

Regulatory Impact Statement

Amateur Charter Vessel Registration and Reporting

Agency Disclosure Statement

This Regulatory Impact Statement has been prepared by the Ministry of Fisheries (MFish).

It provides an analysis of options to collect information on the activity and catch of amateur charter vessels, and the size of the amateur charter vessel fleet. This information is required for the management of fisheries shared between amateur, customary and commercial sectors, and in spatial planning processes in the marine environment.

The proposal is consistent with government policy to improve information on the activity and catch of the amateur fishing sector. It will contribute directly to the achievement of the Fisheries 2030¹ goal of 'New Zealanders maximizing benefits from the use of fisheries within environmental limits'. Specifically, the proposal will contribute to achieving Objective 10 (to 'improve fisheries information') and is included directly under Strategic Action 10.4 (to 'determine best options for information collection from amateur fishers – including the implementation of charter boat reporting').

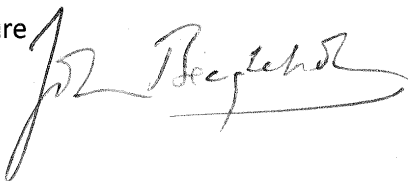
The key uncertainty in the analysis relates to the size of the amateur charter vessel fleet, with figures used based on the best estimates available from research undertaken in 2006. The fact that this figure is uncertain indicates the poor quality of available information on the sector and is one of the drivers for implementing the registration and reporting regime.

The proposal will incur costs to MFish and to charter vessel operators. Principal costs to MFish relate to database development and the contracting of bureau services, and those to amateur charter vessel operators include payment of an annual registration fee and the time taken to complete reporting requirements. Budgeted costs for MFish are \$365k annually with \$30k revenue from registration fees, based on the best available estimates of 600 operators nationally.

Amateur charter vessel operators have expressed concern that the registration and reporting requirements will be unnecessarily burdensome, particularly in relation to their time taken to fill in forms while engaged in fishing operations. MFish, in accordance with a directive from the Minister of Fisheries, is working with amateur charter vessel operators to ensure that the system to be implemented is as simple and streamlined as possible. It is estimated that a charter vessel operator will spend approximately 10 minutes completing their daily reporting requirements. As reports must be completed prior to the clients disembarking from the vessel, the time taken to report will be fitted into the period of the trip. While the new requirements will add marginally to the workload of those operating charter vessels, they are unlikely to result in a longer work day or have direct cost implications for operators.

John Beaglehole – Manager Office of the Chief Executive

Signature



Date

20.09.2010

¹ Fisheries 2030 defines the government-approved strategic direction for the New Zealand fisheries sector

Status quo and problem definition

There are many ways in which the New Zealand marine environment is used, including commercial, amateur and customary fishing; marine farming; tourism; conservation etc. Different user groups may compete for common resources such as shared fish stocks or for access to particular marine areas. Decision makers charged with effectively balancing competing interests require robust and objective information on the ways in which such shared resources are used.

Amateur fishers are an important user group, particularly in relation to key shared fisheries, but information available on the extent, activities and catch of this sector is poor. Consequently, improving information on amateur fishing has become a government priority. As the sector is diverse, there is no single effective method of collecting this information and the government is working to build a picture of the size, activity and catch of the amateur sector in several different ways.

Amateur charter vessels are an important and growing component of the amateur fishing sector with research showing an estimated minimum of 600 amateur charter vessels were operating in 2006, an increase of at least 200 vessels (or 55%) since 1996. At the present time amateur charter vessel operators are not required to register or report, and MFish has little confirmed information on the size and distribution of the charter fleet, the level and distribution of their fishing activity, or their catch of key shared fish stocks.

Objectives

The key management objectives of the proposal are to generate and monitor information on the extent, activity and catch of the marine amateur charter vessel fleet. This information will be used in setting sustainable catch limits, for allocation of catch limits and access between sectors, and in spatial planning processes across government.

Regulatory impact analysis

Status quo

Under the status quo, MFish would continue to have poor information on the size, activity and catch of the charter vessel fleet. The impact fishing from charter vessels is having on shared fisheries and spatial resources would continue to be poorly quantified, as would the impact of other users on charter vessel operations.

Preferred option

Amendments to the Fisheries (Amateur Fishing) Regulations 1986 are proposed to come into force on 1 October 2010. The amendments would require amateur charter vessel operators to:

1. Register annually.
2. Report activity daily – by location, number of fishers, time fished, and main species targeted.
3. Report catch daily – of nominated fish stocks and including the weights for individual southern and pacific bluefin tuna. This aspect of the reporting regime would be phased in over a three year period.

The Fisheries (Infringement Offences) Regulations 2001 will also be amended to establish penalties for non-compliance with the above amendments.

This option will contribute significantly to the quality of information available to decision makers on the activity and catch of amateur fishers. By requiring charter vessel operators to register, and creating a penalty regime for non compliance, it will provide for the first time a nationally consistent data set on the size and activity of the amateur charter vessel fleet. Similarly, the information collected on the catch of key shared fish stocks will allow the take of this important component of the amateur sector to be quantified. This information is important for the sustainable management of these fisheries and to ensure that the importance of these fisheries to the amateur sector can be appropriately quantified. It will also allow the fishing activity of the charter vessel fleet to be taken into account appropriately when decisions are made to put aside marine areas for specific uses such as marine reserves, marine farms etc.

This option will incur costs to MFish and to charter vessel operators. The principal costs to MFish relate to the in-house development of a database to store the activity and catch data and contracting a bureau service provider to provide registration and data entry services, to defined data quality standards and specifications, on an ongoing basis. Operational costs of this option to MFish Field Operations and Fisheries Management business groups will be met within existing baselines. Budgeted costs are \$365k annually with \$30k revenue from registration fees.

Charter operators would be required to pay a small annual fee of \$54 on registration (\$27 if submitted electronically) to assist with the administrative costs of registration and reporting. Research shows that there is a degree of flux in the amateur charter vessel fleet so an annual renewal of each operator's registration is necessary to ensure that information available to decision makers is kept up to date. It will also ensure that the administrative systems required in support of the returns process will only be following up on current operators. Charter operators would initially also have to spend time familiarising themselves with the new regulations, reporting systems and processes and there would be an ongoing cost associated with the time taken to register and to complete and lodge activity and catch returns. It is estimated that a charter vessel operator will spend approximately 10 minutes completing their daily reporting requirements.

A key risk to this proposal is non-compliance of charter vessel operators. Perceptions by operators that costs outweigh benefits may be a factor in any non-compliant activity. To mitigate this risk MFish is working with operators to ensure that they understand the rationale behind the new proposal and the benefits to fisheries management and spatial allocations that will ensue; that the registration and reporting processes are as streamlined as possible; and that operators are well informed of what is required from them. A penalty regime for failing to register, failing to report or misreporting will also be established with checks undertaken by Fisheries Officers as part of their ongoing enforcement activities across the amateur fishing sector.

The development and implementation of the proposed regulations will be consistent with the Fisheries Act 1996. It is not anticipated that this proposal will have any negative effects or render redundant any other Acts or regulations.

Alternative options

Other means of obtaining improved information on amateur charter vessel activity and catch were considered in a 2008 Initial Position Paper and several additional options were suggested by charter vessel operators in their submissions on that paper. Alternative methods included a voluntary log-book system, a monitoring regime through regular dockside/boat ramp sampling, and placing MFish observers on board a sample of charter vessels.

While all of these options would contribute some information on the activity and catch of the charter vessel fleet all are inferior to the preferred option in terms of the coverage and robustness of the information collected. In addition each of the alternative options will still incur some potentially significant costs. All options will require the development of a database to store information collected. The monitoring regime would incur significant costs relating to research programme design and personnel time during implementation, while an observer programme would incur significant costs in both logistics and observer time. The costs of establishing a voluntary logbook scheme undertaken on a national basis would not be dissimilar to the proposed regulated solution but would deliver less robust information.

After consideration of the costs and benefits of the various options available, MFish advice to the Minister of Fisheries recommended the preferred option as the best solution to achieve the policy objective.

Consultation

Initial advice incorporated the views of charter vessel operators gathered during a series of meetings held around the country during February and March 2008. The Initial Advice Paper was released for consultation on 1 September 2008 for a six week period. Stakeholders' views were incorporated, as appropriate, in the Final Advice Paper to the Minister on 26 January 2009.

The Minister chose to defer his decision pending a meeting with a group of charter operators to discuss implementation options. This meeting occurred on 3 June 2009 and the Minister subsequently asked officials to revise the recommendations outlined in the Final Advice Paper. Final decisions were made by the Minister on 1 July 2009.

Charter vessel operators were informed of the Minister's final decision and have been updated on progress towards implementing the new regime via email correspondence, two articles published in Professional Skipper magazine, and a workshop held in Auckland. A dedicated email address has been established at MFish to respond to queries and up-to-date information has been provided on the MFish website.

Implementation

MFish proposes that the amendments to regulations come into effect on 1 October 2010.

MFish will make information packs and training available to charter vessel operators to familiarize them with processes needed to fulfil reporting requirements. Further information will be made available on the MFish website and a dedicated email address will be monitored to address fishers concerns and queries.

It would be an offence to operate without being registered by MFish, to report incorrect information or to fail to report on a monthly basis. Penalties will apply for these offences. MFish believes the potential benefits to management that stem from requiring charter vessel operators to register their vessels and report information justify these penalties for infringement. MFish will monitor compliance with registration and reporting requirements.

Data quality standards and specifications will be established and monitored to ensure the information available to decision makers is of sufficient quality to meet the policy objectives.