or alternatively the development of a staged increase framework under which additional increases could be implemented if stock indicators continue to support increased utilisation.

Ling (LIN7)

69. Seafood New Zealand does not support Option 2. While of the two options, Option 1 which represents a 50% reduction to the current catch limit is preferred, Seafood New Zealand proposes that an alternative catch limit of 1,500 tonnes would represent a more appropriate management response. This would represent an approximately 56% reduction from the current catch limit and is broadly consistent with a containment approach, with the proposed level sitting below estimated average recruitment and therefore providing for a substantial reduction in fishing mortality while maintaining a functioning fishery.

70. We accept the findings of the 2026 stock assessment and agree that management action is required. The available information indicates that LIN7 biomass has declined from approximately 51% B_0 in 2021 to an estimated 34% B_0 in 2026, that overfishing is likely to be occurring, and that abundance indices have generally declined over recent years. Seafood New Zealand agrees that fishing mortality must be reduced in response to the stock assessment.
71. The 2026 assessment was accepted by the Deepwater Working Group and did not reflect a fundamental change in assessment approach or model structure. Rather, the assessment outcome reflects declining abundance indices and a persistent low-recruitment signal. Recent recruitment has been estimated at approximately half the long-term average, and all key indices, including bottom longline CPUE, trawl survey indices, and commercial trawl CPUE, show a similar degree of decline. We accept that this information supports a significant management response.
72. However, the stock remains above the soft limit and is very unlikely to be below the hard limit. The base case assessment estimated 2026 biomass at 34% B_0 , with a credible interval of 28.9–40.1% B_0 and estimated the probability of the stock being below 20% B_0 in 2026 as zero. While the probability of the stock being above the 40% B_0 management target is low, the stock is not currently estimated to be below key limit reference points.
73. The assessment also highlights considerable uncertainty regarding future recruitment and the relative influence of fishing pressure and environmental conditions on stock productivity. FNZ notes that future projections are highly sensitive to recruitment assumptions and that projections become increasingly uncertain over longer timeframes. This uncertainty is particularly important for LIN7 because the stock outlook is strongly influenced by assumptions about whether recent low recruitment continues, improves, or declines further.
74. In considering an appropriate management response, it is important to distinguish between rebuild and containment strategies. We do not dispute the need for a substantial reduction in fishing mortality. The key question is what management response is most appropriate given the current stock status, the uncertainties that remain within the assessment, and the practical realities of the fishery.
75. In our view, a containment approach represents the most realistic and defensible near-term management pathway. A containment strategy would materially reduce catch and improve the stock's risk profile while maintaining a functioning fishery and preserving the ability to respond adaptively should stock status or recruitment change materially in the future, without unduly constraining catches in associated fisheries (e.g., HOK1 West).

Proposed alternative option

76. In accordance with a containment approach, Seafood New Zealand does not support Option 2, which proposes a 75% reduction to the TACC from 3,387 tonnes to 865 tonnes. While a substantial reduction is warranted, we consider Option 2 is unnecessarily restrictive given the remaining uncertainties within the assessment, the absence of evidence that such a severe reduction is required to achieve the desired management outcome, and the undue effects such a reduction would have on associated fisheries.
77. We instead consider that an alternative TACC of approximately 1,500 tonnes should be considered. This would represent an approximately 56% reduction from current settings and a substantial reduction in fishing mortality. In our view, this is a significant and precautionary response that recognises the need for meaningful management action while avoiding the severe utilisation impacts associated with Option 2 and better accounting for the uncertainties that remain within the assessment.
78. In determining an appropriate response, it is also important to recognise the interdependence of stocks, as required under section 13(2)(b)(i) of the Act. Ling in LIN7 is taken both in targeted fisheries and as unavoidable bycatch in the West Coast hoki fishery. There is no information

before the Minister to indicate that rebuilding LIN7 requires management measures that materially and unduly constrain the hoki fishery.

79. Furthermore, a significant proportion of LIN7 quota is held by entities with substantial interests in the hoki fishery. In practice, it is likely that a material proportion of LIN7 ACE would be retained to balance unavoidable bycatch rather than being fully utilised in directed ling fisheries. Consequently, reductions in the TACC cannot be considered solely in terms of targeted ling catch.
80. We are also concerned that more severe reductions may increase deemed value pressures and distort fishing behaviour in ways that reduce the quality and usefulness of fishery information. Management settings should continue to provide sufficient ACE availability to appropriately balance unavoidable bycatch and maintain the collection of robust fishery-dependent information. This is particularly important for LIN7 given the role that CPUE indices and fishery-dependent information continue to play in monitoring stock status and future assessment updates.
81. LIN7 is a high-information stock and will continue to be closely monitored through the planned 2027 West Coast South Island trawl survey and the next quantitative stock assessment in 2029. Seafood New Zealand therefore considers that a TACC of approximately 1,500 tonnes represents an appropriately precautionary response that materially reduces fishing mortality, below current recruitment, and preserves the ability to review and adapt management settings as further information becomes available.

Scampi (SCI3)

82. Seafood New Zealand supports Option 3, which proposes a 20% increase to the TACC for SCI3, increasing the catch limit from 408 tonnes to 500 tonnes.
83. The 2025 stock assessment estimated spawning stock biomass to be 68% B_0 , with the Fisheries Assessment Plenary agreeing that the stock is very likely to be at or above the target biomass and exceptionally unlikely to be below either the soft or hard limits. This assessment also concluded that overfishing is very unlikely to be occurring.
84. The stock assessment indicates that biomass is expected to remain above the target level under the range of recruitment scenarios considered. This provides confidence that the proposed increase appropriately reflects the current status of the stock and provides for additional utilisation sustainably.
85. Industry observations are consistent with the stock assessment and biomass projections, with fishers reporting particularly strong catch rates in SCI3 over the current fishing year and no indications of sustainability concerns.
86. SCI3 supports a significant, high-value export fishery and is almost entirely taken in targeted scampi tows. The proposed increase provides an opportunity to improve the value of a stock that is performing well.
87. Given the low estimated exploitation rate, increased fishing activity may also strengthen the fishery-dependent data available for future assessments, particularly by improving contrast in CPUE and effort patterns.
88. We therefore support Option 3 and encourage FNZ to continue monitoring the stock and consider further adjustments to catch settings when supported by the best available information.

Inshore Stocks

Alfonsino (BYX3)

89. Seafood New Zealand supports Option 1, which retains the current TACC, sets a TAC and OSFRM limit, and does not support any proposed reduction to the BYX3 catch limits at this time.
90. Quota owners have already responded proactively to concerns about the fishery by voluntarily shelving approximately 50% of available ACE since the 2020/21 fishing year. FNZ's discussion document recognises that industry has maintained discipline through both the extent of ACE shelving and the substantial reduction in catches over recent years.
91. We note that FNZ also acknowledges significant uncertainty regarding the status of the stock, including the absence of a stock assessment, CPUE analysis and fishery characterisation information, as well as uncertainty as to whether recent declines in catch reflect changes in abundance or changes in fishing patterns.
92. An analysis of the fishery is scheduled for completion later this year and is expected to provide a substantially improved basis for evaluating stock status and management requirements. Given the voluntary restraint already demonstrated by quota owners, and the imminent availability of improved information, Seafood New Zealand considers it premature to make changes to catch limits before that work is completed.
93. We therefore recommend retaining the current catch limits until the forthcoming analysis has been completed and considered through the Fisheries Working Groups. At that point, there will be a better basis for determining whether changes to management settings are necessary and, if so, what level of adjustment is justified.

Butterfish (BUT7)

94. Seafood New Zealand supports Option 3 to reduce the TACC to 14 tonnes. We understand that recreational fishers are also willing to reduce their daily bag limit to five fish which we agree is a responsible approach to assist with rebuilding this fishery for all sectors. We consider that a species-specific bag limit is an appropriate management setting for butterfish.
95. We note the environmental and land-based stressors through increased water temperatures and sedimentation are impacting the kelp habitat and adding to the pressure on the status of this stock.
96. Over the past year, FNZ has conducted at least three meetings with quota owners, fishers, and Seafood New Zealand to discuss management options for BUT7. The major quota owners also funded a length-based assessment using data from their spearfishing operation. However, this assessment considered only the spearfishing component and did not include catches taken by the set net fishery. This work was presented to the FNZ Inshore Working Group, recommending that the set net data would need to be incorporated to reflect the status of this fishery. It remains unclear whether this will be possible given the proposed reduction in the TACC and the associated constraints on funding further analysis.
97. We have worked directly with quota owners during the current fishing year to shelve 64% of the available ACE. Given the relatively small number of ACE holders, and the agreement of the majority of quota holders, this was reasonably successful. Concerns were raised by set net operators around availability of remaining ACE.
98. We do not consider it necessary to increase the OSFRM from 1 tonne to 2 tonnes, given that this is a target fishery in which a high level of catch is taken by spearfishing. However, if the

TACC is reduced, we support reducing the recreational daily limit from 20 fish to 5 fish. Together, these measures should help manage this fishery more sustainably across all sectors.

99. We will monitor the effects of a TACC reduction and assess whether any further reductions may be required in future years.

Elephantfish (ELE3 & ELE5)

ELE3

100. Seafood New Zealand acknowledges that the best available information indicates a decline in ELE3 abundance and a reduction to the TACC may be warranted. We are not disputing the conclusions of the stock assessment or the need for a management response. However, we consider the reductions proposed in the consultation document to be unnecessarily severe relative to the available information and the level of uncertainty that remains.
101. During the 2025/26 fishing year, quota owners voluntarily implemented an ACE shelving arrangement that transferred 45% of available ACE into a FishServe-administered holding account. ACE held in this account could not be utilised during the fishing year, resulting in a substantial reduction in available catch entitlement. This demonstrated an industry willingness to take proactive measures to reduce fishing mortality in response to concerns about stock status.
102. While voluntary ACE shelving cannot replace the Minister's statutory obligation to set an appropriate TACC under the Act, it illustrates that industry has already taken meaningful steps to reduce harvest levels and support stock rebuilding objectives.
103. We consider both options presented in the consultation document to be more restrictive than necessary. Although a reduction in fishing mortality is warranted, a more moderate reduction would, in our view, better reflect the available information while remaining consistent with the objective of rebuilding the stock.

Proposed alternative option

104. If shelving is not considered a viable option for 2026/27, we propose reducing the TACC to 750 tonnes, equivalent to the average catch taken during the 2023/24 and 2024/25 fishing years. Reducing the TACC to the FNZ proposed level(s), and coupled with those proposed for TAR and ELE5, will impose an adverse impact on fishers in this mixed trawl fishery and reduce the ability to utilise their ACE. We are proposing to update the assessments for both ELE3 and ELE5 to monitor the trend for these fisheries. A large decrease to TACCs will reduce the ability to cost recover to complete this work.
105. A TACC of 750 tonnes would represent a substantial reduction from the current level and would continue to reduce fishing mortality. In our view, this would provide a more proportionate management response than either option presented in the consultation document while continuing to support stock rebuilding.
106. This approach would also allow stock performance to be monitored through future East Coast South Island (ECSI) trawl survey results, updated commercial CPUE analyses, and other information collected from the fishery. This additional information would provide a stronger basis for evaluating whether further management measures are required.

Distribution and Availability Considerations

107. Fishers have reported increasing catches of larger elephantfish in deeper waters beyond the ECSI trawl survey boundary and outside traditional fishing grounds in ELE3. Similar observations have been reported in the ELE5 fishery, where catches are increasingly being taken by deepwater vessels operating beyond the traditional fishing areas of Foveaux Strait and Southland.

108. Similar changes in availability and distribution have been observed in several other inshore fisheries. While these observations do not alter the conclusions of the current stock assessment, they may indicate changes in stock distribution (rather than abundance) that warrant further investigation and should be considered alongside future monitoring information.
109. Taken together, the available information supports a reduction in fishing mortality for ELE3. However, Seafood New Zealand considers that a reduction to a TACC of 750 tonnes would provide a more measured response than the options presented in the consultation document, while remaining consistent with the available scientific information and allowing the collection of additional information to guide future management decisions.

ELE5

110. Seafood New Zealand acknowledges that the most recent CPUE analysis indicates a decline in ELE5 abundance and supports a reduction in fishing mortality. We are not disputing the need for a management response. However, we consider the reductions proposed in the consultation document to be unnecessarily severe as an initial response, given the information currently available and the additional work underway to improve understanding of the stock.
111. We support a more staged approach to management that recognises the environmental, social, cultural and economic considerations provided for under the Act. In our view, an initial reduction in the TACC would provide a more proportionate response while allowing additional information to be gathered and assessed before considering whether further reductions are required.
112. We have commissioned a feasibility assessment for an industry-led survey of key FMA5 inshore fisheries. This work remains underway and is intended to improve understanding of commercially important stocks including ELE5, TAR5 and STA5. The information generated through this work has the potential to substantially improve future management decisions and stock assessments.
113. In addition, we intend to undertake a characterisation of key FMA5 fisheries, including ELE5, TAR5, STA5, FLA3 and other species. This work will examine catch patterns throughout the region, including catches taken by deepwater vessels operating beyond traditional inshore fishing grounds.
114. Recent increases in catches of ELE5 by deepwater vessels warrant further investigation. FNZ has previously noted that changes in distribution and availability may be occurring in some fisheries, potentially influenced by changing environmental conditions. Similar patterns have been observed in other inshore stocks, including blue cod, where catches have increasingly occurred beyond traditional fishing areas. While these observations do not alter the conclusions of the current CPUE analysis, they highlight the need for a better understanding of the relationship between inshore and deepwater fisheries and the implications for future management.
115. We consider these issues should be better understood before substantial reductions to the TACC are implemented, particularly where changes in distribution or increased catches by deepwater vessels may be influencing the availability of ELE5 to the traditional inshore fishery.

Proposed alternative option

116. Seafood New Zealand considers that a reduction in fishing mortality is warranted. However, the options presented in the consultation document would reduce the TACC to levels substantially below recent average catches and are likely to result in significant impacts on FMA5 inshore operators.
117. We therefore propose an initial 20% reduction to the TACC. This would deliver an immediate reduction in fishing mortality and remain consistent with the direction of the scientific information indicating a decline in abundance, while avoiding the more severe impacts associated with the proposed options.

118. An initial 20% reduction would also allow FNZ to consider additional information that is expected to become available in the near future, including updated CPUE analyses, the outcomes of the proposed industry-led survey work, and further investigation into changes in stock distribution and the contribution of deepwater catches.
119. Once this additional information becomes available, FNZ will be better placed to determine whether further reductions in fishing mortality are required and, if so, the appropriate scale of any additional management response. This would represent a measured, adaptive and proportionate approach that remains consistent with the available scientific information while recognising the present uncertainties.

Leatherjacket (LEA3)

120. Seafood New Zealand agrees that a substantial increase to the TACC for LEA3 is warranted. While we support Option 3 and it represents a positive step, we consider that a larger increase is justified based on the best available information.
121. LEA3 is primarily taken as bycatch within the mixed trawl fishery and is already being caught at, or above, the proposed TACC level. While Option 3 would provide additional utilisation opportunities, catches may continue to exceed a TACC of 350 tonnes in the short term, resulting in deemed value liabilities for some operators. In a healthy fishery, fishers should not be penalised or required to avoid a species that may ultimately become a choke species where the available information indicates greater utilisation can be supported.
122. We do not consider that a larger increase would result in any material change in fishing effort, as LEA3 is already being caught under existing fishing patterns. Nor do we anticipate any increase in environmental effects, given that LEA3 would continue to be caught within existing fishing areas and under current operating practices.

Proposed alternative option

123. Seafood New Zealand recommends that the Minister adopt an alternative option that increases the TACC for LEA3 to 375 tonnes.
124. A TACC of 375 tonnes would provide appropriate headroom to accommodate the increasing catch trend in the fishery while reducing unnecessary deemed value liabilities and the risk of LEA3 becoming a choke species. It better aligns catch settings with the best available information while remaining appropriately precautionary.
125. We consider that this alternative provides a more appropriate balance between utilisation and sustainability than the options proposed by FNZ. It better reflects the available information while retaining a precautionary approach and is consistent with the purpose of the Act.

Ling (LIN1)

126. Seafood New Zealand supports Option 2 to reduce the TACC to 318 tonnes on the basis that the reported decline in landings may be partially attributable to reduced abundance.
127. We strongly disagree with Options 3 and 4, which propose further reductions to the TACC in the absence of additional information, including a characterisation of the fishery to understand the drivers of the observed changes and a scientific assessment indicating a decline in stock abundance.
128. We are aware there have been significant recent operational changes in the fishery, with several vessels leaving the fishery that historically accounted for a substantial proportion of the bottom longline and bottom trawl catch of LIN1. This includes Sanford's inshore vessels and Wilson Bros Fishing Limited. The reduction in catches associated with these vessels' accounts

for a substantial proportion of the overall decline in LIN1 catches observed between 2020/21 and 2024/25 (Figure 5).

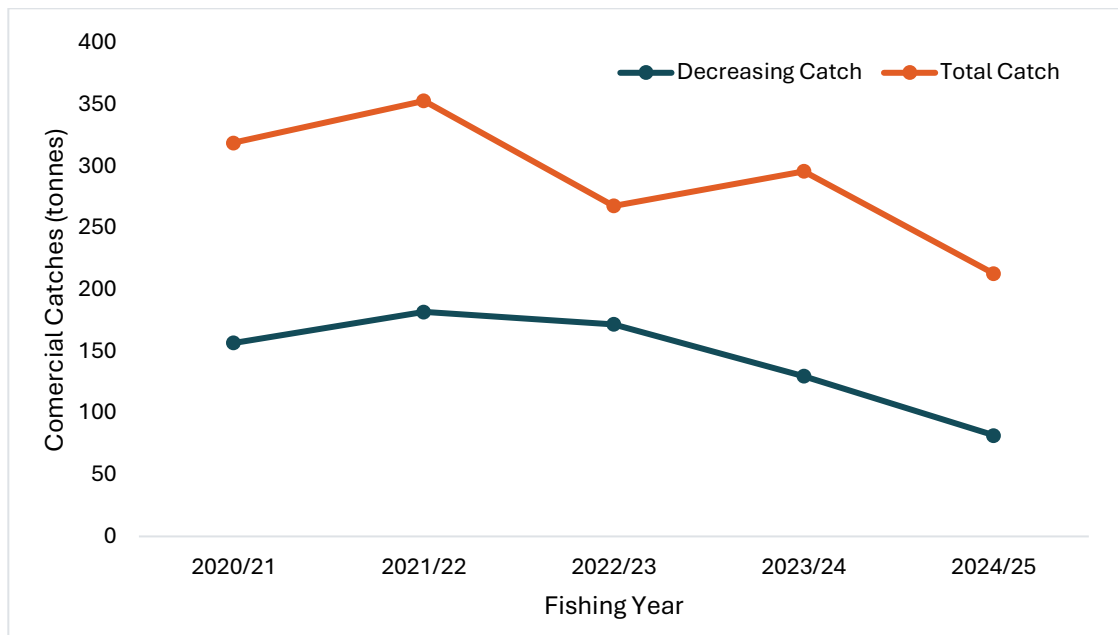


Figure 5. Total LIN1 commercial catches compared with the catch attributable to vessels that have recently exited the fishery, from the 2020/21 to 2024/25 fishing years.

129. Economic factors, including low prices and low returns, have also been raised by fishers and Licenced Fish Receivers (LFRs) as contributing to reduced targeting of, and catch levels for, ling.
130. We note that anecdotal concerns, fisher observations, including concerns that the environmental conditions affecting recruitment in LIN7 may also be impacting recruitment in LIN1, are highlighted under Options 3 and 4 to justify a more cautious approach and larger TACC reductions.
131. Some bottom longline fishers have reported declining LIN1 catch rates in recent seasons and have voiced concerns that TACC reductions in LIN7 may result in an effort shift to the detriment of LIN1 abundance. Conversely, trawl fishers have reported seeing no reduction in ling bycatch, with the scampi fishery in FMA1 reporting a 70% increase of ling bycatch over the past two years.
132. No fishers or LFRs have reported observing a reduction in smaller, younger year classes of ling. Processing data provided by Moana indicates that the quantity of smaller ling landed has increased in recent years. In our view, it would be premature to conclude that environmental changes are negatively affecting recruitment in the LIN1 stock at this time.
133. We do not consider there to be sufficient justification for significant reductions to the LIN1 TACC. The only information presented in support of a change to the TAC/TACC is a declining trend in catch, without any analysis of changes in fishing effort within the fishery or a scientific assessment demonstrating a decline in stock abundance.

Snapper (SNA2) and Trevally (TRE2)

Snapper (SNA2)

134. Seafood New Zealand strongly supports increasing the SNA2 catch limit. However, we consider that the proposed options are unnecessarily conservative and do not appropriately

reflect the best available information. We consider a larger increase to the TACC is justified and recommend accordingly.

135. FNZ notes that abundance in SNA2N has increased approximately fourfold relative to CPUE between 2010 and 2016 and that SNA2S is very likely (>90% probability) to be at or above its management target. Relative exploitation rates have declined while abundance has continued to increase. FNZ also notes that the 2025 and 2026 industry-led Area 2 trawl surveys support the conclusion that biomass has increased substantially, with biomass estimated to be approximately four to five times greater than observed during the last Kaharoa survey.
136. We acknowledge the uncertainties relating to Cyclone Gabrielle and the lack of an accepted biomass estimate for SNA2N. However, those uncertainties must be considered alongside the very strong and consistent evidence of stock improvement. The stock is showing positive signals across multiple independent indicators, including CPUE, relative exploitation rates, stock assessment outputs for SNA2S, and the results of successive Area 2 trawl surveys.
137. Importantly, there have been significant improvements in the stock monitoring framework for SNA2. As a result, it is now one of the best monitored inshore stocks in New Zealand. In addition to routine fishery monitoring and regular CPUE updates, quota owners have invested heavily in the Area 2 trawl survey, which provides an independent index of abundance and the ability to identify emerging sustainability concerns. This monitoring framework significantly reduces the risk associated with providing greater utilisation opportunities and supports a more responsive management approach where future adjustments can be made if required, based on the monitoring data and its analysis.
138. In light of this information, we consider that the maximum increase proposed under Option A3 does not adequately reflect the weight of the available evidence. FNZ's own analysis indicates that abundance in parts of the stock has increased by approximately fourfold, yet the largest proposed increase to TACC is approximately 64%. While catch limits should not necessarily increase in direct proportion to abundance indicators, the proposed increases appear disproportionately cautious when viewed against the strong and consistent evidence of stock rebuilding, increasing abundance, and declining relative exploitation rates.
139. The current catch settings continue to constrain utilisation, create ACE scarcity, contribute to elevated ACE prices, and generate significant deemed value costs. SNA2 has increasingly become a key choke species within the mixed trawl fishery, limiting utilisation opportunities for other stocks and restricting the economic benefits that could reasonably be realised from a stock that is demonstrably more abundant than it was when current settings were established (in 2002).
140. Seafood New Zealand recognises that uncertainty remains regarding the precise magnitude of the increase in biomass, particularly for SNA2N. Nevertheless, the available information consistently indicates that stock abundance has increased substantially. Taken together, FNZ's analysis and the Area 2 trawl surveys suggest that considerably larger increases in catch limits could be justified than those currently proposed.
141. While the information indicates a larger increase could be applied, we do not consider it necessary to fully translate the observed increase in abundance into catch limit increases at this time. Rather, we consider that a larger staged increase represents a more appropriate and balanced response, providing additional utilisation opportunities while maintaining a cautious approach in light of the remaining uncertainty.
142. In addition, if the available evidence indicates that stock abundance has increased by approximately fourfold, it is difficult to reconcile this with an assumption that harvest opportunities for customary Māori and recreational fishers have remained largely unchanged. A rebuilt and more abundant stock should reasonably be expected to provide

increased availability to all sectors, and the proposed allowance increases better reflect that reality.

Proposed alternative option

143. Seafood New Zealand therefore recommends that the Minister adopt a proposed Option A4, which would set the TAC at 1,131 tonnes, the TACC at 818 tonnes, customary Māori allowance at 28 tonnes, recreational allowance at 244 tonnes, and the allowance for OSFRM at 41 tonnes. In our view, this option better reflects the substantial improvement in stock status demonstrated by the available information, while remaining appropriately conservative in light of the remaining uncertainties. It provides a balanced utilisation response to a stock that is clearly more abundant than when current settings were established, while retaining a considerable margin of precaution relative to the scale of improvement indicated by the available evidence.

Trevally (TRE2)

144. Seafood New Zealand supports an amended Option B3 for TRE2. We support the proposed increase to the TACC under Option 3 however, we consider that the allowances require reconsideration to align to the best available information.
145. The best available information indicates that TRE2 abundance has increased substantially, with FNZ reporting approximately a sixfold increase in the abundance index since 2012/13, with only a slight increase in catch limits over this time. FNZ also notes that catch has exceeded the TACC in eight of the last ten years and that abundance has increased to a level capable of supporting increased utilisation. In particular, high abundance south of Mahia has become a significant problem, where trevally can be more of a problem than snapper as a choke species.
146. Unlike SNA2, FNZ has proposed a substantial increase in the TRE2 TACC under Option B3. Seafood New Zealand considers that this option appropriately recognises the evidence of increased abundance while also acknowledging the uncertainty that remains regarding stock structure and the relationship between TRE2 and the Bay of Plenty component of the stock.
147. While there is uncertainty regarding the extent to which increased abundance in TRE2 reflects movement of fish versus increased biomass of the wider biological stock, FNZ concludes that all proposed options are consistent with the requirements of section 13(2A) of the Act. In our view, Option B3 provides the most appropriate balance between utilisation and sustainability and reflects the best available information.
148. The TACC increase under option B3 will help alleviate quota constraints within the mixed trawl fishery and better align management settings with the abundance currently being observed in the fishery.
149. We note that both the customary and recreational allowances appear inappropriate, with the customary allowance set too low at 1 tonne and the recreational at 100 tonnes, exceeding the National Panel Survey estimate of recreational take by 92 tonnes.
150. We also consider that the allowance for OSFRM should be reviewed to include best available information on catch and disposals given the changes to electronic reporting and monitoring.

Associated Stocks and Fishery Interactions

151. Seafood New Zealand acknowledges FNZ's concerns regarding the interactions between SNA2, TRE2 and other stocks within the mixed trawl fishery, particularly TAR2 and JDO2.
152. However, insufficient weight has been given to the demonstrated ability of fishers operating within the QMS to respond to management signals and avoid unwanted catch. FNZ explicitly recognises that fishing behaviour can change in response to incentives and cites examples

from other fisheries where bycatch has been successfully reduced through behavioural responses and management incentives. Further, restrictive TACCs in TRE2 and SNA2 have resulted in these stocks being choke species. Current fishing behaviour is to avoid catching these stocks, we do not consider that increasing TACCs for these stocks would result in an increase in fishing effort or fishing pressure on stocks such as JDO2 or TAR2. Rather, the ability to fish TRE2 and SNA2 would provide a wider range of areas and depths to fish which can assist in avoiding stocks such as TAR2 which is under active rebuild. We therefore consider that increasing TRE2 and SNA2 TACCs would support sustainable utilisation of the mixed trawl fishery rather than the contrary.

153. The completed roll-out of onboard cameras, ongoing CPUE monitoring, and the continuation of industry-funded surveys provide a robust framework for identifying and responding to any emerging issues. Should unforeseen impacts occur, FNZ retains the ability to review and adjust management settings in the future.

Conclusion

154. Seafood New Zealand supports substantial increases to the catch limits for both SNA2 and TRE2.
155. For SNA2, we consider the evidence supports a larger increase than any of the options proposed by FNZ. The abundance signals are exceptionally strong, stock monitoring is robust and ongoing, and current settings continue to unnecessarily constrain utilisation.
156. For TRE2, we support an amended Option B3 as the most appropriate response to the evidence of substantially increased abundance while recognising the remaining uncertainty regarding stock structure.
157. Overall, these changes would better provide for utilisation while ensuring sustainability and are consistent with the purpose of the Act.

Stargazer (STA7)

158. Seafood New Zealand agrees that the TACC should be reduced to support the rebuild of STA7. However, we consider that the reduction proposed under Option 1, from 966 tonnes to 625 tonnes, to be greater than necessary.
159. A stepwise or staged approach to a TACC reduction, coupled with continued monitoring through the West Coast South Island (WCSI) trawl survey and commercial catch information, would assist commercial operators, particularly as they continue to avoid species such as snapper.
160. We note the survey results for juvenile abundance and relative total biomass trend have been low. However, the survey series has exhibited a cyclical pattern since the survey began in 1992, including a low point in 2003 followed by a rapid increase in subsequent years.
161. We also observe that a number of stocks on both the West and East coasts are exhibiting unusual distribution patterns, with some species increasingly being caught by deepwater vessels. This has been documented on the East Coast for ELE5, TAR3 and BCO3, two stocks traditionally considered to be inshore stocks.
162. We also note that some areas designated as 'rough' areas in the WCSI survey design are fished commercially. We question the extent to which the survey may underestimate STA7 in these strata, as well as in deeper waters. We are proposing to review the potential to better characterise catches of species traditionally considered to be inshore stocks now occurring in deeper water and being caught by the deepwater fleet.

Proposed alternative option

163. Seafood New Zealand requests a more principled approach and proposes an initial reduction of the TACC to 750 tonnes, which remains below current catch levels. This setting could then be monitored and reviewed using the results of the 2027 WCSI trawl survey and updated catch information for the 2026/27 fishing year.
164. A stepwise approach to TACC reduction is a pragmatic approach that does not detract from the need to reduce the TACC to support the rebuilding of STA7. Rather, it helps minimise the impact on fishers while recognising that STA7 has previously shown that abundance can increase rapidly over a short period of time.

Deemed Values

Parore (PAR1 & PAR9) & Yellow Eyed Mullet (YEM1 & YEM9)

165. Seafood New Zealand does not support the proposed increase to the deemed values for PAR1, PAR9, YEM1, and YEM9. We are concerned that management of these stocks was not first discussed through the Catch Balancing Forum before changes to the deemed values rates were proposed.

PAR1 & PAR9

166. In our view, PAR1 and PAR9 should have been considered for catch limit increases before changes to their deemed values rates were proposed. There is no indication that either stock presents a sustainability risk or that fishers are unable to acquire available ACE to cover their catches. Fishers report increased abundance of parore on both coasts in recent years and are actively avoiding catches by either not setting their gear (ring nets) on mixed aggregations of target species and parore or avoiding known areas with high parore abundance. Parore are primarily taken as bycatch with little market value or demand.
167. Over the last three complete fishing years, there has been virtually no targeted fishing for parore in PAR9, with only three targeted fishing events and a combined estimated catch of 20 kilograms. The majority of parore caught in PAR9 was taken in the Kaipara Harbour, with a small amount caught in the Manukau Harbour. Virtually no commercial catch has occurred in the Raglan or Kawhia Harbours. In PAR1, targeted catches of parore accounted for only 3% of the total catch in 2024/25, and 12% and 19% of the total catch in 2023/24 and 2022/23 respectively.
168. As a bycatch species with an increasing abundance, and recent commercial catches at or around the TACC that have been covered by available ACE, increasing the deemed values rates for PAR1 and PAR9 at this time will adversely increase the price of parore ACE. The resulting increase in ACE costs cannot be recovered through the market for this low-value species and will instead reduce the overall profitability of the fishery, further affecting the financial viability of small fishing businesses already under considerable financial pressure due to increasing operating costs, particularly fuel for their boats and transport.
169. We recommend that PAR1 and PAR9 in the 2027 sustainability round for TAC review.

YEM1

170. There is no indication that YEM1 presents a sustainability concern, with fishers reporting increased abundance in recent years. FNZ recently advised the Minister for Oceans and Fisheries that there may be scope for a small increase to utilisation above recent catch levels, noting that commercial landings of YEM1 have remained relatively stable over the past ten years. During this period, the TACC has been either fully or nearly fully caught, with catches covered with available ACE. Increasing the deemed value rate will result in an increase to the ACE price for this stock and, in turn, increase costs to fishers.

171. We recommend that YEM1 is included for TAC review in the 2027 round.

YEM9

172. Commercial catches of YEM9 have been entirely balanced with ACE and have remained below the TACC. There is no practical rationale for increasing the deemed value rate for this stock and doing so may result in increased ACE prices.

Aligning DV rates

173. Seafood New Zealand does not support FNZ's proposal to align the deemed value rates of PAR and YEM with those for GMU on the basis that they are similar fisheries with comparable incentives. We strongly disagree with this characterisation.

174. The market prices and net returns received by fishers differ significantly between the three species. This is particularly evident comparing PAR1 and PAR9, which are taken as unavoidable bycatch when targeting higher-value species. There is very little market demand for parore and consequently has little commercial value or incentive for fishers to target it. This is reflected in the current port price of PAR1 and PAR9 which are \$2.67/kg and \$2.62/kg respectively, approximately half of the port prices of YEM1 and YEM9 and around a third of the current port price of GMU. We also note that fishers report typically receiving a price less than \$2.00/kg, closer to \$1.50/kg for the majority of the year, only receiving a price higher than the port price when there is little parore being landed.

175. YEM and GMU are separate distinct target fisheries. The YEM1 and YEM9 fisheries are small target fisheries with TACCs of 20 and 17 tonnes respectively, and current port prices of \$4.96/kg and \$5.05/kg respectively. By comparison, the GMU1 fishery is considerably larger, with a TACC of 926 tonnes and a current port price of \$7.22/kg.

176. We also note the consultation paper incorrectly states the current basic annual deemed value rate for GMU1 as \$1.55/kg, and the interim deemed value rate as \$1.40/kg, against which PAR and YEM are benchmarked. The current Gazette Notice lists these rates as \$1.50/kg and \$1.35/kg respectively.

177. The purpose of deemed values is to encourage fishers to balance catch with ACE while continuing to accurately report and land catch. Deemed values should provide an incentive to acquire ACE where available, rather than operate as a punitive mechanism. This is particularly important in small-scale inshore fisheries, where catches are often taken by smaller owner-operator vessels and opportunities to balance catch through ACE markets may be limited. Deemed value settings should therefore reflect the characteristics and economics of the fishery to which they apply.

178. Seafood New Zealand is also concerned that the port price information used to justify the proposed rates may not accurately reflect the returns available to fishers. For lower-value species such as parore, actual returns can be materially lower than published average port prices once handling, transport, processing, and other costs are considered. Setting deemed values too high relative to the value ultimately received by fishers, risks creating perverse incentives and may discourage the landing and reporting of unavoidable catch. Deemed value rates should therefore remain proportionate to the economic reality of the fishery.

School Shark (SCH3 & SCH5)

179. Seafood New Zealand agrees with the proposed changes to the deemed value rates for SCH3 and SCH5. These changes were recommended by the Catch Balancing Forum in December 2025 to better align the deemed value rates.

Stocks requiring a review for 1 October 2026

Snapper (SNA7)

180. It is again disappointing that SNA7 was not approved for a further TACC increase based on the most recent WCSI trawl survey and previous stock assessment projection that was presented to the multi-sector forum. The forum agreed that the TACC should increase to 900 tonnes; however, while there have been two increases over the past two years, the TACC only increased to 810 tonnes last year with no scientific rationale for the small increase. Fisheries should be managed on the basis of scientific evidence rather than public perception.
181. The biomass estimate for snapper is the highest in the time series, similar to that observed in 2023, and represents a nearly three-fold increase from the 2021 survey (Figure 6). Stock projections are consistent with this result (Figure 7).

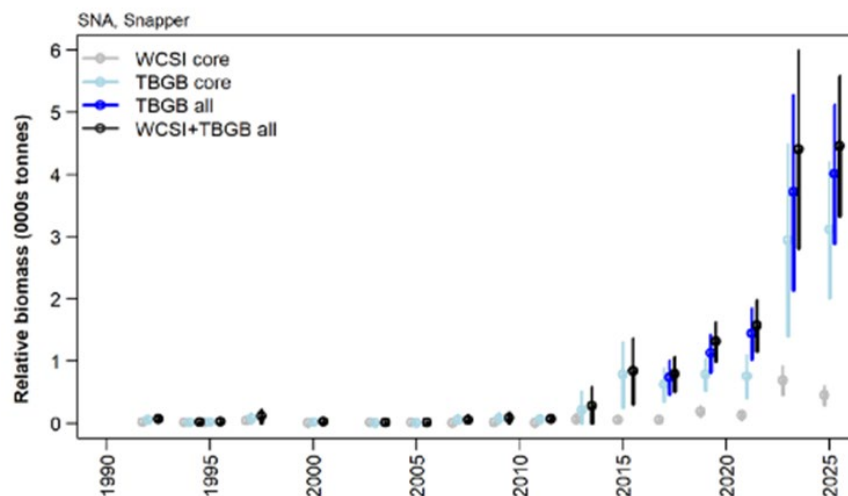


Figure 6. Trends in total biomass in the core strata of the target species for the WCSI time series.

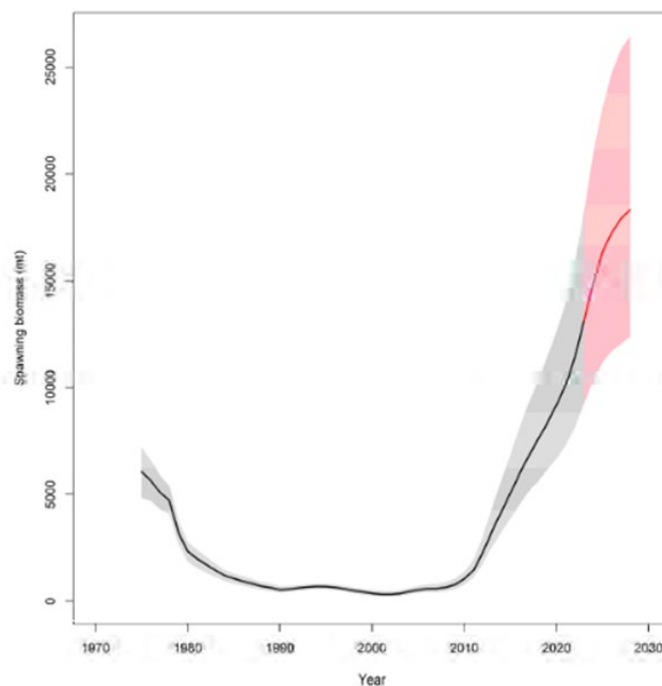


Figure 7. Annual trend in the spawning biomass for the base model. The line represents the median and the shaded area represents the 95% confidence interval. The projection period (2024-2028) is in red.

182. Industry continues to be cost recovered for stock assessments and trawl surveys that have clearly demonstrated the high abundance of this fishery. Yet fishers continue to be impacted by the need to avoid snapper, shift fishing effort, and incur deemed value liabilities. This should not be occurring in such a healthy fishery. Industry should not be unjustly affected and required to avoid a significant commercial fishing species where the available information supports greater utilisation.
183. We request to continue to work collaboratively with FNZ on better planning processes for our inshore stocks. Ignoring stock projections and broader fishery trends does not support effective commercial catch planning.

Rig (SPO7)

184. Rig is an important commercial stock and has been rebuilding for a number of years. More recent assessments have shown that the stock is being well monitored and remains above the target level.
185. Stock mixing occurs in the South Taranaki Bight, Cook Strait, and South Westland regions, and likely occurs elsewhere. Consequently, some regional fisheries exploit more than one stock, meaning biological stock boundaries do not necessarily align with QMA boundaries. As a result, management through current fish stock boundaries may not always be optimal for individual biological stocks. For SPO7, the stock is assessed together with the southern component of SPO8.
186. The FNZ working group has proposed future research to consider transitioning from a trawl survey monitoring series to a commercial CPUE series, at least as an interim measure, because the new survey vessel (Kaharoa II) appears to have different catchability characteristics for rig than the original Kaharoa. This work would require investigation of the reasons for differences between trawl survey trends and CPUE indices. Such a shift may be timely given the changes in distribution and range expansion being observed for many fish stocks. It is important that these changes are recognised and appropriately incorporated into stock assessments and modelling approaches.
187. The most recent 2025 WCSI trawl survey clearly indicates that the stock remains well above the target level. We therefore believe FNZ could have proposed a review of this stock for 1 October 2026. Industry contributes significantly to the cost of these surveys and should see a return on that investment through timely reviews of stocks where the science demonstrates that additional utilisation is available (Figure).

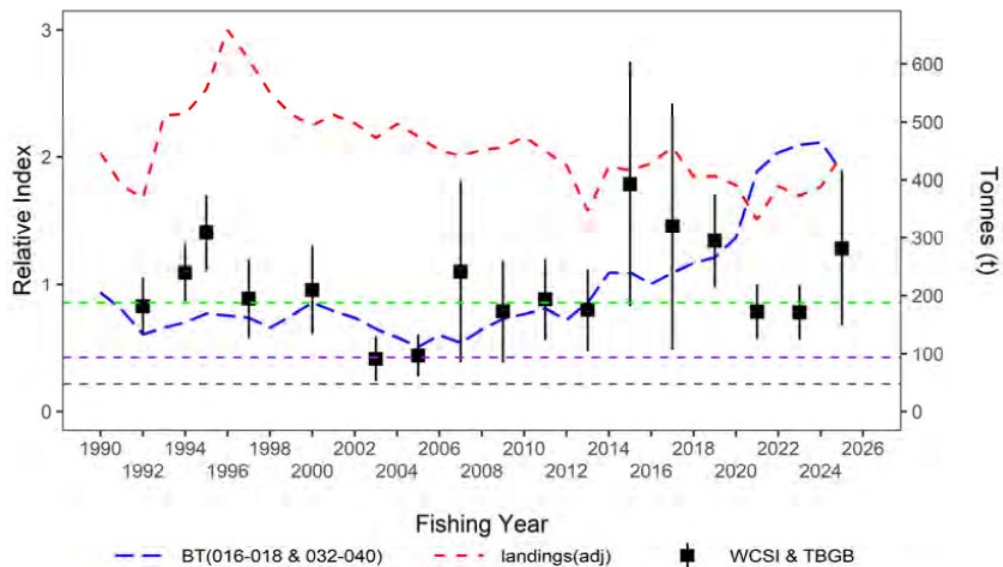


Figure 8. Comparison of the WCSI trawl survey and the trip-based CPUE series BT(All) with the adjusted QMR/MHR landings for SPO7.

Elephantfish (ELE7)

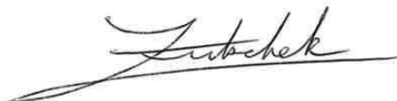
188. Elephantfish within ELE7 are largely taken as bycatch off the West Coast of the South Island by inshore bottom trawl fisheries targeting flatfish and gurnard. Lower levels of bycatch, with occasional periods of increased catch, are also reported from barracouta and tarakihi trawl fisheries. ELE7 therefore forms part of a broader mixed-species trawl fishery and can become a limiting bycatch species when targeting other stocks.

189. With biomass projected to remain above the target level under current catch settings, we see no reason why FNZ could not have reviewed this stock for 1 October 2026. We request a more structured and transparent approach to the review of stocks, particularly where they are closely linked to other stocks being reviewed within the same fishery. No stock should become a limiting factor or choke species within a mixed fishery where there is evidence indicating that a review is warranted.

Further Engagement

190. Seafood New Zealand would welcome the opportunity to meet and engage further with FNZ, to discuss the positions outlined in this submission prior to the finalisation of advice.

Nāku noa, nā



Lisa Futschek
 Chief Executive
 Seafood New Zealand