

S.A.S.M.I.A

THE SOUTH AFRICAN SQUID MANAGEMENT INDUSTRIAL ASSOCIATION
DIE SUID-AFRIKAANSE PYLINKVIS BESTUURSNIWERHEIDVERENIGING
144 Church Road, Walmer
PORT ELIZABETH
6070
TEL: (041) 5813063 FAX: (041) 5811556
Email sasmia@mweb.co.za

2005 Annual General Meeting

CHAIRMANS REPORT

2005 has been an extremely busy and demanding year. So much so that I will only mention the major issues in this report.

I believe it appropriate to start with this extract from last years report: "The 2004 squid season started off with excellent catches following the closed season, which continued well into March. This was fortunate as the high volumes cushioned the effect of the strong Rand to a large extent but did put pressure on the market. Thereafter catches tailed off quite dramatically, only improving shortly before the 2004 closing. The beach price remains low and rising fuel costs are a worrying factor. The constant attrition of increased levies and fees are eroding profits at an alarming rate."

Not much has changed.

Fuel prices have hit an all time high and catches are down by roughly thirty percent. Squid prices remain static and the Rand is killing us. Add to this a hugely demanding, costly and disruptive application process, and that's 2005 in a nutshell.

Following last years AGM the main issues requiring attention were:

- The VMS saga which was finally concluded.
- The separation of blast and holding freezers.
In light of current financial constraints an extension of the October deadline was requested and granted. The deadline is now the 30th April,

2006, after which time "no vessel not correctly facilitated will be certified". Each operator not presently complying was requested to submit to his local inspector a written commitment to the effect that each particular vessel would comply by that date. Thank you to those concerned at the Bureau.

- The finalization of the statutory council. Nanda will present her report to the meeting.
- The extension of the Addo National Park will be addressed in the course of the meeting.
- The formation of the Squid Management Working Group.
An initial meeting was held with Mr Andre Share and other M&CM officials at the department regarding these and other matters. The minutes of this meeting, as provided by M&CM, are attached and speak for themselves. No further meetings took place as the application process got under way and overshadowed all other events and concerns. This initiative remains a priority and must be vigorously pursued by the incoming committee.
- The development of the OMP – like many other things ground to a halt as people applied their undivided attention to the rights applications. Ane' Oosthuizen is however still on top of it and will report later in the meeting.

The Application Process

Fishing Rights Applications have dominated the year and will continue to do so until the allocation takes place and maybe till the appeals have been heard and the court cases exhausted.

The united response of the industry in dealing with the sector specific policies was heartening and many of our points were incorporated in the final policy document. There are unfortunately still a number of instances where facts were not allowed to interfere with a good pre-conception. The duration of the "long-term" right for the squid industry remains eight years despite much improved transformation levels. Thanks to Peter Edwards for a job well done.

Proposed Effort Reduction

Once again we are plagued by the dreaded mathematical model and there are proposals afoot which threaten every aspect of the industry. Fortunately this proposal has received only limited support. One of the major problems that I have in accepting the results of this particular mathematical model is the known unreliability of the input data. (A new form has been designed to replace the old

linefish “blue Books” and this should ensure the accuracy of data in the future.) It is too soon to tell what the final outcome will be but we should brace ourselves for a major challenge. This situation once again highlights the urgent need for the finalization of the *management* working group. More about this in due course.

In conclusion, thank you to the committee, Moray, and all the others who have assisted and supported me this year. Thanks to Betsy Ings for representing us and the Eastern Cape in training matters.

Thank you.