



Commercial Fisheries Production Bulletin



WESTERN ROCK LOBSTER FISHERY

2008/09 SEASON

THE COASTAL FISHERY

Preliminary processors production figures from the six main processors (as opposed to the final production figures produced from the compulsory monthly returns) indicate the total catch for the 2008/2009 season was 7519 tonnes, which was 15.3% down on the total catch (processors' figures) of 8874 tonnes caught in 2007/2008 and 33.4% down on the average for the past ten years (1998/99 – 2007/08). The final catch figure for the 2008/2009 season from all processors was approximately 7600 tonnes.

Table 1. Preliminary rock lobster production figures

Production (t) to end of June 2008

Fremantle	Jurien	Geraldton	Total
2,607	1,328	4,939	8,874

Production (t) to end of June 2009

Fremantle	Jurien	Geraldton	Total
2,490	1,114	3,915	7,519

Difference (t) and percentage difference

Fremantle	Jurien	Geraldton	Total
117	214	1,024	1,355
- 4.5%	- 16.1%	- 20.7%	- 15.3%

10 year average catch (t) to end of January 2008	11,281
Production (t) to end of January 2009	7,518
Difference (t)	3,763
% Difference	- 33.4%

Catches (processors' figures) in Zones A, B and C for the whole season are listed as follows.

Zone A recorded 1337 tonnes, which was 29.4% down on the previous season's catch of 1894 tonnes.

Zone B's fishers caught 2577 tonnes which was 15.4% down on the 2007/08 catch of 3046 tonnes, whilst Zone C fisher's landed 3604 tonnes, 8.4% down on the previous season's catch of 3936 tonnes.

It can be seen by the 2008/09 season's production figures that catches in all zones were down. This of course was the direct result of stringent effort reductions (number of pots fished, days fished and gauge changes) during the season.

Most certainly the effort reductions were successful as the 2008/09 catch of 7519 tonnes was 18.5% down on the original prediction of 9222 tonnes, a difference of 1703 tonnes. The purpose of the effort reductions was to save catch in the 2008/09 season, together with further catch savings in the next two seasons and transfer those savings to the low catch season in 2011/12.

THE ABROLHOS ISLANDS

The Abrolhos Islands produced 1337 tonnes of rock lobsters, which was 29.4% down on last season's catch of 1894 tonnes. The monthly figures (processors') are as follows:

Month	Tonnes
March	343
April	477
May	363
June	154

As in the other zones, this decrease in catch was largely brought about by effort reductions. The area south of the northern Abrolhos line was fished by a small number of vessels, which in past seasons have produced good catches, however, this past season failed to realise sustainable catches of any substance.

In an effort to maximise their share of the available resource, many fishers stayed and fished to the end of the Island season, whereas, in previous seasons many would have departed from early May onwards. This also applied to Zones B and C.

PUERULUS SETTLEMENT

The 2008/09 puerulus season produced well below average settlement at all collection sites (Figure 1). It is the lowest in the 40 year time series of puerulus collections at all sites and is expected to result in a record low catch in 2011/12.

This decline in settlement is currently being fully investigated by research staff of CSIRO and the Department of Fisheries. In April, a risk assessment workshop on low puerulus settlement was held at Hillarys to investigate the possible causes behind the very low settlements of 2007/08 and 2008/09 that have occurred in the western rock lobster fishery. This will be available on the Fisheries Department website later in the year.

Fisheries Research has commenced a joint FRDC project with CSIRO oceanographers attempting to identify any environmental anomalies that may have been responsible for the poor settlement results experienced this year and to obtain a better understanding of the role that the Leeuwin Current plays in the dispersal of larvae/puerulus along the Western Australian coast.

The resultant recruitment from this year's settlement (2008/09) will be seen first in the catches of the "reds" of the 2011/2012 season and then as "whites" catches in 2012/2013.

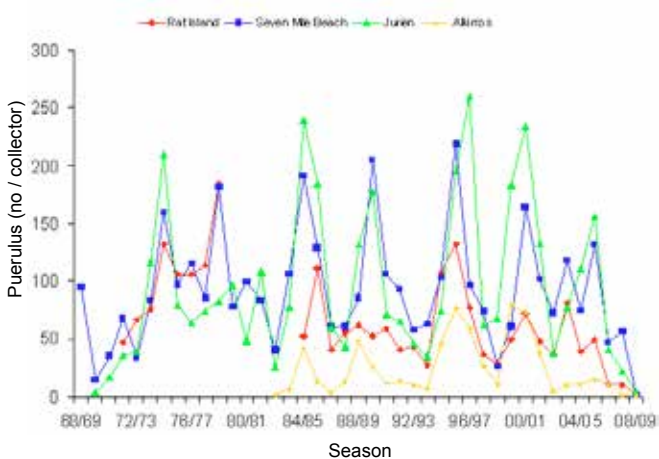


Figure 1. Trends in puerulus settlement at Rat Island, Seven Mile Beach, Jurien and Alkimos.

The final puerulus settlement information for 2008/09 is posted onto the Department of Fisheries web site (see address below), to enable all WRL stakeholders to access the latest information in a timely manner. This information will be updated within ten days of the team returning from the field. The puerulus collections are carried out five days either side of the full moon.

<http://www.fish.wa.gov.au/docs/pub/PuerulusSettlement/index.php?0707>

SOI Updated — El Niño event likely.

- The latest 30-day SOI value is - 2, while the monthly value for May was - 5.
- Current observations and dynamical model forecasts indicate conditions are favourable for a transition to ENSO-neutral conditions to El Niño conditions during June – August 2009. (NOAA-Climate Prediction Centre 2009).
- We are also monitoring the Indian Ocean Dipole which has been positive for the last 3 years (bad for puerulus settlement and has been neutral this year).

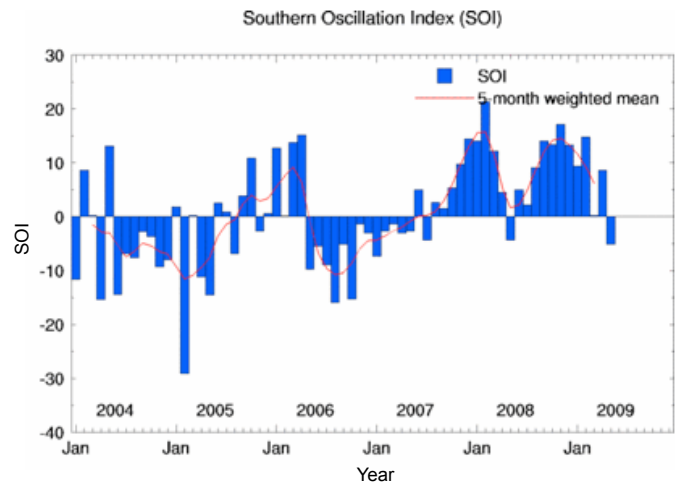


Figure 2. Southern Oscillation Index and the 5 month weighted average since 2003 until June 2009 (data supplied by the Australian Government- Bureau of Meteorology).

ARE THEY PUERULUS?

This season numerous fishers have forwarded various animals caught in their pots, bait baskets or found on the deck. Only a very small number were actually puerulus the majority being shrimps or amphipods.

Below is a photo of the puerulus stage of a western rock lobster (Figure 3). This is their appearance after transforming from the late stage phyllosoma larvae (usually having a carapace length of between 7 to 10 mm). When they first settle on the inshore reefs they are transparent to escape predation by predators as they swim in from offshore. Upon settling and feeding the puerulus soon moult and change into the first juvenile stage, it is at this stage they are easily recognized as miniature pigmented rock lobsters (about 20 – 25 mm carapace length).



Figure 3. Western Rock Lobster puerulus.

RESEARCH LOG BOOKS

At the time of writing it is most rewarding to see the participation rate in the research log book program nudging 30%.

Sadly, in these troubled times (effort reductions resulting from low puerulus settlement) have some fishers, understandably, withdrawing from the program as a protest measure. This action of course is totally counter-productive at a time when log book data is urgently required to help answer some of the problems facing this industry. Now is the time when we should all be working together to solve these problems!

To this end, the rock lobster research section urges all fishers to get on board (no pun intended) and keep daily records of their catches and observations via the log book program. A fisher's involvement can be as simple as just recording on a daily basis an estimate (kg, bags, crates, etc) by the depth (0 – 10F, 10 – 20F, etc) that the catch was taken in. This information could easily be recorded in the log book when returning to the anchorage after a days fishing.

The log book program is a two way thing with participants receiving each month production figures by zone, two Commercial Fisheries Production Bulletins each season, and a personal summary at season's end of catch per pot by month by depth, together with a comparison of the zone in which you fish.

If you feel that you would like to make a valuable contribution to this fishery by filling in a research log book next season, please contact Eric Barker on 9203 0111, or drop into the Laboratories at Hillarys for a chat and a cup of tea/coffee (free)! Failing this, simply pick up a log book from your local Department of Fisheries office. Please leave your name, address, boat number and name, so that you can be placed on the mailing list. Hope to hear from you?

MARKETS AT A GLANCE *

US Market Commentary.

By mid season, the US markets had been well and truly stimulated by significantly lower selling levels which saw high volume sales movement and many US importers held inventories largely cleaned out. At the same time, processors had adjusted production mixes in order to minimize tail production. The resulting extremely low tail production of 9 – 10% from a traditional 20 – 35% and limited on hand or nil inventory saw a vacuum form between supply and demand for WA origins, and prices quickly rallied over the following months to end almost 80% higher on volume sizes (even in light of continuing cold water tail shipments from South Africa for traditional volumes).

MARCH 2009 B size (6/8oz) US market (Wholesale)
ex-store @ ~ US\$16.00/lb

JULY 2009 B size (6/8oz) US market (Wholesale)
ex-store @ ~ US\$28.50/lb

As the season for WA lobster was closing, new production of warm water tails from the Caribbean and Brazil were starting to come on line. With initial markets fairly bare, products were quickly taken up. By end July, product was starting to back up. With competition against the very cheap American & Canadian clawed lobsters and general financial lines stretched, importers were putting new limits on inventory levels and prices started falling further with ex-store levels for warm water tails being reported at US\$12.50 – 13.00/lb (more than \$15/lb cheaper than WA product of the same size).

JAPAN Market Commentary.

The Japanese market continued to weaken through the first half of 2009, with more high profile seafood importers filing for bankruptcy under the weight of unsold inventories and reducing demand. Frozen imports to Japan continued to decline from almost all origins in line with lower demand and lower speculative importer activity. With an estimated 300 – 400 mt of WA whole frozen inventory reportedly held over from the 2008 reds catch at much high pricing, Japanese importers saw the lower March 2009 pricing as a chance to lower average costs for their on

hand inventory and quickly moved to close out the relatively low production of 2009. Prices for whole cooked red A selling nearer US\$20 – 23/kg CFR (cost and freight) at season start, finished by season end with inventories fully sold at US\$25 – 27/kg CFR.

Live demand in Japan from March to July was down also compared to last year with 233 mt in total during this period (compared to approx 260 mt for the same period 2008). Average prices for live WA lobster varied from JPY 2600 in March through to JPY 3900 + as at end June, averaging at JPY 3100 for the period. It was noted that increasing production in Japan of the locally caught species (*P. japonicus*) held slightly higher sell levels but dominated sales volumes.

The reduction in Japanese lobster imports over the past 10 years is shown best in the January – June figures below

Live Lobster Statistics >> JAPAN IMPORTS (January – June)

Jan – Jun (Live)	Australia Origin
1992	981 mt
1999	1,115 mt
2007	400 mt
2008	343 mt
2009	314 mt
1992 → 2009	32%

Japanese Frozen Imports (full year ending 31 Dec)

Jan – Jun (Frozen)	Australia Origin
1989	2,810 mt
1999	1,211 mt
2007	397 mt
2008	500 mt
2009	287 mt
1989 → 2009	10.21%

TAIWAN Market Commentary.

With continuing confidence in the WA lobster consumer preference over other species, Taiwan importers continued to take ongoing positions for whole frozen WA lobster which were seen as good value at US\$18 – 22/kg CFR. As live lobster pricing stayed low, importers were however unable to increase frozen purchases which were in heavy competition between each other. With lower live lobster pricing, demand for frozen raw lobster was dramatically reduced. By end season most Australian held inventories had been sold out and importers were being asked to consider reviewed prices for residual export stocks at US\$23 – 25/kg CFR (to match expected Australian domestic demand). For the most part, Taiwan importers were reluctant to follow.

Increased volumes of live WA lobster were moved to Taiwan this second half season, encouraged by very low selling levels in order to convert product to cash. It was commented that a number of the Taiwan live importers made good trading profits this year buying WA lives in the high production peaks and on-selling direct to China mainland as the catching volumes dropped. This was having a notable effect of the ability of the Chinese mainland market to increase levels during their demand spikes.

HK/China

Lower frozen pricing was a bonus to Chinese live importers in 2009 who dominated the market again for live WA lobster which was considered a real bargain and a chance to increase throughput against other species origins and seafood types. The Chinese live market was saturated by continued heavy supplies during most of the second half of this season during both peak and off peak demand periods. Exporters were notably surprised by the relatively weak market in June resulting from a "double lunar month of May" where prices remained flat and carried through in the same manner to mid July, unlike previous seasons. It was noted that multiple WA processors who had held live lobster in their tanks during early July, finally opted to convert many of their stocks to tail production rather than continue to hold for live market improvements.

EUROPE

A greater weakness in the European frozen markets with carried over high cost inventories seemed to dominate the pessimistic global lobster outlook. Specifically for WA lobster however, the inventory position was seen as more positive and buyers at lower pricing were keen to continue. With the increasing gap between Caribbean and WA pricing, as well as reduced frozen WA production, buyers were finally unable to meet their full requirements, especially in terms of B sized tails and red B whole cooked.

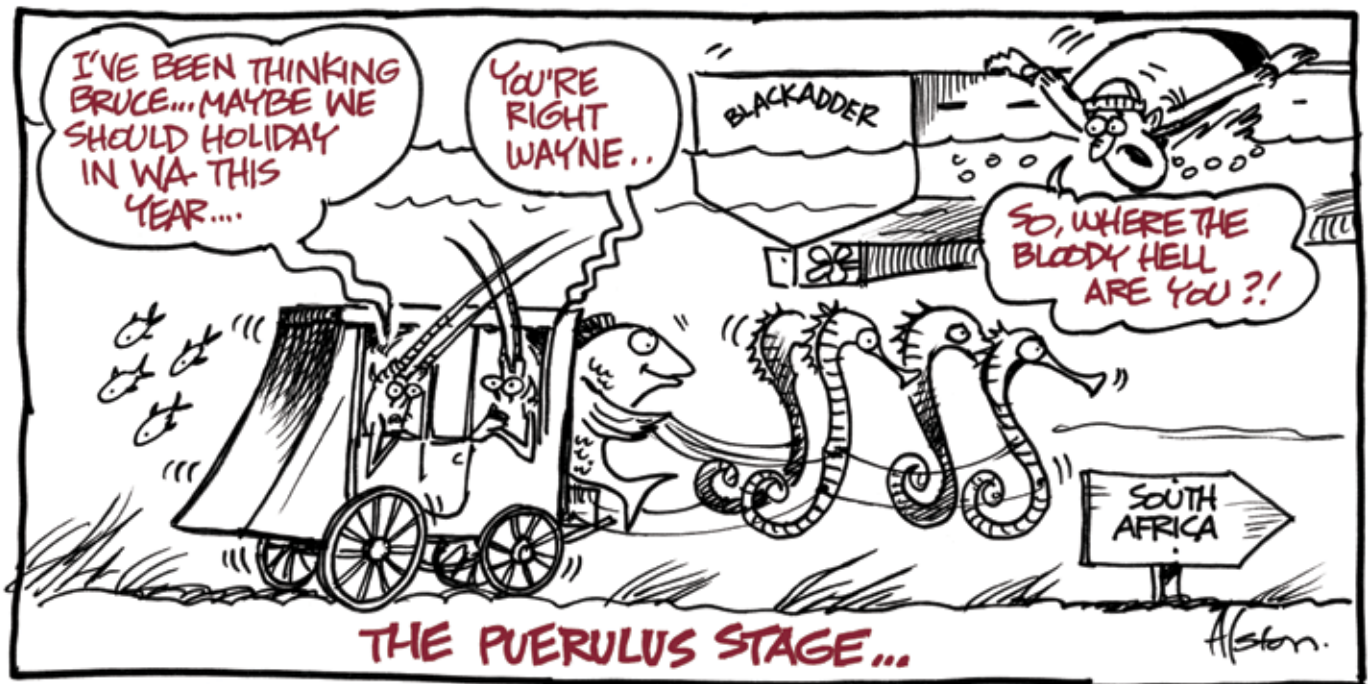
GENERAL

With lower global requirements for frozen lobster in 2009 and greater financial strains on inventory capacity, the WA lobster industry continued to adjust production significantly in favor of the faster paying and more certain live markets, even in lieu of at times lower than frozen equivalent returns. The resulting late season frozen shortages further assisting industry by price rises in all markets.

November – June

Reported WA Lobster Industry Commercial Production by MT (AS LIVE WHOLE INPUT WEIGHT)

Year	Raw Tails	Whole Cooked	Whole Raw	Live
08 – 09	1,230 mt	1,821 mt	295 mt	3,531 mt
07 – 08	2,313 mt	2,801 mt	538 mt	2,424 mt
06 – 07	2,697 mt	2,102 mt	595 mt	2,625 mt
05 – 06	3,044 mt	2,861 mt	600 mt	3,500 mt
04 – 05	3,637 mt	3,779 mt	820 mt	3,219 mt



*This information was provided by Mr Greg Hart of Wild Oceans Pty Ltd, Suite 4, 18 Parry Street Fremantle, WA 6160 ph: (08) 9433 6785 fax: (08) 9335 8478.

Except where acknowledged, the information in this bulletin has been supplied by the FISHERIES RESEARCH DIVISION of the DEPARTMENT OF FISHERIES (WA). Contact Mr Eric Barker or Mr Mark Rossbach ph: (08) 9203 0111 fax: (08) 9203 0199.