Cost Recovery and Fisheries Management in New Zealand

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Topics

- Fisheries management measures
- Fisheries services
- Costs to be recovered from industry
Purpose of Fisheries Act

To provide for the utilisation of fisheries resources while ensuring sustainability
Fisheries management in NZ

• Commercial fishing under ITQ
• Quota entitles holder to share of TACC
• TAC and TACC set annually and generate ACE
• TAC set with respect to Bmsy
Fisheries services

- Research
- Compliance
  - monitoring
  - enforcement
  - education
- Administration
- Quota registry
Delivery of fisheries services

- Research → Competitive tenders
- Compliance
  - monitoring → MFish
  - enforcement → MFish
  - education → MFish and industry
- Administration → MFish
- Quota registry → Industry
Cost recovery

- Resource rentals up to 1994
- Cost recovery from 1995
- Based on “avoidable cost”
- Fiscal constraints
Cost recovery

- Resource rentals up to 1994
- Cost recovery from 1995
- Based on "avoidable cost"
- Fiscal constraints

Little link between management decisions and costs recovered from industry
Catch value

$US million

NZ
N'fld
Norway
Iceland

0 200 400 600 800 1000 1200 1400 1600

93 94 95 96 97 98 99
Management costs

NZ
N'fld
Norway
Iceland

$US million

93 94 95 96 97 98 99
Cost as % of catch value

- NZ
- N'fld
- Norway
- Iceland
Management costs

**New Zealand**
- Research: 33%
- Compliance: 21%
- Admin: 13%
- QMS: 13%

**Iceland, Norway, Newfoundland**
- Research: 7%
- Compliance: 34%
- Admin: 59%
NZ Management costs

![NZ Management costs chart](chart.png)

- **Research**
- **Compliance**
- **Admin**
- **QMS**
Sum paid by industry

$US thousands

93 94 95 96 97 98 99
Problems

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• High transaction and administration costs
• Poor incentives to deliver services efficiently

Industry

• Compulsion to pay price unrelated to benefit
• Monopoly nature of the provider (the Govt)
Principles

- Crown pays for public interest services
- Beneficiaries pay for services to manage harvesting
- People posing threat to the environment pay to remedy the threat
Reforming cost recovery

Change the processes under which services are determined and delivered
Reforming cost recovery

Change the processes under which services are determined and delivered

Change the rules for charging levies

• government delivers on its core role
• rights holders can judge how non-core services may be best provided
Management outcomes

- Sustainability
- Utilisation
- What next?
Management outcomes

- Sustainability
- Utilisation
- What next?

Fisheries plans
Management outcomes

- Sustainability
- Utilisation
- What next?

↔ Fisheries plans
↔ Evaluation
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