

Transboundary Management Guidance Committee (TMGC)
Minutes from September 7 - 8, 2005 Meeting
Halifax, Nova Scotia

Attendees:

Co – chairs: Mike O'Connor – Canada, and George, Lapointe – USA

Canada Industry: Tim Nickerson, Judith Maxwell, Brian Giroux, Claude D'entremont.

U.S. Industry: John Pappalardo, Phil Rhule

Canada Science and Economics (DFO): Stratis Gavaris, Doreen Liew

U.S. Science and Economics (NMFS): Fred Serchuk, Ralph Mayo, Eric Thunberg

Canada Management (DFO): Jorgen Hansen

U.S. Management (NMFS): Tom Warren

Approval of Minutes

Minutes were approved from the December 9-10, 2004 meeting of the TMGC.

It was discussed that the minutes will be posted on the internet, and should be abbreviated in length.

Summary of U.S. Catch from 2004 Fishing Year and 2005 Fishing Year (to date)

Information on the catch of the shared GB stocks from the U.S. was presented, as well as information on the management measures that were implemented during the fishing years. In the 2004 fishing year, 59 percent, 21 percent, and 97.5 percent, of the GB cod, haddock, and yellowtail flounder (YTF) TACs were caught, respectively (including discards). Information on the catch by month and distribution of catch between the Eastern and Western U.S./Canada Areas was presented. The number of trips taken to the Eastern and Western U.S./Canada Areas was also presented, as well as information on the role of special programs (Closed Area II Yellowtail Flounder Special Access Program; Eastern U.S./Canada Haddock Special Access Program). The principal rules associated with the Special Access Program were presented. For 2005, information on catches through July was presented.

Summary of Canada Catch from 2004 Fishing Year and 2005 Fishing Year (to date)

Information on the catch of the shared GB stocks from Canada was presented, and information on the special haddock fishery conducted in January 2005. In fishing year 2004 111 percent, 99 percent, and 5 percent, of the GB cod, haddock, and yellowtail flounder TACs were caught, respectively (excluding discards). The cod TAC for the 2005 fishing year was reduced to account for the overage in 2004. The goal of the January fishery was to increase haddock catch, while minimizing catch of cod (especially spawning cod). The fishery was controlled by using individual vessel trip permits and vessels were subject to a spawning protocol that resulted in a closure on February 9, 2005 when it was deemed that 20% of the cod catch was in a spawning condition. Mobile gear was the only participating fleet and it was mandatory to use the horizontal separator panel

in the otter trawl, Additional information on the 2005 fishery presented included catches through August 24, 2005 and data on observer coverage.

Review of Transboundary Resource Assessment Committee (TRAC) Status Reports for 2005

The TRAC Status Reports (TSRs) were reviewed and discussed in detail. For GB cod, the discussion covered the biological reasons why the levels of 2006 catch increased over 2005, and the amount of uncertainty in the estimate of the increasing 2003 year class. For GB yellowtail, discussion focused on the fact that the benchmark assessment utilized two different models. The reasons for use of the two models were discussed, and the models were compared and contrasted.

Summary of Canadian Industry Consultations

A brief summary was provided of the industry concerns expressed at the July 7, 2005, DFO meeting with Canadian industry members. The results of the 2005 TRAC were discussed, and the principal area of concern for the industry was GB cod, specifically, how to balance the increased haddock while protecting cod, how to avoid wastage, and shepherd the 2003 year class. Industry members welcomed any increase in cod but cautioned CDN TMGC members not to set cod at a level that would result in a decrease the following year. There was also concern regarding the potential impacts of the winter haddock fishery. The comments in respect of YTF noted that given the catch failure on the Canadian side there was a requirement to promote growth and implement the precautionary approach. .

Discussion of Appropriate TACs for 2006; Yellowtail Flounder

There was a lengthy discussion about the two assessment models used (Base VPA and Major Change VPA) including the differences between the two and the difficulty to rate which model reflects reality better. The base case model indicated that recruitment at age 1 was above average in 2001-2003 while the major change model indicated that recruitment was only above average in 2001-2002. Regardless of the assessment model used, stock rebuilding was required and the fishing mortality in 2004 was greater than the $F_{\text{reference}}$. There were questions regarding the validity of assuming that 6,000 mt would be caught in 2005. Given the apparent catch failure on the Canadian side there was agreement to project a year end catch of 500t for Canada and 4,760t for USA rather than assuming that the full TAC would be caught. The discussion included how to account for uncertainty (and the amount of retrospective bias), consideration of the positive signs (trend in adult biomass, good recruitment prior to 2004, and rebuilding progress), and the need to bring down fishing mortality. After considerable discussion TMGC members felt comfortable in choosing the base case assessment model as this model indicated that the 3 years preceding 2004 had above average recruitment and it also included the adjustment that dealt better with the retrospective pattern.

The precise justification for the recommended yellowtail TAC is captured by the Guidance Document as follows: “The TMGC concluded that the most appropriate combined Canada/USA TAC for the 2006 fishing year is 3,000 mt. This corresponds to an F of 0.25 and represents a neutral risk, about 50%, of exceeding the F_{ref} of 0.25 and a

75% probability that stock biomass will increase by at least 10% from 2006 to 2007.. The annual allocation shares for 2006 between countries are based on a combination of historical catches (30% weighting) and resource distribution based on trawl surveys (70% weighting). Combining these factors entitles the USA to 69% and Canada to 31%, resulting in a national quota of 2,070 mt for the USA and 930 mt for Canada.”

Discussion of Appropriate TACs for 2006: Haddock

The consensus was to set the TAC in accordance with the F reference value. The precise justification for the recommended haddock TAC is captured by the Guidance Document as follows: “The TMGC concluded that the most appropriate combined Canada/USA TAC for Eastern Georges Bank haddock for the 2006 fishing year is 22,000 mt. This corresponds to an F of 0.26 in 2006 and represents a neutral risk, about 50%, of exceeding the F_{ref} of 0.26. Adult biomass will increase substantially from 2006 to 2007 due to recruitment of the exceptional 2003 year class. The annual allocation shares for 2006 between countries are based on a combination of historical catches (30% weighting) and resource distribution based on trawl surveys (70% weighting). Combining these factors entitles the USA to 34% and Canada to 66%, resulting in a national quota of 7,480 mt for the USA and 14,520 mt for Canada.”

Discussion of Appropriate TACs for 2006: Cod

The consensus was to be more prudent than aggressive, given the uncertainty regarding the size of the 2003 year class and the current estimate of F . There was general agreement to fish at a TAC level less than 2,200 t and try to shepherd the 2003 year class to promote good rebuilding noting that the risk analysis suggested that it was almost impossible to achieve 20% growth. The precise justification for the recommended cod TAC is captured by the Guidance Document as follows: “The TMGC concluded that the most appropriate combined Canada/USA TAC for Eastern Georges Bank cod for the 2006 fishing year is 1,700 mt. This corresponds to an F less than 0.18 in 2006 and represents a very low risk, less than 25% probability, of exceeding the F_{ref} of 0.18. At this level of harvest there is also a greater than 75% probability that stock biomass will increase by at least 10% from 2006 to 2007. The annual allocation shares for 2006 between countries are based on a combination of historical catches (30% weighting) and resource distribution based on trawl surveys (70% weighting). Combining these factors entitles the USA to 22% and Canada to 78%, resulting in a national quota of 374 mt for the USA and 1,326 mt for Canada.”

Discussion of Economic Analysis of Alternative Harvest Strategies for Eastern GB Haddock

Eric Thunberg and Doreen Liew presented the results of their research on the international haddock market, and the implication of their findings on an alternative harvest strategy for eastern GB haddock. They emphasized that the discussions are an exploratory exercise. The Northwest Atlantic and Northeast Atlantic regions are the two main haddock producing regions. U.S. and Canada collectively are net importers of haddock products. Landings in Canada and U.S. only supplied about 28% of the

Canada/U.S. market. China is a major supplier of frozen haddock fillets to Canada, and Iceland is a major supplier of fresh and frozen haddock to the U.S. It was noted that due to the fact that the haddock stock size is estimated to be lower than previously calculated, the utility of the proposed alternative harvest strategy has changed. There is little difference between the Fref level of harvest and the analyzed constant harvest strategy levels. There was support for the economic analysis, and the conclusion was that the alternative strategy be put on hold for the immediate future, given the lower stock size. The model suggested that if cod landings increase then it is likely that the haddock markets decrease whereas the reverse is not true. It was also noted that the report concluded that there is little price change based on supply but any price premium paid for larger fish was not incorporated into the model.

Other Business

One item pending is the status of the analysis of the potential size selectivity differences between Canada and U.S. Fisheries for Eastern Georges Bank cod and haddock and Georges Bank yellowtail flounder. Terms of Reference for this analysis by the TRAC were previously agreed upon by the TMGC, but little progress has been made as TRAC did not complete this task due to work load. TRAC is expected to review the pertinent data this fall and winter. It was agreed to remove the phrase “discuss possible reasons for these differences” from the remit, and clarify the number of years of data to analyze (5 to 7 years).

The remit is as follows: “Document the size and age composition of catches (both landings and discards) in the USA and Canadian fisheries. Describe how landings and discards in these fisheries are sampled for size/age composition, and stratified as appropriate (e.g., gear type, calendar month/quarter, market category, etc). Compare the USA and Canadian size/age compositions, identify any differences.”

It was suggested that as there would be no urgent issues to require a winter meeting. The next meeting of the TMGC would be consideration of the 2006 TRAC results and formulation of guidance for the subsequent fishing year.

The meeting adjourned at 4:30 (9/8/05).