



AOTEAROA
fisheries limited

7 October 2011

Ministry of Agriculture and Forestry
P. O. Box 1020
Wellington

Ministerial Inquiry Into the Use and Operation of Foreign Crewed Charter Vessels

Background

Aotearoa Fisheries Limited (AFL) welcomes the opportunity provided by the Ministerial Inquiry Into the Use and Operation of Foreign Crewed Charter Vessels (the Inquiry) to comment on this important issue. AFL was established under the Maori Fisheries Act 2004 as a 100% Iwi owned commercial entity operating in the commercial seafood sector. AFL owns, harvests, processes, and markets approximately 8,000 t / year of inshore finfish, lobster, and paua quota and farms, harvests, processes, and markets approximately 0.8 million dozen Pacific oysters per year. AFL is a minor holder of deep water quota. AFL does not utilise foreign crewed charter vessels (FCV's) in its operations and does not lease Annual Catch Entitlement (ACE) to entities that employ FCV's. AFL does however employ NZ fishers to catch all of its inshore quota holdings.

AFL owns 50% of Sealord Group Limited. This submission is made for AFL and is not made on behalf of Sealord Group Limited which has made its own submissions to the Inquiry.

Endorsement of the Submission of the Seafood Industry Council and Deep Water Group

AFL has read and supports the joint submission made by the Seafood Industry Council (SeaFIC) and the Deep Water Group (DWG) to the Inquiry. AFL notes that its Chief Executive Officer, Jeremy Fleming, is a director of SeaFIC and is also a director of DWG.

AFL's support for the submission of SeaFIC and DWG recognises:

- The utilisation of FCV's is covered by existing legislation, regulations, and codes of practice which address the treatment, safety, welfare, and remuneration of crews, the safety and operational standard of vessels employed as FCV's, and compliance with New Zealand's fisheries legislation and regulations.
- FCV's make a valuable contribution to the New Zealand economy and support full economic utilisation of New Zealand's fisheries resources.
- It is highly unlikely that the harvesting capacity provided by FCV's would be replaced by NZ owned and crewed vessels if FCV's were banned from New Zealand's fisheries.

- Utilisation of foreign labour by New Zealand primary sector businesses to undertake work that New Zealanders are not available to undertake (for whatever reason) is common place and is provided for under policies implemented by successive Governments. There is no valid reason to single the seafood sector out for different treatment.

AFL Specific Views

AFL offers the following comments for the Inquiry's consideration:

- AFL is concerned that media commentary on the utilisation of FCV's by the seafood industry has, and will continue to, damage the reputation of New Zealand and the industry. AFL urges the Inquiry to establish, as far as it is able, and to publish a factual analysis of the utilisation of FVC's with particular focus on the treatment, welfare, working conditions, and remuneration of crews and the compliance of FCV's with New Zealand's maritime, fisheries, immigration, and labour laws and regulations.
- Consistent with its support for the SeaFIC / DWG submission, AFL is of the view that the existing legislative and regulatory regime, coupled with the FCV Code of Practice provides an acceptable framework for the utilisation of FCV's in the New Zealand EEZ. It is AFL's view that greater focus on enforcement of the current regime, coupled with the removal of any ability for charter parties to protect themselves from liability through corporate structuring and the imposition of a capital adequacy arrangements, would reduce the likelihood of non compliance and increase the ability for the Government to impose meaningful penalties of transgressors.
- AFL has considered the desirability of extending liability to the providers of ACE to FCV as means of incentivising ACE providers to support reputable and fully compliant FCV users. AFL's view is that on balance this approach would create more issues than it would solve, particularly if such an approach was made universal. The responsibility for compliance with all applicable regulations must sit with the operator of the vessel concerned. Enforcement of liability for breaches on multiple providers of ACE to a vessel would be problematic as would proof of culpability. This is not to say that AFL does not accept that ACE providers have a responsibility for insuring that their ACE is fished in a responsible and compliant manner.

Summary

AFL is a significant player in the seafood industry. AFL supports the continued utilisation of FCV's by the industry and supports the joint submission of SeaFIC and DWG in response to the Inquiry's terms of reference.

AFL does not desire to make an oral submission but would be pleased to present to the Inquiry if the Inquiry so wished.



Jeremy Fleming
Chief Executive Officer