From: M/S Cullen [cullen@mars.ark.com]

Sent: January 19, 2005 11:00 AM **To:** MorrisonJ@pac.dfo-mpo.gc.ca

Hi Jim,

Here is the written verison of the revised prawn quota management proposal I outlined to you on the phone.

As you know science has no method at present to equate spawner index with lbs of quota. This latest approach does not require them to do so and will hopefully be less problematic.

Please circulate this to whomever you feel should see it for their comments.

DRAFT

Prawn quota management based on time and poundage limits using the spawner index to ensure conservation.

The first opening would be May 1 to July 15. Quota to be taken would be 40% of the prior three seasons average catch. The intent is to ensure that not so many of the prawns are taken prematurely. No carry over of quota would be allowed for management simplicity and because this is ample time to catch this quantity of product.

The second opening would be July 16 to Sept 30. Quota to be taken would be an additional 40% for a total to Sept 30 of 80%. This 80% should be quite easily to achieve since we will have the benifit of more prawns growing to a heavier weight before capture. Also we anticipate including incentives to promote the full developement of all the available prawn grownd that is presently underutilised or not used at all. Therefore we feel that this 80% could be called the assured quota. Again no carryovers allowed.

The third and final opening would be from Oct 1 to Dec 15. Quota to be taken in this time block would be 30% based on availability. Areas would still close on spawner index so it is possible that some fishermen will not get all of this allotment. However we are quite confident that given a normal year it will be possible to meet this target as well. No carryovers to the next year due to the short lived nature of prawns. This total is 110% of the three year average by design to allow a method of fishing to abundance. Since the final 30% is understood to be based on avalability stocks will have the same spawner index protection they have always had.

We realise that there will be something of a race to fish at the start of the last opening however boats will have to stop fishing as they get their quota so this style of fishing will become easier to manage as boats drop out. That is the direct opposite of the present situation of less and less area for the same number of boats. This system will reduce the tendency to keep marginal areas open to avoid concentration of boats thus simplfying and improving management decisions.

A second option for determining percentage to be taken in the third opening could be to assess how many areas are still open. That 30% could be varied just before the start of the final opening based on the amount of area still open. That is even closer to real time management and may be preferable if not at first then in future.

It may be advisable to provide incentives to discourage larger vessels from staying in the Gulf. Possibly allowing 10%more quota if they fish outside the Gulf would help. Another option could be to issue quota based on past areas history (gulf 60%, north 20%, WCVI 15%, QCI 5% etc.) and let fishermen trade among themselves to get quota in the area of choice. That is how the trawl fishery operates and they presently do as many as 3000 trades among themselves per year. That would ensure that all areas presently fished would be utilised. We suggest 25% extra quota for fishing in presently underused offshore areas with the intent of developing the fishery to its fullest potential. Another option could be 50% more for the offshore but that fisherman would forfit his inshore quota which would then increase the remaining individuals allotment.

After the season DFO managers should meet with Caucas to asses the state of spawner indexes for all areas and recommend changes up or down in the percentages for the next year.

That is the short version of this proposal.

We want to make several things clear.

- 1. A four month season will not be of sufficent duration to offer significant advantages over present therefore the pilot will not be able to show it's potential and could be doomed to fail.
- 2. We are not willing to forgo 20% of our catch off the top. There is every chance that we will not see those fish again and they could be reallocated to another user group. We must develope a method of fishing that will reap the benifits of this new style of fishing and have the flexability to take advantage of abundance while it is available.

Another question to consider is how many guardians you feel would be needed. Our feeling is that five or six would be able to do this due to the greatly decreased intensity of effort, especially as fishing progresses and boats drop out. It may be possible to set up the contract with JOT, or whoever is service provider at the time, to vary the number of guardians. That would allow flexability that would be an advantage until we gain experience with this system. We are also asking J O Thomas for their opinion of this proposal and a tentative cost estimate.

Mike Cullen For the Prawn Quota Proposal