SJR

38

(File 1)

SENATE COMMITTEE REPORT
FIRST COMMITTEE OF REFERRAL

DATE: 1/15/92

FURTHER: Special Comte on Domestice/Internat'l Fisheries

Date of 5-Day Notice: Jan 22, 1992
(in accordance with Uniform Rule 23)

DATE TURNED INTO OFFICE: Feb 28, 1992

Resources Committee considered SJR 38

Opposing Individual Fishery Quota management systems for the Alaskan halibut and sablefish fisheries and other Alaskan fisheries.

and recommends:

[ ] replace with ________ CS ________ (____)

[ ] same title
[ ] new title
[ ] technical title change (HB only)

[ ] attaches amendment(s)

[ ] adopts ________ Letter of Intent

[ ] further referral to the ________

[ ] do pass

[ ] do not pass

[ ] no recommendation

[x] individual recommendations

NEW FISCAL NOTES: Dept/Date

[x] **zero** fiscal notes Sen Resources Cmte 1/28/92

[ ] fiscal notes ________

[ ] **appropriation**--no fiscal note

PREVIOUS FISCAL NOTES: Dept/Date

[ ] **Governor's bill** with fiscal notes:

zero fiscal notes ________

fiscal notes ________

DO PASS:

[signature]

OTHER RECOMMENDATIONS:

[signature] Do not pass unless amended.

Lloyd Jones — Do not pass until amended

Chair: Signature and Recommendation

FISCAL NOTE No. 1

STATE OF ALASKA
1992 LEGISLATIVE SESSION

Bill Version: STR 38
(S) Publish Date: 3-2-92

Revision Date: _____ Department Affected: None

Title: Individual Fishery Quota Management BRU: _____

Component: _____

Sponsor: Senator Zharoff

Requestor: Senate Resources COMPONENT SERIAL NO. [ ][ ][ ][ ]

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 93	FY 94	FY 95	FY 96	FY 97	FY 98
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0
CAPITAL						
REVENUE FUND SOURCE:						

FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER FUND SOURCE:						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

POSITIONS:

FULL-TIME	0.0	0.0	0.0	0.0	0.0	0.0
PART-TIME						
TEMPORARY						

Estimate of current year impact: _____

ANALYSIS: (Attach a separate page if necessary.)

Prepared By: Senator Lloyd Jones, Chairman Phone: 465-3743

Division: Senate Resources Date: 01-28-92

Approved by Commissioner: Senator Lloyd Jones, Chairman

Agency: _____ Date: January 28, 1992

Distribution (by preparer): Leg. Fin., Legislative Sponsor, Requestor, OMB/DBR, Gov. Legis. Ofc., & Impacted Agency(ies).

Rev 10/7/91

Alaska State Legislature

Please enter into the record my testimony to the Senate Resources Comm.
committee name

committee on SJR 13 , dated 1-29-92 .
bill/suuject

Please the attached Testimony.

13 pages to follow

Signed: _____
Testifier

Linda Behnken
Representing (Optional) Sitka Long Liners Assoc.

Address

Phone No.

9:86 Legislative Information Office

13 pages follow

Alaska State Legislature

Chair, Resources Committee
Vice-chair, Transportation Committee
Member, Rules Committee
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MEMORANDUM

To: Senate Resources Committee Members

From: Senator Lloyd Jones, Chair
Senate Resources Committee

Subject: SJR 38, opposing IFQs

Date: January 28, 1992

As you can see from your packet there is a substantial amount of information regarding the resolution opposing IFQs. You may wish to bring some or all the material to the meeting. Senate Joint Resolution 38 is scheduled only for public testimony, I do not plan to move the resolution from committee at this time.

I have asked Rick Lauber and Larry Cotter to make presentations to the committee prior to the public testimony via the teleconference network- in essence to give the committee background on this issue. Other witnesses will be allocated a three minute time period to present testimony.

The public hearing will close at 3:30 p.m. No further oral testimony is planned at this time.

Alaska State Legislature

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Senate Resources Committee

MEMORANDUM

To: Senate Resources Committee Members

From: Senator Lloyd Jones, Chair
Senate Resources Committee

Subject: IFQ Scoping process

Date: February 19, 1992

Attached is a portion of the Draft Environmental Impact Review/Initial Regulatory Flexibility Analysis of the proposed individual fishing quota management alternatives for the halibut fisheries for Alaska. This document is the result of a review by the North Pacific Management Council(NPFMC) at their June 24-25 meeting.

This document(excerpts are included) discusses many of the factors which are included in the the IFQ plan. Senator Cotten had requested information regarding the scoping process. After talking to staff at NPFMC and at the National Marine Fisheries Service, it was concluded that their is no actual scoping document, rather it is a process. Mr. Chris Oliver, Management Plan Coordinator for the Gulf of Alaska, NPFMC mentioned there is no specific requirement for a socioeconomic impact study in the Magnuson Act. This document looks at the questions that were involved in the scoping process.

NPFMC did provide a notice of scoping process, which set the stage for things to come. Mr. Oliver and Mr. Marcus Hartly, an economist for NPFMC will attend the meeting from Anchorage to help explain this process.

Finally, the NPFMC has provided full documentation of the IFQ plan as it progressed. Members may obtain a copy via request. I should warn you it is quite lengthy. There are also transcripts of the scoping process which will be forwarded to the committee today.

5.0 DESCRIPTION OF THE SOCIAL ENVIRONMENT

This chapter describes the fishery as it presently exists under open access management and outlines present and historical participation in the fishery by fishermen and communities. The dependence of fishermen and communities on the fishery is described and discussed, with special attention given to the differing economies found in rural and urban communities. The material presented in this chapter is a summary drawn from literature available to the writer, and does not represent any focused research effort. For this reason, the assessment of social impacts of alternative management measures selected by the Council for review, presented in section 5.3, should be considered to be indicative of trends and issues and is not a definitive assessment.

Information considered in this chapter has been drawn from published materials (see bibliography) and the data files of the Alaska Commercial Fisheries Entry Commission (CFEC), Alaska Department of Fish and Game Subsistence Division (Subsistence Division), and the International Pacific Halibut Commission (IPHC). Additional data has been provided by the U.S. Department of Agriculture [Forest Service (USFS)], U.S. Department of Commerce [Bureau of Census and National Marine Fisheries Service (NMFS)], and the U.S. Department of Interior [Minerals Management Service (MMS) and Park Service].

5.1 Description of the halibut fishery under status quo (open access) management

The halibut fishery off Alaska draws participants from all three of the Northwest Pacific states - Alaska, Oregon and Washington - and a few participants from other states, too. Of the 3,823 halibut fishery permit holders, whose 1990 applications included postal zip codes, some 88 percent had Alaskan addresses, 8.7 percent had Washington State addresses and 2.3 percent addresses in Oregon. At first glance it would appear that the fishery is dominated by Alaskan residents, however it would appear both from the literature and other data sources that involvement in the fishery by Washington and Oregon residents is extensive and may extend to control of as many as a third of all permits. This is due to two factors; first, the short seasons existing in many of fisheries have caused Washington and Oregon owners to base their vessels, and land catches, in Alaska during the fishing year and, second, many permit holders are reported to have financial interests in more than one vessel.

The structure of the fishery has changed in recent years. In 1990, some 39.5 percent of vessels fishing for halibut were under 36 feet in length and their proportion of the total catch landed was 8.4 percent. This represents a significant structural change from the fleet of 1984, in which 49.3 percent of the vessels were under 36 feet long and landed 13.7 percent of all halibut. In terms of numbers of vessels, it can be seen in Table 5.1 that the smaller vessels (less than 36 feet long) increased from 1,371 in 1984 to 1,811 in 1990, a change of 32 percent, with most of the increase occurring in vessels between 31 and 35 feet in length; some 309 boats, or a 65 percent increase, were added to this sub-class. During this same period the average catch of smaller vessels declined to less than half the mean catch per boat in 1984. Vessels in the 36-55 feet-long class have more than doubled to 1,955 in 1990, and the average catch per vessel has declined to 77 percent of that in 1984. The larger vessels, those in excess of 56 feet in length, have almost tripled in number to 728 in 1990. The mean catch per vessel of this class in 1990 was 62 percent of that in 1984. Thus the stereotypical outcome of an open access fishery is found in the present-day halibut fishery; the number of vessels has increased, the average vessel size has increased, and the average output per vessel has declined. However, Table 5.1 shows that neither the vessel increases nor declines are uniform in the fishery and the impacts of these changes upon participants also vary.

Table 5.1: Vessel Size and Average Halibut Catch in the Fishery Off Alaska, 1984 and 1990

Vessel Size (ft)	Vessels (N)			Mean Catch/Boat ('000lbs)		
	1984	1990	Change	1984	1990	Change
< 26'	620	706	1.14	2,644	1,081	0.41
26-30'	304	349	1.15	3,724	1,785	0.48
31-35'	447	756	1.69	7,803	4,339	0.56
36-55'	941	1,955	2.08	14,416	11,044	0.77
56' >	255	728	2.85	57,455	35,717	0.62
All* Vessels	2,777	4,573	1.65	12,778	11,504	0.90

Vessel and catch data provided by IPHC, 1991
* Includes 210 vessels of unknown size fished in 1984 and 79 vessels in 1990.

These changes also reflect two other, social, parameters of the fisheries off Alaska. The Alaskan rural communities, in which the preponderance of smaller vessels are based, are socially and culturally tied to local fishing areas. In the case of Alaska Natives these areas have been defined since before the start of the commercial halibut fishery in 1878 (Betts and Wolfe, 1990). Thus investment in the smaller vessels is related to local operating areas, and this segment of the fleet is less mobile and thus less able to seek out new fishing areas.

The second parameter is the traditional involvement of rural communities - and some urban communities - in a seasonal round of fisheries for commercial and subsistence purposes. Typically these fisheries include salmon, halibut, herring, crab, sablefish and rockfish. The fishermen who participate in the halibut fishery usually fish commercially in at least two other fisheries (Langdon and Miller, 1984). With the increasing restrictions on days fished in the halibut fishery, and occasional conflicts with seasonal openings in other fisheries, the small boat fleet has taken fewer halibut in the commercial fishery because they are less mobile (and unable to fish in other areas) and have less fishing power. Heavy weather on fishing days also restricts the activities of the small boat fleet during halibut openings. The same segment of the fleet is also active in the subsistence fisheries, often using "commercial" gear, and halibut harvests in the subsistence sector are often substantial. Most rural Alaskan communities have mixed cash-subsistence economies; of which neither sector is sufficient to support the community's population. Rural communities which experience a loss of income from commercial fishing experience disruption in the balance between cash economy and subsistence economy activities, to the detriment of the local economy, society, and traditional culture (R.J. Wolfe, 1991, personal communication). Alaskan rural communities strike a balance in their mixed cash-subsistence economy in order to maintain community viability (Wolfe and Walker, 1987).

In a review of communities involved in the commercial or subsistence taking or use of halibut, it was found that 115 Alaskan communities had active participants in the fishery in the 1980s. Of these Alaskan communities, 101 were rural with mixed cash-subsistence economies (as determined by the Federal Subsistence Board), while 14 communities were urban centers with cash-based economies. In Alaska, as a whole, Wolfe and Bosworth (1990) estimate that approximately 80 percent of the population lives in urban areas, principally in and around Anchorage, Fairbanks, Juneau, the Kenai Peninsula, Kodiak City, and Sitka. One-fifth of the population, or some 110,000 people, lives in mixed-economy rural communities. Of this rural population, some 50,000 are Alaska Natives while 60,000 are Non-Natives. The communities with residents involved in the halibut fishery in Washington and Oregon can all be characterized as having cash-based economies, and most were urban centers.

Participation in the fishery varies from IPHC region to region. Overall, Langdon and Miller reported that one-fifth of their study sample of fishermen in 1982 derived 100 percent of their gross fishing income from the halibut fishery (1984:23). Given the length of seasons in the fishery, measured in days and hours, it can be surmised that these fishermen were part-time fishermen, who held other jobs. Area 2C, in particular, has this level of involvement in the halibut fishery but Area 3A also has a number of halibut-only fishermen (Wilkinson, 1990). Both areas have significant numbers of small boats under 31 feet in length, and access to alternative employment. Wolfe (1991) reports that families in mixed cash-subsistence economies typically patch together multiple income streams because individual sources of income tend to be small and insecure. Langdon and Miller found that 45.5 percent of commercial halibut fishermen worked solely in the fishing industry; 54.5 percent of the 1982 sample had at least one shore-side job.

Langdon and Miller reported the average size of crew on halibut vessels, including captain, to be 3.7 persons (1984:22). Noting that the structure of the fleet has changed and there are more larger vessels than before, but also that there have been technological advances in fishing gear and vessel design, it is estimated that there were some 16,920 fishermen active in the fishery in 1990. Average plant employment in Kodiak per day/shift was estimated to be 60 persons (Fricke, 1991) and the average involvement of plants in processing halibut was four days of processing for every day of fishing activity (Impact Assessment Inc., 1991a:Kodiak 21; Fricke, 1991). Thus, a "guesstimate" of involvement of processing workers in the 176 plants reported handling halibut landings from the 36 days of halibut fishing in 1990 can be derived. This "guesstimate" is that some 10,560 plant employees will process halibut at the point of landing and that the equivalent of 2,315 person-years of employment will be generated. Further processing plant employment, primarily in Washington and Oregon, is created by the re-processing of halibut to market requirements.

The principal gear used in the directed halibut fishery is longline gear, but there are a number of hand and power trollers in the fishery in Area 2C. Longline vessels commonly fish the sablefish, Pacific cod, rockfish and halibut fisheries. Many vessels also fish for salmon in season. The dominance of the 35-55 feet-long size class can be attributed to the State of Alaska's 58-feet length-overall rule for salmon seiners in the Gulf of Alaska. Similarly, the dominance of the 31-35 feet-long class in Area 4E (East Bering Sea) can be attributed to the 32-feet length-overall rule for Bristol Bay salmon seiners. Seine vessels, typically with a forward house, can be easily rigged for longlining (Bell, 1981) but the traditional halibut schooner is less able to engage in the salmon fishery. The Alaska Native halibut fishery traditionally used hand lines with one or two hooks, or short skates of longline fished from canoes or bidarkas. Today, handlines are used in the commercial halibut fishery by Alaska Natives in only a few places (for example, Nelson Island) with most Native fishermen using long line gear from small boats. Handlines continue to be used in the subsistence halibut fishery. Native fishermen traditionally also trolled with their hand lines, and some modern salmon trollers also use troll gear for halibut today (Kelley, 1991). Since the key to present-day fisheries in the waters off Alaska is flexibility in gear and vessel configuration, combination vessels designed for multiple gears and fisheries have evolved and now dominate the fleet.

5.1.1. Present participation in the fishery

In this section, information on participation in the fishery will be summarized by IPHC halibut area. However, an initial discussion of the participation of fishermen from Oregon and Washington in the fishery off Alaska will provide some background on the wide-ranging activities of these participants.

5.1.1.1 Present participation in the fishery by residents of Washington and Oregon

Present participation in the halibut fishery takes two forms: the participation of vessels and crews from Washington and Oregon in the fishery, and the processing of halibut caught in the fishery. For 1990, the IPHC reports that some 11.8% of permit holders for the halibut fishery off Alaska resided outside Alaska, based on a survey of addresses. This information does not necessarily reveal the full extent of the participation by residents of Washington and other states in the halibut fishery.

Many vessels owned by non-Alaskans are based in Alaskan ports during the fishing season and maintain postal addresses in those ports (cf. Impact Assessment Inc., 1991:Newport 20; Morris, 1987). Of the vessels owned by non-Alaskan permit holders (about 318 boats), 15.1 percent were under 35 feet in length, 61 percent were 35 to 60 feet, 21.1 percent were between 61 and 90 feet, and 2.8

percent were longer than 91 feet. The vessels engaged in the fishery and owned by non-Alaskans tend to be larger, on average, than vessels owned by Alaskans. This tendency is shown in Table 5.3.

The size of these larger vessels reflects two factors; first, the availability of capital for investment in the fishery off Alaska by residents of Washington and Oregon and, second, the distances travelled and natural elements encountered in prosecuting the fishery.

Given that non-Alaskan permit holders are 11.8 percent of all permit holders, ownership of 27.7 percent of vessels between 61 feet and 90 feet in length, and 18.4 percent of vessels over 90 feet indicates that these vessels are dedicated longliners or combination longliners/seiners continuing the historic involvement of the "Seattle" boats in the halibut fishery. These vessels are often also involved in the longline fisheries for sablefish, rockfish, and Pacific cod, as well as the salmon seine fisheries. Involvement in the halibut fishery using vessels under 58 feet which can also fish in the salmon seine fishery by non-Alaskan fishermen is proportionately the same as Alaskan residents. The involvement of non-Alaskans in the fishery with vessels less than 35 feet in length is significantly less, at 3 percent, than that of Alaskans. Given the distance from Puget Sound to the Alaskan fishing grounds, particularly those of the Alaskan Peninsula, Aleutian Islands and Bristol Bay, it is not surprising that the involvement of non-Alaskans has been with larger combination vessels.

Vessels from Washington State took approximately 10,995,000 pounds of halibut in Alaskan waters in 1990. Some 70.3 percent of this harvest was caught in Area 3. Table 5.4 shows the distribution of the commercial catch by Washington vessels.

While the Washington vessels were predominant in the Aleutian Islands and Bering Sea fisheries for halibut, it should be noted that in 1990 the catches from these westerly areas were less than 15% of the total catches taken by the Washington fleet.

The fishing patterns of vessels from "other states," i.e. other than Alaska and Washington, are similar to that of the Washington vessels. Owners from these "other states" hold 117 permits, the majority of which (87) are held by residents of Oregon. In 1990, these vessels harvested some 3,104,000 pounds of halibut, or 5.9 percent of the total catch off Alaska. While their effort was in the Gulf of Alaska and to the west, they took 78 percent of their catch in Area 3.

To summarize, using IPHC permit data, non-Alaskan vessels represent some 11.8 percent of the vessels in the halibut fleet but took 26.8 percent of the catch in 1990. Their primary fishing grounds are in Areas 3A and 3B, with larger longliner vessels fishing along the Aleutian chain and in the Bering Sea.

Langdon and Miller (1983) describe the Puget Sound vessels as having a median length of 64 feet, with a range from 31 feet to greater than 81 feet. The average tonnage of these vessels was 35 net registered tons (nrt) with a range from 5 nrt to greater than 65 nrt. The size of crew on these vessels ranged from 2 to 8, including the captain, with a mean size of crew of 5.25 fishermen.

Fishermen

Langdon and Miller (1983) described the Puget Sound fishermen engaged in the halibut fishery. This information, although dated, is considered to be indicative of the participation by fishermen from Washington and Oregon in the fishery. In 1982, the average age of all Puget Sound fishermen sampled was 45.7 years, with a range from 21 years to 70 years of age. The average age of captains was 49.8 years, and of crewmen 37.4 years. The study found that half of all the fishermen had

Table 5.2: Number and Distribution of Permit Holders in the Halibut Fishery, 1990

State of Residence	N*	%#
Alaska	3,371	88.2
California	19	0.5
Oregon	87	2.3
Washington	335	8.7
(Seattle)	(186)	(4.9)
(Everett)	(75)	(2.0)
Other States	11	0.3
Total*	3,823	100.0

* Does not include 100 permits for which no zip-code was provided; # percentages are rounded. Information provided by G. Williams, IPHC (personal communication)

Table 5.3: Percentage of vessels, by address of owners, by size class engaged in the halibut fishery off Alaska in 1990

Address of owner	Percent of vessels by size class			
	<35'	35-60'	61-90'	>90'
Alaska	90.7%	86.1%	65.3%	71.4%
Other States	3.0	10.1	27.7	18.4
Not known	6.3	3.8	7.0	10.2
N	1613	1919	242	49

Information from G. Williams, IPHC (personal communication)

Table 5.4: Distribution of the 1990 commercial catch of halibut off Alaska by vessels from Washington State

Catch by WA vessels	IPHC regulatory area 2C	3A	3B	4A	4B	4C	4D	4E	All AK
% of total	8.2	19.8	23.5	33.1	42.5	44.6	78.5	36.1	20.9
% of WA total	7.4	51.8	18.5	7.6	5.1	2.1	7.2	0.1	

Total Catch off Alaska: 52,607,000 lbs.
Catch by Washington vessels: 10,995,000 lbs.
Information from G. Williams, IPHC (personal communication)

Table 5.5: 1990 Population, Distribution of Halibut Permits, and Commercial Landings of Fish Taken Off Alaska in Non-Alaskan States/Communities (Areas 2C; 3A and B; 4A,B,C,D, and E)

State/Community	Population N	Halibut Permits	Halibut Landings Lbs
Oregon, State of	2,842,321	87	402,769
Astoria	10,069	10	387,848
Newport	8,437	7	14,921
Oregon (general)		70	0
Washington, State	4,866,692	335	3,534,458
Anacortes	11,451	17	73,575
Bellingham	52,179	23	946,629
Blaine	2,489	4	196,144
Everett	69,961	7	260,007
Neah Bay	916	#	38,572
Port Angeles	17,710	19	27,571
Seattle	516,259	75	1,890,705
Westport	1,892	3	13,569
Washington (general)		187	87,686
Other States	n/a	30	0
Canada			
Prince Rupert	n/a	1	1,061,694
Totals		453	4,998,321

Population data are from the 1990 U.S. Census; 1990 permit and commercial landings data are from IPHC files.
n/a Data not available.
IPHC permit data are based upon postal zip codes; CFEC data indicate that halibut permit holders reported elsewhere reside here.

achieved a high school education or better, and that 91 percent of those interviewed were married. All fishermen in the Langdon and Miller sample were Euro-American in cultural heritage, and 54.6 percent claimed to be of Norwegian descent.

Experience in the halibut fishery was an important factor in commitment to the fishery; the median years of experience of halibut fishing for captains was 26 years, and for crewmen, 10.5 years. Kinship relations with other fishermen were also important; some 54 percent of captains in Langdon and Miller's study (1983) were related to other halibut fishermen. Some 29 percent of crewmen were similarly related.

Earnings from the halibut fishery averaged 72.2 percent of all 1982 fishing related earnings for the men in Langdon and Miller's study (1983). However, the median earnings from halibut fishing were 89 percent of all fishing incomes. Some 54 percent of crewmen and 41 percent of captains derived some income from activities outside fishing. The changes in the management of the halibut fishery since 1982 will have reduced considerably the proportions of personal income derived from that fishery; however more recent income estimates are unavailable in the literature for this group of halibut fishermen.

Present Participation in the Halibut Fishery: Processing

Bell (1981) notes that the amounts of fish directly landed in the Puget Sound region from the Alaskan fishery has declined as non-Alaskan vessels switched to landing in Alaskan ports. He suggests two factors behind this trend; first, the pattern of season and area closures, and voluntary "lay-ups," after the signing of the Pacific Halibut Convention in 1923 and, second, the advent of convenient air transport permitted crews and supplies easy access to vessels fishing from Alaskan ports, and permitted more efficient operation of vessels as fishing vessels rather than cargo transports. Approximately 3.8 percent of all halibut landings from the fishery off Alaska occur in Seattle, making it the sixth-ranked port in volume of halibut landed. Bellingham ranks 17th in importance as a port for landing halibut caught off Alaska. Washington State ports handled some 6.7 percent of halibut landings from Alaskan waters in 1990 (see Table 5.5).

While the importance of Puget Sound ports as first ports of landing has declined since the days of the company steamer and schooner halibut fishery, they have retained their pre-eminence as processing and marketing points. The costs of processing fish and shipping to fill individual customer's orders are such that Alaskan processing plants cannot compete effectively with plants located in the continental United States. Customers seek rapid filling of their orders; plants based in the Puget Sound area are able to deliver product, if they have it in stock, to any customer in the continental United States by road or rail freight within five working days. Small lots and specialty orders can be easily handled by the Washington and Oregon processors. Alaskan plants are dependent upon air and sea freight services to deliver to the continental United States. Air freight is expensive; sea freight may take as long as two weeks to arrive in the continental United States before it can begin its road or rail journey to the customer. For these reasons the Alaskan plants usually produce headed-and-gutted (H&G) or filleted product which is boxed and frozen in wholesale lots. This product is then shipped to Washington or Oregon for reprocessing to customers' orders and distribution to market. The IPHC reports that in 1984 there were 28 plants in Washington State and 4 in Oregon receiving and processing Pacific halibut caught off Alaska; in 1990, this had increased to 32 plants in Washington State and 8 in Oregon.

5.1.1.2 Participation in the halibut fishery of Southeast Alaska (Area 2C)

Area 2C extends northwest from the United States-Canada boundary line in the Dixon Passage to Cape Spencer. The Alexander Archipelago and an adjacent narrow coastal strip of mountains, glaciers, and icefields comprise this region of Alaska. With the exception of roads linking Haines and Skagway with the interior, transportation in Area 2C is by air or sea. The Alaskan ferry system, or "marine highway," links the majority of communities with Haines and Skagway to the north, and Prince Rupert, B.C. and Bellingham, WA to the south. The region's climate is relatively mild and wet, and supports extensive coastal forests. Most of the land area in Area 2C is held by USFS in the Tongass National Forest, but the Park Service also has extensive holdings of land in the Glacier Bay National Park. The activities of both agencies affect land and marine resource use by the approximately 65,000 residents of Area 2C.

While the region's major population center (Juneau) is fully integrated into the national economy, most of the region's smaller communities are supported by a traditional mixed cash-subsistence economy, in which there co-exist a subsistence sector and a market sector (Wolfe and Walker, 1987). In the region's market sector economy, four industries dominate: commercial fishing, timber products, tourism, and employment generated by State oil revenues (Alaska Dept. of Fish and Game, 1989:2). State, local, and Federal government employment is of considerable importance, particularly in the vicinity of Juneau, the State capital. In Area 2C, the commercial fishing industry employed 24.6 percent of the labor force (Langdon and Miller, 1983). During the 1980s, logging or timber products were important sources of employment (i.e. over 25 percent) in Coffman Cove, Craig, Hoonah, Hydaburg, Klawock, North Whale Pass, and Thorne Bay. Fish processing plants are located in the predominantly non-Native communities of Ketchikan, Craig, Petersburg, Wrangell, Sitka, Juneau, Gustavus, and Pelican, and seasonal plants are in six other communities. In the ten predominantly Native and nine non-Native rural communities of southeast Alaska, commercial fishing is an important element in the cash or market sector of the local economy. During the 1980s, in the subsistence sector of the regional economy, about 4.5 million pounds of wild foods were processed annually by rural communities for family consumption. Of these foods about 51 percent was fish, including halibut; 27 percent was game; 19 percent was marine invertibrates, and 3 percent marine mammals.

As can be seen in Table 5.6, commercial and subsistence fishing for halibut are found in nearly every community in southeast Alaska. In 1987, subsistence harvest of fish and shellfish included 235,000 pounds of Dungeness crab, 565,000 pounds of halibut, and 131,000 salmon. The take of subsistence halibut was equivalent to 4.9 percent of the commercial harvest in 1987 (Alaska Dept. of Fish and Game, 1989:9-11). Subsistence harvest information is available for all Southeast Alaskan communities except Juneau and Ketchikan for which surveys of subsistence harvest and use have not been carried out. The most important commercial fishery to local communities, whose residents have limited entry permits, is that for salmon. Halibut fishing has occupied an important place in the spring, fall and winter fisheries, and herring, crab, sablefish, and rockfish complement the fisheries for halibut and salmon in the seasonal round of activities in Area 2C.

In 1984, 55.3 percent of commercial vessels fishing in Area 2C for halibut were less than 36 feet in length; this proportion of the fleet had decreased to 44.5 percent in 1990 although the absolute number of fishing boats in this size class increased from 558 to 662. The catch of the smallest boats, less than 26 feet long, decreased from 2,084 pounds in 1984 to 1,195 pounds in 1990, and their share of the overall catch in Area 2C dropped from 9 percent to 3.8 percent. Boats less than 26 feet long form 20.7 percent of Area 2C's fleet. Vessels between 36 and 55 feet long formed 48.5 percent of the fleet and took 67.8 percent of the catch in 1990, although average individual boat catches declined by 3 percent between 1984 and 1990 to 9,101 pounds. These vessels, and larger classes too, were typically mobile within the Archipelago and would then move to the west following the sablefish and halibut openings in Area 3A. It has been estimated that approximately 12 percent of the fleet

Table 5.6: 1990 Population, Distribution of Halibut Permits and Landings in Southeast Alaskan Communities (Area 2C)

Community	Pop. N	Native Pop. %	Halibut Permits N	Halibut Commerc. Lbs.	Halibut Subsist.* Lbs.
Juneau	26,751	11.2	213	390,151	n/a
Ketchikan	13,459	11.1	128	1,036,245	n/a
Sitka	8,588	21.4	278	3,638,138	206,112
Petersburg	3,207	10.9	215	2,283,585	102,303
Wrangell	2,479	17.9	109	556,897	47,597
Metlakatla	1,407	80.2	27	234,650	11,256
Craig	1,260	32.3	65	677,596	16,884
Haines	1,238	18.9	74	44,198	18,322
Hoonah	795	79.9	59	703,747	29,733
Klawock	722	66.0	13	**	22,815
Kake	700	84.1	43	**	14,700
Skagway	692	4.6	2	**	4,429
Angoon	638	88.6	53	**	14,929
Thorne Bay	569	2.8	6	**	22,020
Hydaburg	384	84.9	28	**	9,178
Saxman	369	71.1	#	**	3,727
Gustavus	258	2.0	17	39,327	10,202
Pelican	222	18.3	40	1,132,088	12,632
Coffman Cove	186	0.0		**	5,264
Klukwan	129	83.7	#	**	150
Port Alexander	119	5.8	17	**	3,713
Hollis	111	18.0		**	1,032
Hyder	99	1.3	2	**	4,712
Tenakee Springs	94	5.1	5	**	4,362
Edna Bay	86	0.0	23	**	5,452
North Whale Pass	75	0.0	0	**	1,586
Port Protection	62	5.6	#	**	2,220
Elfin Cove	57	7.1	19	**	1,767
Kasaan	54	56.0	1	**	540
Point Baker	39	5.6	18	**	1,365
Meyers Chuck	37	0.0	5	**	2,853
Excursion Inlet##				1,052,386	
Killisnoo##				245	
Misc. SE Alaska Ports				3,676	
Totals	64,886		1,460	11,792,929	

Population data are from the 1990 U.S. Census; 1990 permit and commercial landings data are from IPHC files.

* 1990 Subsistence landings data are estimated from Alaska Dept. of Fish and Game baseline studies for 1987; estimated landings are in pounds of dressed fish (H&G).

** Any commercial landings were at other ports or are shown in the Misc. S.E. Alaska Ports category.

n/a Data not available.

IPHC permit data are based upon postal zip codes; many Alaskan communities share zip codes, and CFEC data indicate that halibut permit holders reported elsewhere reside here.

These are cannery or floating processor sites.

Table 5.7: Fleet Composition, Size Class, and Percent of Catch in the Halibut Fishery Off Alaska, 1984 and 1990 (Area 2C)

IPHC Area	Vessel Size (ft)	1984 N	1984 % Fleet	1984 % Catch	1990 N	1990 % Fleet	1990 % Catch
2C	< 26'	250	24.8	9.0	308	20.7	3.8
	26-30'	132	13.1	5.7	132	8.9	3.0
	31-35'	176	17.4	15.5	222	14.9	8.7
	36-55'	357	35.3	57.8	722	48.5	67.8
	56' >	22	2.2	7.4	84	5.6	16.2
	n/a	72	7.1	4.5	22	1.5	0.6

Area, vessel, and catch data provided by IPHC, 1991; all percentages are rounded.
n/a Vessel size data not available for these vessels.

which longlines for sablefish and halibut in the southeast Alaska and East Yakutat districts moves yet further west as the season advances and continues longlining in the West Yakutat, Kodiak, and southwest districts (J. Gharrett, personal communication). The smaller vessels, that is those less than 30 feet in length, rarely fish outside southeast Alaska.

Fishermen

Langdon and Miller's survey of fishermen found that crew size on vessels in Area 2C varied with the rural or urban nature of the community in which the fishermen resided. For urban communities, from which the larger vessels fished, crew size including captain averaged 3.6 persons in 1982, while for rural communities crew size averaged 3.0 persons. If crew sizes remained equivalent to those in 1982, it is estimated that 4,768 fishermen fished commercially for halibut in 1990 in Area 2C.

A similar disparity between urban and rural residence was found in kinship and crew patterns; Langdon and Miller found that rural crews were more likely to be formed with kinfolks than those fishing from urban communities. It should be noted here that crews from Native villages tend to be larger, and with greater involvement of kin, because of the cultural basis of fishing as a family economic activity and the cultural pattern of initiating young people into traditional occupations. Since the family is the "economic firm" in subsistence activities (a "domestic mode of production"), transfer of this pattern of activity to the commercial fishery is appropriate both culturally and economically in the mixed economy of rural communities.

The fishermen of southeast Alaska participate in a number of commercial fisheries. Langdon and Miller's data showed that halibut fishermen fished for a mean of 2.62 species, with a median of 2.48 species, during the fishing year. A 45-year old non-Native fisherman, self-described as a "seiner," from Angoon reported his seasonal round of fishing in 1990 as follows: "January: bait; February: crab; March: sac roe [herring], brown crab, and get ready for black cod; April, May: black cod (2 weeks here, 6 weeks off Seward coast); June: halibut (hits third opening), get ready for seining; July, August: seining; September: one day black cod, halibut, and usually fall dogs [salmon]" (Martha Betts, 1991). According to Betts (1991), the pattern described by the seiner above is atypical; he fishes for crab and black cod "outside" the islands of the Alexander Archipelago while most seiners do not. Angoon and Kake fishermen, mostly Tlinget, seine for salmon, hand-troll for salmon (during seine closures) using skiffs, and long-line for halibut using seine boats. Some fishermen also use their boats as halibut tenders for other fishermen fishing from skiffs. Langdon and Miller (1983) reported that only 7.9 percent of the fishermen interviewed in Area 2C fished in just one fishery, while 42.9 percent fished in two directed fisheries, typically halibut and salmon. One-fifth of the fishermen in Langdon and Miller's sample fished for four or more species during the course of the year.

The demography of fishermen varies with residence in rural or urban communities. The mean age of all fishermen surveyed by Langdon and Miller in 1982 was 38.8 years, with a median of 34.6 years. Fishermen from urban communities were younger, however, with an average age of 37 years compared to the mean age of 44 years in rural communities. Urban fishermen had completed more years of formal education than those from rural communities in Langdon and Miller's sample; 13.1 years of schooling compared to 10.1 years. Both of these indicators suggest that life in urban communities offers more opportunities for training and employment.

Income from the fishery varies considerably. For the communities with a mixed cash-subsistence economy, the halibut fishery is very important. A 50-year old Tlinget hand troller from Angoon, reporting on his 1990 season, said that "Angoon just wants to make living, not be huge highliners... one quarter of total income from fishery is from halibut. It's an important fishery. There are three

24-hour openings, whole summer of trolling [for salmon] won't equal what you make on halibut, considering costs" (Martha Betts, 1991). As shown in Table 5.8, the mean personal taxable income in the rural community of Angoon is approximately half that of Juneau, emphasizing the importance of earnings from the commercial fishery to the small communities of Area 2C.

Fish Processing

In 1984, IPHC reported that there were 28 plants processing halibut in Area 2C communities. By 1990, this number had grown to 38 plants, reflecting the 167 percent increase in halibut catch to some 9,693,000 pounds. Table 5.6 shows the ports in which landings were made in southeast Alaska. With the exception of Craig, Hoonah, and Metlakatla, all the ports in which landings were made to processors had Native populations of less than 25 percent of their overall population. Employment in the plants in 1990 is estimated to be of the order of 3,800 persons on a seasonal basis. Sablefish, salmon, halibut, and herring, with some crab and rockfish are processed by these plants. The halibut fishery is estimated, conservatively, to provide the equivalent of 180 full-time year-round jobs in processing plants in southeast Alaska.

5.1.1.3 Present participation in the halibut fishery of Area 3A

Area 3A extends from the western end of Kodiak Island eastwards across the Gulf of Alaska to Cape Spencer. Within this region, three sub-regions can be easily defined - Prince William Sound, including Yakutat; Cook Inlet and the Kenai Peninsula; and Kodiak Island. This region has the largest halibut catches off Alaska, and the highest number of halibut fishery permit holders (1,602 or 42 percent of permits). Tables 5.9 and 5.10 outline the population and communities of the region, and detail commercial, and estimated subsistence, landings in the region.

As in southeast Alaska, communities fall into rural and urban types. The urban areas of the Kenai peninsula and Anchorage dominate the economy of Alaska; since more than half the population of the state lives in this sub-region this is not surprising. Valdez, Whittier, and Seward have primarily market-oriented economies in contrast to the other communities in the other sub-regions in Area 3A. Because the Division of Subsistence, Alaska Department of Fish and Game, has focused its research on those communities defined as rural by the Alaska Boards of Fish and Game, the non-commercial harvest of fish in this area is but sketchily known for the communities of the Kenai Peninsula. Mixed cash-subsistence economies are found in the rural villages of Area 3A. The Kodiak Island communities produce about 5.5 million pounds of subsistence foods for family use annually; data for Prince William Sound communities for subsistence harvests prior to 1989 suggest a similar level of family consumption of wild foods (Wolfe, 1991). Kodiak, Homer, and Seward are the principal halibut ports and the sites of 31 processing plants in 1990. Cordova, Kenai, and Yakutat are the next most important ports, with 15 processing plants.

This rural/urban split can be seen in the distribution of income in communities in Area 3A. In Table 5.11, the communities with processing facilities have incomes nearly double those without. The villages with no processing facilities are also those with high Native populations although, as we have seen in southeast Alaska, this is not necessarily concomitant with rural, low-income, mixed economy communities. The lack of available capital in the rural communities, and lack of diversified employment, serves to keep investment in the fisheries by residents of these communities relatively low, and promotes the use of a mixed cash-subsistence economy as the most economically efficient. Where rural communities have both a high Native population and relatively low cash incomes, investment in vessels is lower as is the harvest of halibut. These relationships can be found in Table 5.12.

Table 5.8: Population, Mean Household Size, and Mean Taxable Income for Selected Communities with Halibut Harvests (Area 2C)

Community	Population (N)	Native Pop. (%)	Household Size (N)*	Mean Taxable Income ($)**
Alaska, State	530,043	16.2	2.80	
Juneau	26,751	11.2	2.66	24,250
Petersburg	3,207	10.9	2.77	21,211
Angoon	638	88.6	4.09	11,563

Population data is from the 1990 census, U.S. Bureau of Census
* Household size in mean number of persons
** Mean taxable income per income return, 1981-1985; Alaska Department of Revenue.

Table 5.9: 1990 Population and Distribution of Halibut Permits and Landings in Southcentral Alaskan Communities (Area 3A)--Kodiak Island, Prince William Sound and Yakutat Communities

Community	Pop. N	Native Pop. %	Halibut Permits N	Halibut Commerc. Lbs.	Halibut Subsist.* Lbs.
Kodiak City	6,365	14.0	404	11,573,328	325,252
Valdez	4,068	5.7	29	598,497	n/a
Other Kodiak	3,643	9.5	#	**	n/a
Kodiak Station	2,291	0.6	0	**	n/a
Cordova (Eyak)	2,110	14.9	114	1,816,665	33,971
Yakutat	534	62.1	39	918,046	22,428
Old Harbor	284	92.6	12	**	16,103
Whittier	243	8.6	8	280,882	n/a
Port Lions	222	73.5	21	**	19,003
Ouzinkie	209	94.2	20	**	7,064
Larsen Bay	147	71.4	6	**	6,806
Tatitlek	119	77.9	1	**	2,785
Chenega Bay	94	77.0	0	**	3,882
Akhiok	77	96.2	#	**	1,871
Karluk	71	100.0	#	**	3,202
Port Bailey##				728,754	n/a
Alitak##				689,458	n/a
Totals	20,477		654	16,605,630	
Other Area 3A Communities	306,832		948	12,965,282	
Totals	327,309		1,602	29,570,912	

Population data are from the 1990 Census; 1990 permit and commercial landings data are from IPHC files.
* 1990 Subsistence landings data are estimated from Alaska Dept. of Fish and Game baseline studies for 1987; estimated landings are in pounds of dressed fish (H&G).
** Any commercial landings were at other ports.
n/a Data not available.
\# IPHC permit data are based upon postal zip codes; many Alaskan communities share zip codes, and CFEC data indicate that halibut permit holders reported elsewhere reside here.
These are cannery/floating processor sites.

Table 5.10: 1990 Population and Distribution of Halibut Permits and Landings in Southcentral Alaskan Communities (Area 3A)--Kenai Peninsula and Anchorage Area Communities.

Community	Pop. N	Native Pop. %	Halibut Permits N	Halibut Commerc. Lbs.	Halibut Subsist.* Lbs.
Anchorage	226,338	5.1	196	42,994	n/a
Matsu area	31,027	3.7	#	**	n/a
Kenai area	13,522	3.2	#	**	n/a
Kenai City	6,327	6.1	99	1,223,591	53,147
Wassila	4,028	4.7	23	**	n/a
Sterling	3,802	1.7	9	**	n/a
Homer	3,660	3.0	293	5,877,869	94,428
Soldotna	3,482	3.1	73	**	n/a
Palmer	2,866	3.5	9	**	n/a
Nikiski	2,743	4.0	14	**	n/a
Seward	2,699	12.9	52	5,183,281	n/a
Big Lake	1,477	0.7	2	**	n/a
Fritz Creek	1,426	1.0	0	**	n/a
Anchor Point	866	1.8	53	**	n/a
Ninilchik	456	17.0	30	195,724	5,700
Kasilof	383	0.0	47	**	n/a
Seldovia	316	24.4	29	441,823	2,496
Willow	285	1.4	4	**	n/a
Cooper Landing	243	1.7	1	**	n/a
Port Graham	166	87.6	#	**	7,736
Hope	161	2.9	0	**	n/a
English Bay	158	79.0	#	**	6,051
Tyonek	154	92.9	0	**	n/a
Moose Pass	81	6.6	0	**	n/a
Clam Gulch	79	0.0	14	**	n/a
Halibut Cove	78	0.0	#	**	n/a
Sub-Totals	306,832		948	12,965,282	
Other Area 3A Communities	20,477		654	16,605,630	
Totals	327,309		1,602	29,570,912	

Population data are from the 1990 U.S. Census; 1990 permit and commercial landings data are from IPHC files.

* 1990 Subsistence landings data are estimated from Alaska Dept. of Fish and Game baseline studies for 1987; estimated landings are in pounds of dressed fish.

** Any commercial landings were at other ports.

n/a Data not available.

IPHC permit data are based upon postal zip codes; many Alaskan communities share zip codes, and CFEC data indicate that halibut permit holders reported elsewhere reside here.

Table 5.11: Population, Mean Household Size, and Mean Taxable Income for Selected Alaskan Communities with Halibut Harvests

Community	Population (N)	Native Pop. (%)	Household Size (N)*	Mean Taxable Income ($)**
Alaska, State	530,043	16.2	2.80	
Kodiak (City)	6,356	14.0	2.92	19,953
Kenai	6,327	6.1	2.70	24,995
Homer	3,660	3.0	2.54	18,515
Cordova	2,110	14.9	2.61	20,560
Yakutat	534	62.1	2.94	19,166
Ouzinkie	209	94.2	3.07	11,204
Port Graham	166	87.6	2.77	10,682

Population data is from the 1990 census, U.S. Bureau of Census
* Household size in mean number of persons
** Mean taxable income per income return, 1981-1985; Alaska Department of Revenue.

Table 5.12: Numbers and size of vessels used for commercial halibut fishing and catch, by community type, defined by proportion of Native population and mean personal income*.

Community Type	Vessel size <5 tons (N) a	>5 tons (N) b	Ratio of b/a (%)
Population with less than 25% Native	1,217	1,199	98.5
Population with more than 25% Native	355	157	44.2
Mean personal income less than $17,000	285	167	58.6
Mean personal income more than $17,000	1,284	1,183	92.1
	Mean Commercial Halibut Catch by Vessel Size (lbs)		
Population with less than 25% Native	1,306	16,788	1285.4
Population with more than 25% Native	1,498	8,915	595.1

* Mean personal annual income per income tax return, 1981-1985

Table 5.13: Fleet Composition by Area, Size Class, and Percent of Catch in the Halibut Fishery Off Alaska, 1984 and 1990

IPHC Area	Vessel Size (ft)	1984 N	1984 % Fleet	1984 % Catch	1990 N	1990 % Fleet	1990 % Catch
3A	< 26'	299	23.1	3.9	327	13.9	1.0
	26-30'	150	11.6	3.2	177	7.5	0.9
	31-35'	220	17.0	9.4	371	15.8	5.7
	36-55'	411	31.8	40.1	1,005	42.8	40.1
	56' >	111	8.6	40.9	423	18.0	51.5
	n/a	103	8.0	2.4	43	1.8	0.7

Area, vessel, and catch data provided by IPHC, 1991; all percentages are rounded.
n/a Vessel size data not available for these vessels.

The seiners with Alaskan limited entry permits are limited to 58 feet in length overall (50 feet between rudder and stemposts), and these vessels dominate the halibut fleet (table 5.13). In 1984 there were 411 boats in the 36-55 feet-long size class operating in area 3A; by 1990, this segment of the fleet had increased by 246 percent to 1,005 boats. The average catch per boat in this size class, 19,436 pounds in 1984, had fallen 41 percent to 11,501 pounds of halibut in 1990. Vessels 56 feet or more in length also increased in number, from 111 to 423, between 1984 and 1990, and their average halibut catch per boat decreased 52 percent to 35,073 pounds. The largest drop in catches occurred in the fleet of boats less than 30 feet in length. These small boats increased 12 percent, from 449 to 504 boats, between 1984 and 1990 but their average halibut catch per boat fell 67 percent from 3,163 pounds to 1,049 pounds.

The increased fishing effort in Area 3A is attributed largely to vessels over 35 feet in length moving from Area 2C to fish halibut openings further to the west and to fish in the black cod fishery. While investment in new vessels did occur, the restrictions on fishing days and areas caused vessel owners to move to new regions in order to find fish and meet their bills. The small boats, however, were not mobile and thus their reduced catches could not be increased by fishing in other areas.

Prince William Sound Sub-Region.

In the Prince William Sound sub-region, the principal fisheries are for salmon using seines, drift gillnets and set gillnets. Crab, herring and sablefish are also important commercial and subsistence species. Processors operated in four ports, Yakutat, Cordova, Valdez, and Whittier, and vessels fished for halibut throughout Area 3A in 1990. Langdon and Miller note that smaller boats (up to 15 nrt) predominated in the local fleet fishing for halibut in 1982 (1984:14). Valdez, an urban community, and Cordova are the major population centers, and there are six rural villages, including Yakutat, in this sub-region. Two villages can be considered to be Native villages. Total population for the sub-region's fishing communities in 1990 was 7,003, of whom 58 percent lived in Valdez. Subsistence fishing was an important part of the mixed economy of the rural communities, both Native and Non-Native villages.

The Prince William Sound sub-region is a meeting place for Native cultures, due to its rich and diversified marine habitat, including significant marine mammal populations. The Eyak Indians have lived in the Cordova and Copper River area for some 3,000 years. Tlinget Indians are found in Yakutat and Cordova, while Athabaskan Indians remain in the Copper River area. Members of the Chugach Eskimos are in Tatitlek and Cordova, and in many of the other communities, too. Aleuts live in all the coastal communities of the sub-region. Principal land holder is the Federal government; the Chugach National Forest covers much of the Prince William Sound and Copper River watersheds.

Employment in the area has historically revolved around commercial fishing and the mining of gold, copper and other minerals (Schroeder at al, 1987). Tourism has increased as an economic activity, with development of guided and charter boat fishing services and the cruise ship services. Yakutat has a mixed cash-subsistence economy, for example, in which the cash employment sector includes government services (7 percent), schools (22 percent), commercial fishing and fish processing (32 percent), tourism (22 percent), and transportation (10 percent). With the exception of government employment, all wage-sector employment is seasonal. The development of Valdez as the terminus for the Trans-Alaska Pipeline and the Richardson Highway has led to rapid development of a marine services and transportation sector in that port coupled with a diversified industrial base supporting the oil industry. Whittier is also a transportation center as it is the terminus of the Alaskan Railroad, which links it, and western Prince William Sound to Anchorage. Cordova was the site of large scale copper mining activities between 1905 and the 1930's, when the mines closed; it and the other, smaller, communities have depended upon the seafood industry as the basis of the cash economy

since that time. Employment of local residents in the commercial halibut fishery in the Prince William Sound sub-region is estimated to be some 698 fishermen and 146 full-time equivalent (FTE) workers in processing plants. Seasonally, it is estimated that some 2,805 individual workers process halibut.

Cook Inlet/Kenai Peninsula Sub-Region

Some 307,000 people resided in the communities in or abutting this sub-region. Residents held 948 halibut permits and it is estimated that the fishery employed some 3,120 fishermen. and 294 FTE processing workers. The number of processing jobs has increased since 1984 with the addition of 12 new plants for a total of 34 processing halibut in 1990. The fish processing sector of the sub-region's economy is estimated to employ 1,838 FTE workers; because of the seasonal nature of processing operations some 6,000 workers are involved during the course of a year.

The economy of the region is dominated by that of Anchorage and the development of the Cook Inlet and Kenai Peninsula oilfields. Founded in 1914 as a railroad construction camp, Anchorage is now the principal transportation center for central, western and Arctic Alaska, and is the state's center for banking and financial services, industry, and the wholesale and retail trades and their distribution networks. The city has grown very rapidly since the 1960's and has absorbed many local communities into its suburbs. The Kenai Peninsula/Cook Inlet communities have developed recreational and charter-boat fishing and other tourist facilities to serve Anchorage's population. Anchorage has a fleet of fishing vessels and 4 fish processing plants which handled 42,994 pounds of halibut in 1990. Persons with Anchorage addresses held 196 halibut permits in 1990.

The Kenai Peninsula has developed a diversified economy including oil production and refining, recreation and tourism, commercial fishing and fish processing, transportation and communications, and government services (Schroeder, 1987:569). The majority of the communities are "new" Non-Native towns; in 1890 only English Bay, Kasilof, Kenai, Ninilchik, Seldovia, and Seward were settlements. These towns, and Tyonek, had the only substantial proportions, that is more than 12 percent, of Native people in their populations. English Bay, Port Graham and Tyonek are in fact Native communities.

Homer, sometimes referred to as the "halibut capital," was developed as a farming, ranching, and fishing community. Some 293 halibut permits are held by persons with Homer addresses. However, since Homer shares its postal zip-code with English Bay, Halibut Cove and Port Graham, some permits are in fact held by residents of those communities. Ten fish processing plants handled 5,877,869 pounds of halibut in 1990. Principal employment opportunities in Homer are divided between fishing and fish processing (23 percent), commercial services and government (38 percent), and farming or homesteading (10 percent).

Kenai and Seward also handle major landings of halibut. Seward, the southern terminus of the Alaska railroad, has 8 fish processing plants and some 52 residents hold halibut permits. Seward receives landings from vessels fishing in the Prince William Sound sub-region in addition to those of the local fleet fishing off the Kenai Peninsula, in the lower Cook Inlet, and southwesterly towards Kodiak.

Kodiak Sub-Region

Kodiak Island has a major urban center, the city of Kodiak, and five Native villages. Kodiak City is a predominantly Euro-American community with substantial Native and Filipino minority populations. Most of the Filipino, and the newly established Latin-American, community work in the 12 fish

processing plants active in the port. Crab, halibut, salmon and groundfish - including sablefish and Pacific cod - are the principal commercial fisheries, with herring and shrimp as secondary fisheries. In recent months it has been reported that the groundfish fleet based in Kodiak has been switching from an emphasis on trawling to fishing with longlines and pot gear (for Pacific cod); this gear is similar to that used for halibut. Langdon and Miller (1984) report that the specialized, larger Kodiak halibut vessels fished throughout the Gulf of Alaska and Bering Sea grounds. Both Langdon and Miller (1984) and Tetra Tech (1981) report that the smaller vessels fished close to Kodiak Island, and Tetra Tech reported that 80 percent of the small boat fleet fished exclusively for halibut on the grounds adjacent to Kodiak Island.

Kodiak Island and other nearby islands, including Afognak, Sitkalidak, and the Trinity Islands form a network of bays, fjords, and other bottom habitat which support an extremely productive fishery. The communities of the islands are accessible by sea or air, but the road system only extends from Kodiak to its immediate satellite communities. The remote villages, all with predominantly Native populations, are Ahkiok, Karluk, Larsen Bay, Old Harbor, Ouzinkie, and Port Lions. None of the villages have fish processing plants, although there are seasonal canneries at Port Bailey and Alitak. Mixed cash-subsistence economies are found in all the communities, and halibut is important both for subsistence use and commercial sale. Native employment is in fishing rather than processing; most processing workers in Kodiak are Filipinos or Latin Americans. Seasonal summer employment is also available, but the majority of these employees are recruited from other states (Impact Assessment, Inc, 1991). It is estimated that there is year-round employment for some 2,800 FTE workers in fish processing on the Island (of which 336 FTE jobs are related to halibut), and some 1,523 fishermen are employed in the halibut fishery. Impact Assessment Inc (1991) that currently 3,200 fishermen work in kodiak's fisheries, of whom 672 are skippers and 2,500 crew.

Fishermen

Estimates for the number of fishermen engaged in the halibut fishery are for 1,523 in the Kodiak subregion, some 3,120 in the cook Inlet/Kenai Peninsula area, and 698 for the Prince William Sound subregion, for an estimated total of 5,341 in Area 3A. These fishermen do not include those from other areas who fish for and/or land halibut in Area 3A, nor does it include all fishermen who fish for subsistence use.

Langdon and Miller (1984) reported that the mean age of Kodiak halibut fishermen was 37.1 years, with a median age of 34.5. The rural/urban difference in demographic patterns discussed earlier is evident in the fishermen interviewed by Langdon and Miller; fishermen from the rural villages had a mean of 10.6 years of formal education, while those resident in Kodiak had a mean of 14.2 years. Rural fishermen had a mean of 14.4 years of experience in the halibut fishery in 1982, while Kodiak City fishermen had 6.8 years of experience. Some 88 percent of rural fishermen in Langdon and Miller's study were Aleuts, which is comparable to the proportion of Aleuts in the villages, and the urban sample was 95 percent Euro-American. Rural fishermen in Langdon and Miller's Kodiak Island sample received, in 1982, 39 percent of their gross earnings from the halibut fishery, while urban fishermen earned 31 percent. Of those vessel owners in the Kodiak study, 73 percent were sole owners of their vessels, and the balance had partners in their fishing vessel financing.

As noted earlier, there is significant participation by non-Alaskan vessels in the Area 3A fishery. Table 5.4 shows that Washington State-based vessels took 19.8 percent of the catch from Area 3A in 1990. For these vessels, this catch represented 51.8 percent of all halibut catches taken off Alaska by residents of Washington State. Similar patterns of fishing, but on a smaller scale, can be found

for other non-Alaskan residents. Estimates of the numbers of non-Alaskan vessels and fishermen are not available at this time.

Fish Processing

There were 66 processing plants active in the halibut fishery in Area 3A in 1990, an increase of 18 plants over those active in the fishery in 1984. Ports which had significantly increased their processing capacity were Seward and Whittier (5 additional plants each), Homer (4 additional plants), and Valdez and Anchorage (3 additional plants each). There were 4 plants that withdrew from the halibut fishery in other ports in the region during the period 1984-1990. It is estimated that some 786 full-time equivalent (FTE) jobs were created in the processing sector by the halibut fishery in 1990; this is approximately 15 percent of the 5,153 FTE employees in the area's fish processing industry. Because of the seasonal nature of the fishery, the number of processing workers who actually work on halibut lines is estimated to be of the order of 11,000.

Processing line workers in Kodiak are largely of Filipino descent. Relatively few, in proportion to their numbers in the population at large, Native Alaskans work in the processing plants. Much of the seasonal labor for the processing of salmon is recruited outside the region.

5.1.1.4 Present participation in the halibut fishery by residents of Alaska Peninsula (Area 3B)

Seven of the ten fishing communities of the southwestern Alaska Peninsula are involved with the Area 3B halibut fishery.

Some 50 percent of halibut permit holders for 1990 have Sand Point addresses, and Langdon and Miller (1984) note that 45 percent of thefishermen for halibut resided in Sand Point in 1982 at the time of their survey. The principal centers of fishing activity are Sand Point and King Cove, with Chignik also a major player. Although on the Peninsula, Nelson Lagoon is on the north side facing Bristol Bay and has no commercial or subsistence fishery for halibut and pursues a salmon set-net fishery.

The villages active in the fishery have predominantly Native populations; however the population is a blend of Scandinavian, Scots, Aleut and Eskimo groups, and fishermen prefer to describe themselves as "locals." Sealers and fishermen from Seattle and the Pacific Northwest settled in Sand Point and King Cove at the turn of century, married Aleut or Eskimo women, and combined commercial fishing with the customary subsistence use of local resources to develop a very resilient mixed economy.

The major fisheries in the area are salmon, crab, Pacific cod and other groundfish, shrimp and halibut. A longline fishery for both halibut and Pacific cod has developed, and the catches are delivered to processors in Chignik, Sand Point and King Cove. In 1990, King Cove ranked 8th, Sand Point 14th, and Chignik ranked 18th in the volume of landings of halibut caught off Alaska according to IPHC landings data. Some 98 percent of these landings were taken in the immediate vicinity of the ports; the balance was caught in halibut openings to the West, in Area 4A, or in the Bering Sea.

The Area 3B fleet changed between 1984 and 1990; small skiffs declined 75 percent in number of boats and 88 percent in average catch of halibut per boat to a fleet of 8 skiffs with an average harvest of 940 pounds in 1990. The vessels in the 36-55 feet long class increased by 25 percent, and the average catch of halibut per boat increased by 8 percent to 13,326 pounds. There was also an increase in the number of vessels over 55 feet in length in 1990; since 1984 this segment has

Table 5.14: 1990 Population and Distribution of Halibut Permits and Landings in Southwest Alaskan Communities (Area 3B)

Community	Pop. N	Native Pop. %	Halibut Permits N	Halibut Commerc. Lbs.	Halibut Subsist.* Lbs.
Sand Point	878	57.1	58	1,058,103	n/a
King Cove	541	79.8	38	1,598,466	n/a
Chignik Bay	188	53.4	9	918,322	9,062
Cold Bay	148	4.4	0	**	n/a
Chignik Lake	133	89.1	#	**	3,259
Perryville	108	92.8	2	**	5,130
Nelson Lagoon	83	93.2	0	**	0
False Pass	68	86.7	3	**	2,604
Chignik Lagoon	53	85.4	7	**	1,919
Ivanof Bay	36	92.5	0	**	1,462
Totals	2,236		117	3,574,891	

Population data are from the 1990 U.S. Census; 1990 permit and commercial landings data shown are from IPHC files.
* 1990 Subsistence landings data are estimated from Alaska Dept. of Fish and Game baseline studies for 1987; estimated landings are in pounds of dressed fish (H&G).
** Any commercial landings were at other ports.
\# IPHC permit data are based upon postal zip codes; many Alaskan communities share zip codes, and CFEC data indicate that halibut permit holders reported elsewhere reside here.

Table 5.15: Fleet Composition by Area, Size Class, and Percent of Catch in the Halibut Fishery Off Alaska, 1984 and 1990

IPHC Area	Vessel Size (ft)	1984 N	1984 % Fleet	1984 % Catch	1990 N	1990 % Fleet	1990 % Catch
3B	< 26'	24	7.2	2.8	5	1.3	0.1
	26-30'	12	3.6	1.3	3	0.8	<0.1
	31-35'	40	12.0	6.3	46	12.0	4.9
	36-55'	157	47.0	29.1	195	50.8	29.7
	56' >	92	27.5	57.5	131	34.1	64.7
	n/a	9	2.7	2.9	4	1.0	0.6

Area, vessel, and catch data provided by IPHC, 1991; all percentages are rounded.
n/a Vessel size data not available for these vessels.

Table 5.16: Population, Mean Household Size, and Mean Taxable Income for Selected Alaskan Communities with Halibut Harvests

Community	Population (N)	Native Pop. (%)	Household Size (N)*	Mean Taxable Income ($)**
Alaska, State	530,043	16.2	2.80	
Sand Point	878	57.1	2.85	24,254
King Cove	541	79.8	2.98	19,167
Chignik Bay	188	53.4	3.48	16,403

Population data is from the 1990 census, U.S. Bureau of Census
* Household size in mean number of persons
** Mean taxable income per income tax return, 1981-1985; Alaska Department of Revenue.

increased by 42 percent to 131 vessels and average catch has increased 4 percent to 42,962 pounds per vessel.

The communities in Area 3B are stable ones and growing steadily. In King Cove, for example, nearly 70% of the 1987 year-round population had lived in the community for 16 years or longer (Miller, 1987). The movement of the fishing fleets through the area increases the population of King Cove by some 100 fishermen and 350 processing workers each summer. The processing workers live in company bunk houses, and are recruited from other parts of the United States. Chignik Lagoon has a similar in-migration of seasonal fishermen; in 1986, 36 houses (62 percent of the dwellings) in the community were owned by fishermen who lived in the community for three to six months each year. Seattle, Kodiak City and Anchorage were the most common winter addresses for these seasonal families (Morris, 1987).

Although household size is high, relative to the state average, so are the relative incomes of residents of selected Area 3B communities. Since there is a mixed cash-subsistence economy in Area 3B, the fishery makes a substantial contribution to both sectors. In Sand Point in 1987, 87 percent of employment was in commercial fishing and fish processing (Impact Assessment Inc, 1991) and King Cove had a similar reliance on fishery employment. Construction trades, marine services, education and government, and trade accounted for the balance of employment in both communities.

Fishermen

Langdon and Miller note that the average age of Sand Point fishermen in 1982 was 40.7 years. Fishermen resident in Sand Point had a mean of 10.5 years of education. Halibut fishing in 1982 provided 35.9 percent of mean personal gross income, but the median gross personal income from halibut was 10 percent, indicating that some fishermen fished only for halibut, while the majority fished for salmon or other species in addition to halibut. Sand Point, unlike King Cove, has a fleet of vessels considered to be "local;" IAI note that, of the fleet of 21 groundfish vessels delivering to the Sand Point plant, 17 were 58 feet-long salmon limit seiners and only one boat was from "Outside," although some of the skippers and crew were seasonal residents from Anchorage and Seattle (IAI, 1991a). The resident fleet in Sand Point numbered 127 in 1986, up from 91 vessels in 1980. Of these vessels the majority fished in the salmon fishery in 1986 "and a handful were involved in the halibut and herring fisheries" (IAI, 1991a: Sand Point Profile 18). It is estimated that some 280 fishermen resident in Area 3B fished for halibut in 1990.

The seasonal migration of fishermen north and west from Washington State is reflected in table 5.4, and a similar pattern of fishing exists, on a smaller scale, for fishermen from Oregon. Area 3B provided 18.5 percent of the total catch of Washington-based vessels, which took 23.5 percent of Area 3B's halibut harvest. Prior to 1970, crews on "local" vessels were largely kin-based and few non-residents were employed. In 1986, it was estimated, for Sand Point, that half of the crews on local seine vessels were non-residents outside the kinship system of hiring. Most of these fishermen came from Washington, Oregon and California, with some from the Mid-West (IAI, 1991a). All "outside" boats were crewed by non-residents. Non-resident fishermen are thus significantly involved in the area 3B halibut harvests, but estimates of their participation are not available.

Fish Processing

In 1990 there were 4 fish processing plants in Area 3B, a gain of one plant for Chignik. Plants were located in King Cove (1), Sand Point (1) and Chignik (2) (IPHC, 1991). Chignik has had a

commercial salmon and halibut processing plant (first, in 1880, a saltery; then, a cannery, and now processor/freezer facilities) since the beginning of the halibut fishery. In 1982 it was estimated that some 600 non-resident seasonal workers worked on the processing lines of the original plant (J.M. Morris, 1987), and the workforce has expanded with the building of the second plant in 1988. King Cove's processing facility was built in 1911 as a salmon packing plant, but it also handles halibut, crab, herring and groundfish in season. In 1987 the plant employed 336 seasonal workers and 5 permanent employees (C. Miller, 1987).

Sand Point has had a salmon processing plant since 1931, although the community had been active in the Pacific cod fishery since 1890 (Langdon, 1982). Until 1986, processing workers had been principally local residents. However, the new owners of the plant, Trident Seafoods, adopted a policy of hiring non-residents on six-month contracts and lodging them in company bunkhouses. Employment at the plant ranges from some 360 persons at the height of the Pacific cod fishery to between 60 and 180 workers at other times. Although the plant operated almost year round until 1988, seasonal closures of fisheries since then have affected the flow of fish for processing, and the plant has ceased operations for periods of time (IAI, 1991a).

5.1.1.5 Present participation in the halibut fishery in Areas 4A, 4B, 4C, and 4D (Aleutian and Pribilof Islands)

These areas extend west of Unimak Pass (Cape Lutke) along both sides of the Aleutian Island chain, and west of a line running approximately from Unimak Pass to Cape Mohican on Nunivak Island and then to Cape Prince of Wales on the Seward Peninsula. The principal civilian communities with year-round settlements are Akutan, Unalaska/Dutch Harbor, Atka, and Nikolski on the Aleutian Islands, and St. Paul and St. George on the Pribilofs. While there was some commercial fishing for halibut by military personnel at Adak, none was reported from the base at Shemya Station in 1990 (IPHC, 1991). Population and halibut harvest data is shown below in table 5.17. This area is sparsely populated, with a civilian population of 4,688 in 1990. Landings from these sections of Area 4 are not negligible; Akutan ranked 9th in reported landings of halibut caught off Alaska while Unalaska ranked 12th. It should be noted that some deliveries to these two ports were made by vessels fishing in the eastern Bering Sea and Bristol Bay (Area 4E), but the amounts in 1990 were of the order of 27,000 pounds only (IPHC, 1991).

The four Aleutian Island communities, Unalaska, Atka, Akutan and Nikolski, have been permanent year-round communities occupied by the Aleut peoples since pre-contact days. All are located in sites with good access to marine resources such as marine mammals, salmon streams, and marine fish and shell-fish grounds. Halibut has traditionally been a species sought and used by the Aleuts for subsistence (Schroeder et al, 1987). The Aleuts of the Pribilofs are the descendants of Aleuts from Atka and Unalaska transported to the Pribilofs as seal hunters by Russian fur traders (Veltre and Veltre, 1981).

Large scale commercial fishing, including that for halibut, has developed in the Aleutian Islands since 1970. Originally linked to the development of the king crab fishery, ports such as Unalaska and Akutan developed very rapidly. Unalaska had a population of 342 people in 1970; 1,322 people in 1980, and 3,089 people in 1990 (IAI, 1991a). This growth has gone through boom and bust cycles; the crab fishery declined in 1981 and 1982 to a shadow of its former self, and the pollock fishery did not fully develop until 1988. There were no recorded commercial landings of halibut in the Aleutian Islands 1967 to 1973, and this fishery developed as stocks and fishing days declined in Areas 2A, 2C, and 3A, and vessels moved westward in search of fish.

Table 5.17: 1990 Population, Distribution of Halibut Permits and Landings in Aleutian Islands and West Bering Sea Communities (Areas 4A,B,C,D)

Community	Pop. N	Native Pop. %	Halibut Permits N	Halibut Commerc. Lbs.	Halibut Subsist.* Lbs.
Adak Station	4,633	0.8	3	1,970	n/a
Unalaska/ Dutch Harbor	3,089	15.1	10	1,096,677	n/a
Saint Paul	763	87.7	14	145,152	n/a
Shemya Station	664	0.2	0	**	n/a
Akutan	589	39.6	10	1,417,727	n/a
Saint George	138	96.8	10	43,587	n/a
Atka	73	96.8	4	12,604	n/a
Nikolski	36	96.0	#	**	n/a
Totals	9,985		51	2,717,717	
(Civilian)	(4,688)				

Population data are from the 1990 U.S. Census; 1990 permit and commercial landings data are from IPHC files.
* 1990 subsistence landings data are estimated from Alaska Dept. of Fish and Game baseline studies for 1987; estimated landings are in pounds of dressed fish (H&G).
** Any commercial landings were at other ports.
n/a Data not available
IPHC permit data are based on postal zip codes; many Alaskan communities share zip codes, and CFEC data indicate that halibut permit holders reported elsewhere reside here.

Table 5.18: Population, Mean Household Size, and Mean Taxable Income for Selected Alaskan Communities with Halibut Harvests

Community	Population (N)	Native Pop. (%)	Household Size (N)*	Mean Taxable Income ($)**
Alaska, State	530,043	16.2	2.80	
Unalaska	3,089	15.1	2.57	20,055
Saint Paul	763	87.7	3.68	17,369
Akutan	589	39.6	4.50	8,241

Population data is from the 1990 census, U.S. Bureau of Census
* Household size in mean number of persons
** Mean taxable income per income tax return, 1981-1985; Alaska Department of Revenue.

Akutan is a village with 589 residents in 1990, and a large processing facility employing, in peak months from January through March, 500 or so non-resident seasonal employees. Akutan Bay has been a seasonal location for floating processors for crab and salmon since 1920, but the on-shore facility was not built until 1981 and began processing in 1982. The company which owns the plant, Trident Seafoods, also owns the plant in Sand Point and applies the same policy of preferring to employ temporary contract workers recruited outside the community. Year-round operation of these plants was feasible during the period 1985-89, but closures in the groundfish fishery have led to seasonal closures of these plants, too, in the past two years (IAI, 1991b).

The use of contract, non-resident labor in fish processing in the Aleutian Islands has led to dual economies being developed. While Unalaska can be said to have an urban, cash-based economy, all the other communities have a mixed cash-subsistence economy. Table 5.18 shows the disparity in taxable income between Unalaska and Akutan residents which reflects this. Saint Paul, during 1981-1985, shows a relatively high level of personal income; it must be noted that these were the last of the years of Federal employment in fur sealing.

Subsistence harvests of marine resources have been described for Atka, Unalaska, and the Pribilofs by Veltre and Veltre (1981, 1982 and 1983), but Schroeder at al (1987) note that no systematic measurement of harvest and use levels has been undertaken and thus baseline projections of use are not possible. Schroeder et al report that ethnographic accounts of the communities in the region indicate that there is a high dependence on fish, shell-fish and marine mammals for subsistence purposes. They suggest that "This dependence is probably higher in Atka, Akutan, Nikolski, St. George and St. Paul, where other food supplies are more expensive and often more difficult to obtain than in other communities" (Schroeder et al, 1987:494). Veltre and Veltre recorded subsistence use of marine mammals and fish in a survey of Pribilovian communities in 1981. At that time halibut were the principal fish consumed; on St. Paul subsistence consumption per household was 513 pounds/year, while on St. George the subsistence use per household was 270 pounds/year.

Participation in the harvesting of fish by local residents of the Aleutian communities and the Pribilofs is also restricted. IAI (1991b) report that Unalaska has three fleets of vessels using the port. It was estimated in 1991 that 33 vessels belong to local residents and operate year round from the port; these vessels are a mix of longliners and crabbers. A second fleet, owned and operated by non-residents of Unalaska, is some 507 vessels strong and is based in Unalaska each fishing season. The third, transient, fleet is upwards of 575 vessels and uses the port for supplies and occasional landings. Of these fleets it is estimated that some 200 vessels longline for halibut.

Similarly, Akutan has only twelve locally owned skiffs involved in fishing for the processor; between 90 and 100 company-owned vessels and non-resident vessels under contract to the plant supply most of the fish delivered to the plant. Some 40 of these larger vessels fish for halibut (IAI, 1991b:4-53).

St. Paul and St. George have a different problem; their isolation and previous dependence upon commercial fur sealing have created difficulties in establishing a commercial fishing industry on the Pribilof Islands. St. Paul has one, recently developed, on-shore plant which processes groundfish, crab and halibut. In 1990 all halibut deliveries to the plant were made by locally-owned vessels, some 18 boats in all. St. George had a floating processor, the Galaxy, moored in the harbor and halibut was delivered there. Local vessels are small, between 18 and 40 feet in length, and unable to fish far from the Islands. The IPHC created Area 4C as a fishery development area for the Pribilofs and stipulated that vessels which did not land halibut on the Pribilofs had to obtain a vessel clearance prior to the opening of Area 4C for fishing and before unloading catch (IPHC 1991 Regulation 13-2). IAI reports that in spite of these restrictions, "outside" vessels took two-thirds of the halibut quota in

Table 5.19: Fleet Composition by Area, Size Class, and Percent of Catch in the Halibut Fishery Off Alaska, 1984 and 1990

IPHC Area	Vessel Size (ft)	1984 N	1984 % Fleet	1984 % Catch	1990 N	1990 % Fleet	1990 % Catch
4	< 26'	47	33.6	4.7	66	18.7	2.1
	26-30'	10	7.1	2.3	37	10.5	1.5
	31-35'	11	7.9	9.5	117	33.1	6.6
	36-55'	16	11.4	9.5	33	9.3	16.2
	56' >	30	21.4	71.8	90	25.4	73.0
	n/a	26	18.6	2.1	10	2.8	0.5

Area, vessel, and catch data provided by IPHC, 1991; all percentages are rounded.
n/a Vessel size data not available for these vessels.

Area 4C in 1990 and landed their catches in Unalaska, and local fishermen made very little money and perhaps a net loss on their operations (IAI, 1991b:4-33).

Fishermen

There is no information available in the literature on participants in the commercial halibut fishery in areas 4A, 4B, 4C, and 4D. The fishermen operating 26 local vessels in the Pribilofs are Aleuts from the Islands, as described above, who primarily fish for halibut, and there are local fishermen fishing from skiffs in Akutan and Unalaska (IAI, 1991a). IAI report that the out-of-state fishermen and processing workers who comprise the commercial fishing work-force are largely from the Pacific Nortwest states and California, and state that, "as a group, locals, and Aleuts in particular, are very under-represented in the harvesting of marine resources" (IAI, 1991a:Unalaska-19). The number of halibut fishing permits held by Unalaska residents has fallen from a high of 30 in 1983 to a low of 10 in 1990. Income earned from 13 permits fished in 1987 was $361,827 and 77 fishermen were employed on local halibut vessels fishing from Unalaska (IAI, 1991a).

Fish processing

Information on fish processing is described in the previous sections. Again there is no information in the literature on fish processing employment related to the halibut fishery. The plants on Saint Paul Island and in Akutan used seasonal workers from communities outside the region in 1990 (IAI, 1991b), and the majority of workers in Unalaska and on the floating processors are also from outside the region. Year-round processing of seafood in Unalaska has promoted some stability in employment, and it appears that some of the seasonal employees have settled in the community, hence the population increase.

5.1.1.6 Participation in the halibut fisheries by communities in the Bristol Bay-Eastern Bering Sea (Area 4E)

The principal communities involved in the halibut fishery are in the Nelson Island/Nunivak Island area. The broad shelf of the Bristol Bay seabed drops off into deeper water, and halibut grounds are found close to shore in this area. Alaska Natives in this area are predominantly Yup'ik Eskimos, and with the exception of Bethel, Dillingham, and Nome, the rural villages - twenty in number - engaged in the halibut fishery for commercial or subsistence use have populations less than 700 people. Population data and the distribution of halibut permits are shown in table 5.20.

Schroeder et al report that the communities of the region have been found to have mixed cash-subsistence economies (1987:225). In approximate order of importance, cash-economy employment available to residents of the region include government, education and service sector jobs; commercial fishing for salmon in Bristol Bay, the Yukon and Kuskokwim Rivers; commercial fishing for herring and halibut in the Nelson Island and Nunivak area; and employment in sales and services. Schroeder et al report that "there is very limited employment generated by a private business sector, which is virtually non-existent in most villages (1987:225-6).

Subsistence activities continue in all the communities of the region, with the exception of King Salmon which is a government "town" servicing the air strip, since these are the most economic activities which yield the most consistent return to families. Schroeder et al note that local residents continue to rely on local fish and wildlife resources for most of the protein and fats they consume. In the Nelson Island area, for example, the community of Tununak harvests halibut from June through August each for subsistence use. Some 93 percent of the households in Tununak engage

Table 5.20: 1990 Population, Distribution of Halibut Permits and Landings in East Bering Sea Communities (Area 4E)

Community	Pop. N	Native Pop. %	Halibut Permits N	Halibut Commerc. Lbs.	Halibut Subsist.* Lbs.
Bethel	4,674	67.6	#	**	n/a
Nome	3,500	58.5	1	**	n/a
Dillingham	2,017	57.0	20	**	0
King Salmon	696	5.9	2	**	n/a
Emmonak	642	91.2	0	**	n/a
Togiak	613	94.3	17	**	n/a
Naknek	575	50.6	13	**	n/a
Pilot Station	463	94.2	#	**	n/a
Toksook Bay	420	93.7	8	**	n/a
New Stuyahok	391	94.0	3	**	n/a
Manokotak	385	92.9	5	**	n/a
Chefornak	320	96.1	#	**	n/a
Tununak	316	95.0	#	3,413	29,514
Newtok	207	94.7	1	**	n/a
Aleknagik	185	89.6	2	**	n/a
Mekoryak	177	95.6	17	7,730	n/a
Nightmute	153	97.5	#	**	n/a
South Naknek	136	85.5	7	**	n/a
Egegik	122	76.0	1	**	268
Port Heiden	119	64.1	1	**	167
Sheldon Point	109	95.1	1	**	n/a
Levelock	88	100.0	0	**	396
Pilot Point	53	86.4	#	**	186
Ugashik	7	100.0	1	**	0
Bristol Bay (General)				25,401	n/a
Totals	16,369		100	36,544	

Population data are taken from the 1990 U.S. Census; 1990 permit and commercial landings data are from IPHC files.

* 1990 subsistence landings data are estimated from Alaska Dept. of Fish and Game baseline studies for 1987; estimated landings are in pounds of dressed fish (H&G).

** Any commercial landings were at other ports or are shown in the Bristol Bay (general) category.

n/a Data not available.

\# IPHC permit data are based upon postal zip codes; many Alaskan communities share zip codes and CFEC data indicate that halibut permit holders reported elsewhere reside here.

Table 5.21: Population, Mean Household Size, and Mean Taxable Income for Selected Alaskan Communities with Halibut Harvests

Community	Population (N)	Native Pop. (%)	Household Size (N)*	Mean Taxable Income ($)**
Alaska, State	530,043	16.2	2.80	
Toksook Bay	420	93.7	4.77	10,034
Tununak	316	95.0	4.05	8,223
Nightmute	153	97.5	5.28	8,112

Population data is from the 1990 census, U.S. Bureau of Census
* Household size in mean number of persons
** Mean taxable income per income return, 1981-1985; Alaska Department of Revenue.

Table 5.22: Fleet Composition by Area, Size Class, and Percent of Catch in the Halibut Fishery Off Alaska, 1984 and 1990 (Areas 4A, 4B, 4C, 4D, and 4E)

IPHC Area	Vessel Size (ft)	1984 N	1984 % Fleet	1984 % Catch	1990 N	1990 % Fleet	1990 % Catch
4	< 26'	47	33.6	4.7	66	18.7	2.1
	26-30'	10	7.1	2.3	37	10.5	1.5
	31-35'	11	7.9	9.5	117	33.1	6.6
	36-55'	16	11.4	9.5	33	9.3	16.2
	56' >	30	21.4	71.8	90	25.4	73.0
	n/a	26	18.6	2.1	10	2.8	0.5

Area, vessel, and catch data provided by IPHC, 1991; all percentages are rounded.
n/a Vessel size data not available for these vessels.

in this harvesting activity, and all households reported consuming halibut in 1987. The amount of halibut consumed was 93.4 pounds per capita in 1987.

Population, household size, and annual taxable income data are shown in table 5.21 for selected communities in the region. Tununak, in the period 1981-1985, had mean taxable income per tax return of $8,223. This demonstrates a reliance on a mixed cash-subsistence economy common to the other rural villages in Area 4E.

In 1990, the IPHC established a special commercial halibut fishery development zone in Area 4E, with similar rules to those established for Area 4C off the Pribilofs (see above). This change encouraged a number of local fishermen to fish in the halibut fishery using Bristol Bay limit seiners (i.e. under 32 feet in length). Vessels landed halibut at buying stations/processing plants at Mekoryak, on Nunivak Island, and at Tununak, Nelson Island. Other catches were landed in various ports around Bristol Bay and transhipped to processors. Four vessels from "Outside" took another 24,000 pounds and landed their catches in Unalaska (see table 5.22).

Fishermen

There are no data available in the literature surveyed on the commercial fishermen participating in the eastern Bering Sea fishery for halibut. For vessels from "outside" the region, it would appear, from IAI (1991a) and Langdon and Miller (1984), that the descriptors for the Seattle fishermen and vessels are appropriate.

Fish processing

Halibut buying stations and/or processing plants are reported by the IPHC for Mekoryak and Tununak. There is no information about these operations in the literature surveyed.

5.1.2 Historical fishing practices and dependence on the fishery

The fisheries for halibut off Alaska have been prosecuted since prehistoric times by Alaska Natives. In historic times and to the present the halibut fisheries have continued to provide food for local people and fish for trade and commerce. The development of the commercial fishery in the late 1800's by schooner and dory fishermen from Washington, Oregon and California has resulted in long standing ties to the present fishery by fishermen from those states. The linkages have changed over time; halibut schooner and, later, steamer fishermen settled in communities such as Ketchikan, Petersburg, Kodiak, Sand Point, and King Cove. From these communities they developed local halibut fisheries and fisheries for other species as part of an annual round of commercial fishing.

Processing plants were built in many communities, and the large schooners and steamers delivering fresh halibut on ice to the States of Washington and Oregon in the first quarter of this century have been replaced by the container shipment of frozen product to reprocessing plants in those states or abroad. Changes in the management of fisheries, to the derby fishery for example, hastened the demise of historic patterns of involvement in the commercial halibut fishery. It is now largely an Alaskan-based fishery, with some 88% of permit holders having postal addresses in the state in 1990. Involvement in the fishery by fishermen from Washington and Oregon is usually with vessels which travel to Alaska, and then are based in a port for the duration of the fishing year. These vessels typically land at local plants and to all intents and purposes are indistinguishable from their Alaskan counterparts.

Historically, economic dependence on the fishery for a year-round livelihood by individual fishermen lasted from 1900 to 1950. Fishing companies relinquished their company vessels and concentrated on the businesses of processing and marketing fish in the period after the First World War, permitting independent fishing ventures to increase and prosper for a while. Overfishing of the resource, stagnant or declining over-the-dock prices, and increasing operating costs were offset by investment in new technologies, different approaches to management, and finally diversification into other fisheries. Bell reports that the average fishing season, measured from first port clearance to last landing, for a Seattle-based vessel participating in the halibut fishery was 272 days in 1930, 224 days in 1931, 99 days in 1954, and 173 days in 1965 (Bell, 1981:121). Over the same period productivity per fisherman increased by a factor of 2.34, and crew size shrank by a third from an average of 9.3 men per vessel to 6 men.

The number of days actually spent fishing for halibut has decreased over time; in some years voluntary industry schemes had vessels laying-up for periods of time. In other years maximum poundage per fisherman was set as the cut- ff point. By 1977, the IPHC had established a season of four "openings" totalling 73 fishing days for Southeast Alaska during the fishing year. In the same year, Area 3A had three openings totaling 47 days; 3B was open for a total of 65 days on four occasions; and Area 4A was open for 227 days consecutively (TetraTech, 1981:14). In 1991, the halibut fishery in Areas 2C, 3A, and 3B is scheduled for three 24-hour openings; in Area 4A, there will be four 24-hour openings (IPHC, 1991). To reduce fishing pressure further, the openings coincide so that vessels cannot move from one area to another.

Thus, the historical dependence on the fishery for a livelihood by some fishermen has been replaced by dependence on the fishery as part of a seasonal round of other fishing activities. Or, in the case of some part-time fishermen, by periods of employment ashore between fishing seasons.

5.1.2.1 Historic participation of Washington and Oregon fishermen

The Indian tribes of the Pacific Northwest have traditionally fished for halibut for subsistence. The coastal Yurok and the Tolowa of California are reported by Bell to have fished for halibut in pre-contact times (Bell, 1981:17). Bell also notes that the Indian fishery for halibut along the coast northwards to Cape Flattery was "relatively limited due to too few good harbors, poor watercraft for offshore fishing and the presence of more abundant and accessible anadromous species, particularly salmon, in nearly all coastal rivers." (Bell, 1981:17). The Makah tribe of northwest Washington did however fish the areas north of Cape Flattery and out to sea, and have continued to do so until the present. In 1952, the Makah sued for rights to the halibut fishery "in common" with United States fishermen as stipulated in the Makah Treaty, negotiated at Neah Bay in 1855 (Bell, 1981:20). Although the suit was unsuccessful, the Makah continued and expanded a commercial halibut fishery developed in the 1940's with a fleet of longliners based in Neah Bay.

The non-Indian fisheries began in the 1870's with halibut taken in a small boat fishery in Puget Sound supplying local markets. New England schooners entered the halibut fishery in 1888. Although Bell reports that the schooners left the fishery after two seasons (Bell, 1981:21-23), they opened up the possibility of a fresh halibut fishery for East Coast markets, and by the turn of the century auxiliary-powered schooners and steamers were longlining for halibut from Puget Sound ports. These vessels would fish the grounds off Cape Flattery and the west coast of Vancouver Island in the summer months, and the relatively sheltered waters of the Alexander Archipelago, Southeast Alaska, in the fall and winter.

Bell notes in 1981 that "waters contiguous to Alaska have produced over 75% of the Pacific coast halibut catch since 1888 and in recent years over 75% of the catch has been landed in Alaskan ports" (Bell, 1981:85). In the early years of the fishery, however, the landings were principally in Puget Sound ports and Astoria, OR. Catches made in Southeast Alaska were packed in glacier ice and shipped south on common carriers. Schooners and steamers carried dories which fished skates of longline. The steamers were typically owned by vertically integrated companies which also processed the catch and marketed it on the East Coast. Bell estimates that each steamer landed some 3 million pounds of halibut annually between 1895 and 1920 (Bell, 1981:28). The steamer fleet expanded from some 4 vessels in 1895 to a maximum of 16 vessels landing in Washington and Oregon in 1914. By 1918, according to Bell, the fleet had declined to 10 vessels and by 1930 only one company steamer still fished. Rising costs had made it more economical for the companies to cease their own fishing operations and buy fish from independent owner-operated vessels. Schooner and dory-fishing operations were also phasing out, and by 1926 most of the vessels in the fishery longlined. New vessels entering the Washington and Oregon fleet in the period between the World Wars were combination vessels, able to longline for halibut or seine for salmon, sardine or herring. The fleet had some 500 vessels over 5 net tons in 1947 and it is estimated that there were some 2,500 fishermen employed in it (Bell, 1981:55). This was the heyday of the fishery, and by 1975 it had declined to about 200 vessels with 750 fishermen. In 1982 it was estimated that there were 45 large longliners fishing for halibut from Seattle (Langdon and Miller, 1983:99).

The small boat fishery for halibut developed in Southeast Alaskan waters during the 1930's, with fishermen selling catches to salmon processors or to tenders for delivery to Puget Sound. These vessels were also combination vessels and frequently "limit" seiners able to take part in the salmon fishery. Trolling for salmon and halibut in their respective seasons also occurred in this small boat fishery (Kelley, 1991). This segment of the Washington and Oregon fishery continued to grow after the World War, and now numerically is the larger part of the Washington and Oregon fleet fishing off Alaska.

Present participation in the halibut fishery takes two forms; the participation of vessels and crews from Washington and Oregon in the fishery, and the processing of halibut caught in the fishery. In 1990, the IPHC reports that some 11.8% of permit holders for the halibut fishery off Alaska resided outside Alaska.

Table 5.1.2.1a: Number and Distribution of Permit Holders in the Halibut Fishery in 1990

State of Residence	N*	%#
Alaska	3,371	88.2
California	19	0.5
Oregon	87	2.3
Washington	335	8.7
(Seattle)	(186)	(4.9)
(Everett)	(75)	(2.0)
Other States	11	0.3
Total*	3,823	100.0

* Does not include 100 permits for which no zip-code was provided; # percentages are rounded. Information provided by G. Williams, IPHC (personal communication)

This however understates the involvement of Washington and Oregon fishermen in their traditional halibut fishery. Since residence is defined by IPHC as a postal address, many Washington and Oregon vessels which work in Alaskan fisheries for much of the year are counted as "residents" of Alaska because they maintain postal addresses in Alaska. As Bell (1981) notes this is in part due to practices developed with the "lay-in" and part to the costs of returning to the Pacific Northwest with a vessel vis-a-vis flying the crew home.

The vessels engaged in the fishery and owned by non-Alaskans tend to be larger, on average, than vessels owned by Alaskans. This tendency is shown in Table 5.1.2.1b.

Table 5.1.2.1b: Percentage of vessels, by residence of owners, by size class engaged in the halibut fishery off Alaska in 1990

Residence of owner	Percent of vessels by size class			
	<35	35-60'	61-90'	>90'
Alaska	90.7%	86.1%	65.3%	71.4%
Other States	3.0	10.1	27.7	18.4
Not known	6.3	3.8	7.0	10.2
N	1613	1919	242	49

Information from G. Williams, IPHC (personal communication)

Given that non-Alaskan permit holders are 11.8 percent of all permit holders, ownership of 27.7 percent of vessels between 61 feet and 90 feet in length, and 18.4 percent of vessels over 90 feet indicates that these vessels are dedicated longliners or combination longliners/seiners continuing the traditional involvement of the "Seattle" boats in the halibut fishery. These vessels are often also involved in the longline fisheries for sablefish, rockfish, and Pacific cod, as well as the salmon seine fisheries (TetraTech, 1981:64-75). Involvement in the halibut fishery using vessels under 58 feet which can also fish in the salmon seine fishery by non-Alaskan fishermen is proportionately the same as Alaskan residents. The involvement of non-Alaskans in the fishery with vessels less than 35 feet in length is significantly less, at 3 percent, than that of Alaskans. Given the distance from Puget Sound to the Alaskan fishing grounds, particularly those of the Alaskan Peninsula, Aleutian Islands and Bristol Bay, it is not surprising that the involvement of non-Alaskans has been with larger combination vessels.

5.1.2.2 Historic participation of Southeast Alaska fishermen

The Alaska Natives of the Alexander Archipelago have fished for halibut from "time immemorial" (General J. Davis, 1870, cited in Price, 1990:32). The Tlingit, Haida, and Tsimshian Indian tribes had developed specialized fishing gear for taking halibut by the time of first contact and used the fish for subsistence and for customary trade with other, inland, groups. Halibut were, and are, not as important as salmon to the existence of Alaska Natives. They are part of the myth/belief/folklore systems of each of the tribes and considerable cultural value is ascribed to the fish and fishery. Halibut contributed a significant portion of the mixed economy of cash-subsistence activities after the development of the commercial fishery, and continues to do so to present times. Alaska Natives worked in the salteries and processing plants of the early fishery and caught fish for the plants and tenders, too. This participation has continued, and the fisheries from ports such as Angoon, Hoonah,

Hydaburg, Kake, and Metlakatla are prosecuted in the main by Alaska Natives fishing traditional grounds.

Southeastern Alaska fisheries were developed by fishermen, many of Scandinavian origin, and companies in the salmon fishery. Canneries were located at a number of communities by the mid-1880s, and the first recorded halibut processing was done at the newly-built salmon cannery in Klawock in 1878 (Bell, 1981:87). The development of the commercial fishery for halibut was attempted in 1888 with Gloucester-style schooners fishing dories, but the narrow island passages and difficult weather delayed any major fishery until the mid-1890s when auxiliary powered vessels based in Puget Sound began fishing the relatively-sheltered inside waters during the fall and winter. Their catches were iced down and shipped to Seattle and Vancouver by tender (Bell, 1981:21-24).

Ketchikan prospered from this fishery as it was the U.S. Customs point of entry and departure. A salmon cannery was built in the port in 1887, and a cold storage plant for halibut was completed in 1910. Fishermen and process workers for these ventures were drawn, in part, from the neighboring Alaska Native communities of Craig, Hydaburg, and Metlakatla. As the halibut fishery in the central Gulf of Alaska, that is west of Cape Spencer, developed after 1913, Ketchikan became a principal supply port for the Puget Sound vessels fishing in the new fishery. The importance of the commercial halibut fishery to Ketchikan continues to this day and in 1990, the port handled some 1,036,245 pounds of commercially caught halibut.

Petersburg was created as a "green field" site port in 1897. The early Norwegian settlers chose as the site for their fishing port a spot which lay close to the boundaries of the traditional fishing areas of the Tlingit villages of Kake and Wrangell, and thus provided access to fishing grounds with a minimum of disturbance of traditional property rights. Construction of a wharf and salmon cannery in 1899, permitted development of a year-round halibut fishery. Particularly important was the fall and winter fishery, in which Puget Sound vessels participated. Bell notes that, in 1906, there were 23 Puget Sound vessels fishing for halibut from Petersburg and 18 local vessels (1981:87). As the grounds west of Cape Spencer developed in the 1920s, the Puget Sound vessels shifted westwards and Petersburg developed its own fleet of medium-sized vessels fishing for halibut and salmon. Local fishermen operated a marketing cooperative and later purchased the processing plant to ensure stable markets for locally caught fish. In 1990, Petersburg ranked fifth in halibut landings with 2,283,525 pounds or 4.3 percent of all landings. As the halibut season has shortened due to fishing pressure and stock decline, full-time employment in longlining for halibut has ceased to be possible. In consequence the Petersburg fleet has diversified, and vessels now round out their fishing year with salmon and herring seining, longlining for sablefish, or pot fishing (Langdon and Miller, 1984:111). The number of commercial halibut permits fished has remained fairly constant between 1980 and 1990 at approximately 210, and the halibut fishery continues to be of importance to the community.

The other communities in Southeast Alaska have also seen their fisheries for halibut change in ways similar to those in Petersburg and Ketchikan. The predominantly Alaska Native communities, such as Angoon and Hoonah, have seen their commercial halibut catches decrease but since they were already fully exploiting a diversified "portfolio" of fisheries in the vicinity of their villages, the impact was somewhat sharper as there was a real loss of economic opportunity and of subsistence food. In addition, processing ventures in Kake and Angoon failed. Sitka and Pelican, communities with processors and links with the Area 3A halibut fisheries, have continued to lead in halibut production but their larger Gulf of Alaska vessels have had to develop new longline fisheries, and there has been major growth in fisheries such as that for sablefish.

5.1.2.3 Historic Participation in the fisheries in Area 3A

As noted elsewhere, the larger Puget Sound vessels began developing the fishery for halibut west of Cape Spencer in 1913. Commercial fishing for halibut moved steadily westwards as stocks were depleted. Since the spawning grounds for halibut are in the Bering Sea, the move westward further increased the possibility of overfishing as more juvenile fish were encountered in the fishery (Bell, 1981:214).

The rural communities of Area 3, as in Southeast Alaska, had relied upon halibut as an element in their mixed cash-subsistence economy from the beginning of the fishery. Changes in the commercial halibut fishery have impacted these communities in terms of reduced economic opportunity and reduced subsistence harvests. Port Graham and English Bay, for example, have been shown by Schroeder et al (1987:583) to be part of a system of resource use that is important economically, socially and culturally. The mixed cash-subsistence economy in Port Graham was severely impacted by closure of the local processing plant from 1960 to 1968, and again after 1984 when the plant closed.

The rural communities of Kodiak Borough have high percentages of Alaska Natives as population and continue a mixed cash-subsistence economy. Langdon and Miller note that the skiff fishery (vessels of less than 5 net tonnes) was largely prosecuted by Alaska Natives, and that in 1984 the fishermen of Ouzinkie relied almost entirely upon the halibut fishery for the cash segment of their economy (1984:129). Schroeder et al report similar findings for the importance of the commercial fishery and fish processing to the inhabitants of these rural Kodiak communities (1987:435).

Non-Native communities such as Homer, which was founded in 1895 as a coal port, did not enter the halibut fisheries until the 1920s (Schroeder et al, 1987:568), and the fishery -- although of importance -- is part of a diversified fishing economy and the local dependence upon the halibut fishery is lessened. Homer is, however, the second port in volume of halibut landings in the Northwest Pacific. Some 11 percent of all landings (5,877,869 pounds of halibut) were made in Homer in 1990.

Similarly, Seward was developed as a railroad port and terminus in 1903, and a cold storage plant was built there in 1917 to service the Gulf of Alaska halibut fishery (Bell, 1981:90). Bell reports that after 1931, and the first major downturn in the fishery, few halibut were landed in Seward until the 1960s. In 1990, some 9 percent of all halibut landings were made in Seward. In part this was because of its role as a transportation center, but also because it was a convenient landing point for the halibut harvested in the openings in Area 3A. In all, 5,183,281 pounds of halibut were landed in Seward from 72-hours of fishing activity in 1990.

Kodiak City was the leading port for halibut landings in 1990, with 22 percent of all landings, but played a minor role in the fishery prior to 1960. Bell notes that the development of the productive halibut grounds west of, and contiguous to, Kodiak in the 1930s was at a time when vessels returned to their home-ports to land catches and "fulfill their self-imposed between-trip lay-ins" (Bell, 1981:90). After the Second World War, there was ample cold storage in other ports, including Sand Point, to handle halibut catches and thus no reason to select Kodiak as a landing point. However, with the growth of the crab and shrimp fisheries in the 1960s additional cold storage and other facilities were built in Kodiak which were attractive to the halibut vessels. Smaller catches in the 1970s made intermediate off-loading ports, such as Kodiak and Seward even more attractive and the switch to short openings in 1977 confirmed the economic attractiveness of the port to vessels in the fishery.

Thus the present day dependence of the Kodiak City fleet on the halibut fishery as part of the seasonal round is because of the development of the fleet for other fisheries and the imposition of fishing season management on the halibut fishery. The dependence is no less real for all that. Langdon and Miller reported that two-thirds of the halibut fishermen resident in Kodiak in 1982 were born in states other than Alaska, and had resided in Kodiak City between 6 and 10 years on average (1984:124). Langdon and Miller note that, in 1982, there was a small fleet of Aleut-owned vessels, some 10 to 15 percent of the total fleet at the time, fishing from Kodiak City. These vessels participated in a mixed cash-subsistence economy typical of the six Alaska Native communities in the Kodiak Borough (1984:125).

5.1.2.4 Historic participation in the fisheries of Area 3B

Some 45 percent of all halibut fishermen resident in Area 3B were estimated by Langdon and Miller to live in Sand Point (1984:51). The communities of Chignik Lake, Chignik Lagoon, Chignik, Perryville, and King Cove are homes to the balance of the resident fishermen. Halibut processing began in Sand Point in 1946 when a former military cold store was sold as surplus (Bell, 1981:90). When Langdon and Miller interviewed fishermen in 1983, it was found that the mean length of participation in the commercial halibut fishery by Sand Point residents was 9.1 years, with a median of 7.5 years (1984:52). Such a short participation span can be indicative of a recently developed fishery. In recent years the halibut landings at Sand Point, although 1,058,103 pounds in 1990, have been small relative to the groundfish landings (IAI, 1991:17). The structure of the fleet has also changed since the Langdon and Miller study in 1983, and the dependence on halibut as a commercial fishery is part of a seasonal round, which includes salmon and crab fishing, by a segment of the fishing industry based at Sand Point.

Halibut is traditionally part of the mixed cash-subsistence economy of the Aleut population of Area 3B. Subsistence harvests range between 36 and 48 pounds per capita for the communities studied (ADF&G, 1988), and some 85 percent of the population uses subsistence halibut.

5.1.2.5 Historic participation in the fisheries of Area 4A,B,C,D

The Aleut population of the Aleutian Islands and the Pribilof Islands has traditionally harvested halibut for subsistence use (Schroeder, 1987; Veltre and Veltre, 1981 and 1983; Orbach and Holmes, 1983). The local communities of Atka, Nikolski, Akutan, Saint George and Saint Paul harvest halibut as part of a seasonal round of commercial and subsistence fisheries. The commercial fishery, with halibut landed in the Aleutian Islands, is a development of the past twenty years as the halibut longliners sought new grounds. Between 1967 and 1973 there were no recorded commercial halibut landings in the Aleutian communities.

Akutan and Unalaska rank 9th and 12th respectively in commercial landings of Pacific halibut in 1990. However, the majority of vessels landing at the processing plants are non-resident. IAI report that the halibut harvesting sector in Unalaska employed 77 people locally in 1987, a gain of 30 people since 1981, and this is appropriate given the 11 commercial halibut permits held by local residents in 1986 (IAI, 1991:22-23). Of these permits, IAI report that 3 were for longline vessels less than 5 net tonnes, and 8 permits were for vessels over 5 net tonnes.

In the processing sector, groundfish processing dominates but all Unalaska plants process halibut when available although IAI report that one plant discontinued halibut processing at the end of the halibut season in 1990. Fish delivered to the plants comes from throughout Area 4 (including 4E), even though vessel clearance requirements militated against catches from the area of the Pribilofs and

Area 4E. Local residents fish for halibut as part of a mixed cash-subsistence economy, and as such are more dependent on the fishery.

The Aleuts of the Pribilof Islands have used the halibut resources of the Islands for subsistence since they were moved there by Russian fur traders (Veltre and Veltre, 1981). With the termination of the fur seal harvest, the Pribilovians have turned to commercial fishing as their primary economic activity, with halibut as their principal resource. To this end, the IPHC declared Area 4C as a fishery development area for the Pribilofs with a view to assisting islanders in becoming economically self-sufficient. In 1990, however, 44.6 percent of the halibut catches taken in Area 4C were landed by vessels owned by Washington State permit holders.

5.1.2.6 Historic participation in the halibut fishery of Area 4E

The Yup'ik peoples of Area 4E have traditionally used halibut for subsistence purposes. In particular, Nelson Island communities, such as Tununak, have relied on the resource. Communities further south, along the shores of Bristol Bay, have used halibut when available, but the principal subsistence fishery has been for salmon.

As the Yup'ik villages have developed cash economies, they have turned to harvesting marine resources. To this end they have begun to participate in the halibut fishery. Area 4E was designated in 1990 as a fishery development area by the IPHC, and there was a increase in the number of local fishermen and permit holders participating in the fishery. However, 36 percent of the halibut harvested in Area 4E in 1990 was taken by vessels owned by Washington State permit holders.

5.1.3. Alaska Native Fisheries

In this section, the participation of Alaska Natives in the fisheries in each area will be considered. General Jefferson Davis, in his report to the U.S. Congress in 1870 on his administration of Alaska, wrote: "Fish form the chief and most easily procured food of the natives, and has from time immemorial" (cited in Price, 1990:32). Fishing has historically been an important component of the lives of Alaska Natives, and the exploitation of halibut for subsistence and trading purposes is well documented. Each major Alaska Native group active in the halibut fishery will be reviewed in turn, beginning with those fishing in Area 2C and moving northwest.

In previous sections in this Chapter it has been noted that the Alaska Native populations are largely found in the rural communities, and blend subsistence activities with fishing in the market economy. Traditionally, coastal Alaska Natives fished in waters near to their settlements and established a pattern of fishing rights and obligations recognized by other Alaska Native groups. In a report prepared for Congress by Lieutenant G.T. Emmons in 1905 at the request of President Roosevelt, it is noted that "the whole country was portioned off among the [Alaska Native] families as hunting reserves, berry grounds, or fishing sites, and their laws of property and rights were very clearly defined and strictly observed" (cited in Price, 1990:74). These "territorial user rights in fisheries" (TURFS, as described by Pollnac, 1983) correspond to the areas and resources needed for subsistence by the group or clan. Mapping of traditional fishing grounds, as presently observed by Alaska Natives, by the Alaska Department of Fish and Game show these areas to have minimum overlap between communities and an agreed upon scope embodied in folk lore and the cultures of the communities.

Similarly, fishing patterns and gears were, and are, developed to fit the particular needs of the local fishery. In all these activities related to fishing for subsistence and trade, the Alaska Native communities seek social and economic efficiency; that is, the maximum return to the community for the minimum investment of labor and capital. Thus a pattern of seasonal fishing and hunting is tailored to local needs; when a sufficiency of one good, say firewood or seal oil, has been collected, effort will be directed to the harvesting of other needed subsistence items. Thus the use of commercial fishing gears for subsistence harvesting is commonplace.

In this survey it has been found that there is a confusion in the reporting of subsistence harvests in general, and by Alaska Natives in particular, since IPHC lumps subsistence harvesting with recreational fishing as activities using non-commercial gears and with a bag-limit of two fish per day (G. Williams, IPHC; personal communication). Information provided by Alaska Department of Fish and Game's Subsistence Division for rural communities show that, regardless of the IPHC definition, subsistence fishing for halibut is conducted in traditional patterns of seasonality and intensity that are socially and economically efficient for the harvesters. The scale of harvesting is in excess of the recreational harvest's bag-limits, but is self-limiting in that the harvest is tailored to the need of the individual, family, or extended family unit as culturally defined.

5.1.3.1 Alaska Natives of Area 2C

In Area 2C, three tribal groups have been involved in the subsistence and commercial halibut fisheries from the time of the Seward Purchase. These groups are the Haida, Tlingit, and Tsimshian tribes. The Tlinget and Haida inhabited the Alexander Archipelago prior to contact with non-Natives, and the archaeological record suggests that habitation goes back at least 9,000 years before present. The Tsimshian are a tribe that, like the Haida, is also found in British Columbia, and the principal settlement of Tsimshian in Area 2C, at Metlakatla, was founded in the 1870. Bell reports that, in 1965, Alaska Natives commercially fished for halibut with 30 vessels each with a crew of five or more fishermen. The vessels and Alaska Native fishermen represented 16 and 27 per cent respectively of vessels and fishermen employed in the Area 2C fishery. The Alaska Native catch was 14 per cent of the total (Bell, 1981:20).

Communities in Area 2C with more than 20 per cent Alaska Native population include Sitka, Metlakatla, Craig, Hoonah, Klawock, Kake, Angoon, Hydaburg, Saxman, Klukwan, and Kasaan.

5.1.3.1.1. **The Haida**

The Haida have lived, and utilized marine resources, in southeast Alaska since before historic contact (Stewart, 1977). Halibut, in combination with other marine fish, made up the backbone of the economies of the southeast communities at the time of contact. The fish catches of the southeast region were so large and dependable that they functioned as the basis for the development of one of the most complex cultures on the northwest coast. The Haida culture is multi-faceted, including but not limited to large populations, a stratified society, and elaborate systems of art and ceremony, which find expression through complex networks of sharing and exchange (Spencer and Jennings, 1965; Alaska Department of Fish and Game, 1991).

Fish, and halibut in particular, have long been important for the Haida. Like other Alaska Native tribes and communities, the fish that are caught in the subsistence fishery are shared among their large extended-family groups, defined by ancestry to ancient clans and lineages (Alaska Department of Fish and Game, 1991).

Halibut is still a highly valued resource in the region today. Continuing in the traditions of their forefathers, many Haida still catch halibut with baited hooks on weighted lines that are set with floats or held by hand. The younger generation of harvesters continue to learn the techniques for harvesting and processing halibut and other bottomfish by watching their elders and joining them in subsistence fishing activities (Alaska Department of Fish and Game, 1991). And many still prefer the traditional methods of drying and smoking the halibut as was done in the past. As discussed by an Alaska Department of Fish and Game report (1991), halibut that is smoked and dried is still a highly valued food by southeast residents.

While commercial fishing for salmon and halibut have been a principal source of income to the Haida, non-Native practices in the development of commercial fisheries in the region have been costly to them. For example, fish stocks have been greatly depleted. And, along with non-local control of profit from fishing enterprises, have been restrictions on Haida subsistence practices. Nevertheless, subsistence activities have persevered in these mixed, subsistence-market communities, although at a lower level than in other Native Alaskan groups (Betts and Wolfe, 1991). And as the Haida have been, they continue to be dependent on halibut and other marine fish not only as a source of nutrition and potential capital but also for the significant cultural and psychological benefits they attain from subsistence activities.

Haida participation in the commercial halibut fishery is not documented, but some 100 commercial licenses are estimated to be fished by Haida resident in rural communities.

5.1.3.1.2 The Tlingit

Tlingit Indians have lived in the southwest archipelago area and utilized the marine environment there for nearly 3,000 years (Langdon, 1989; Moss, 1989) and have, perhaps, lived in Hoonah for as long as 9,000 years (Ackerman, 1968). Tlingit artifacts that date back 900 years, and oral history that tells of their presence in the Cross Sound area hundreds of years ago (Schroeder and Kookesh, 1990), clearly establish their constancy in the region. In Angoon, evidence for Tlingit occupation, such as a salmon weir and village and fishing sites, has been found for 3,000, 1,600, and 1,000 years before present.

As with all Native American tribes or communities, Tlingit culture and well-being are inextricably tied to the use of the natural resources that surround them (Gmelch and Gmelch, 1985). Fish and halibut, in particular, have been very important for the Tlingit. As stated in a recent report by the Alaska Department of Fish and Game (1991:86), "Historically, the fish produced by the Tlingit...were shared and consumed among large extended family groups who traced ancestry as lineages and clans who resided within large plank clan houses." In addition, large amounts of food were prepared and given away in elaborate feasts and ceremonies to assert their status, rank, and prestige in the social group.

The people of Angoon and Hoonah, for example, still adhere to many of their traditions that are related to obtaining and using wild resources. This enables them to maintain deep cultural ties with important land and water areas, and with the resources that have sustained their culture for thousands of years (George and Bosworth, 1988). In keeping with past traditions, modern Tlingit place a great deal of value on their Native cultural heritage. This includes subsistence hunting, fishing, and gathering as well as sharing the harvested food (George and Bosworth, 1988). Stated simply, "Native Tlingit culture has traditionally been defined largely by its relationship to the environment. The survival of the Tlingit tradition depends on the sea and land continuing to provide resources; if the

foundation of Native subsistence is weakened, other elements of the culture will begin to crumble" (Gmelch and Gmelch, 1985:188).

The Tlinget continue to fish in the commercial and subsistence fisheries for halibut. While there are no survey data on Tlinget participation in the commercial halibut fishery, it is estimated that some 150 halibut permits are held by Tlinget in rural communities such as Angoon and Kake. Participation in fishing crews and processing is an important activity for tribal members, but again there are no survey data available.

5.1.3.1.3 **The Tsimshian**

The Tsimshian have utilized halibut and other bottomfish since before historic contact (Stewart, 1977). Archaeological studies show evidence of halibut bones, among other types of fish, in prehistoric village sites (de Laguna, 1960), in addition to evidence that the Tsimshian had developed special methods and gear for harvesting bottomfish (Stewart, 1977).

As with other Alaska Native groups and communities, Tsimshian culture is intricately tied to the surrounding natural resources. As stated in a recent report by the Alaska Department of Fish and Game (1991:86), "Historically, the fish produced by the...Tsimshian were shared and consumed among large extended family groups who traced ancestry back as lineages and clans...Large quantities of food also [were] prepared and given away by the headmen of the extended families in elaborate feasts and ceremonies to publicly demonstrate and validate rank, status, and prestige within the social group."

The abundance and reliability of marine resources enabled fish to serve as the basis for the development of the complex non-agrarian Northwest Coast culture area (Spencer and Jennings, 1965). As Bell (1981:18) states, "With fishery products being so important in the lives of the coastal tribes both as a direct source of food and as trade items with inland groups, it is not surprising to find fish, including halibut, commemorated in the heraldry on the totem poles."

Marine resources continue to play an important role in Tsimshian daily life. Following in the steps of their forefathers, many Tsimshian still harvest halibut by traditional methods. And many residents continue to value highly halibut that is smoked and dried in the traditional way (Alaska Department of Fish and Game, 1991).

As Irwin (1984:12) states, "The people of the Northwest Coast practiced no agriculture. Rather, they were children of the sea. Their life was dominated by a benevolent ocean that teemed with life." Although commercial fishing and other industrialized influences have reduced Tsimshian ability to completely keep their old life ways, the importance of subsistence fishing to their culture and well-being cannot be overstated.

The Tsimshian settlement, and tribal reservation, at Metlakatla is active in the halibut fishery. With reserved water areas and fishing sites, the village harvested 0.45 percent of all commercially caught halibut in 1990 and ranked 31st of the 48 individual ports with reported landings. Residents of Metlakatla held 27 permits and landed 234,650 pounds of halibut in the commercial fishery and an 11,256 pounds in the subsistence fishery in 1990.

5.1.3.2 Alaska Natives of Area 3A

Area 3A has a number of tribal groups intermingled along the coast. Tlinget live in Yakutat together with Athapaskans, Chugach Eskimo are found throughout the Prince William Sound area, Tanaina Athapaskan Indians are found throughout the Cook Inlet area, Sugpiaq and Koniag Eskimos (who refer to themselves as "Aleuts") are found in Lower Cook Inlet and on Kodiak Island respectively, and Aleuts are scattered throughout Area 3A. Eyak Athapaskan Indians, once widespread from south of Yakutat through the Copper River Delta, are now found only in the Cordova region. The dispersion of Aleuts through the region is in part due to the resettlement of these peoples from the Aleutian Islands during World War II and in part to the Russian settlers who recruited (some sources say "enslaved") Aleuts as workers.

Little information is available on the involvement of Alaska Natives in the commercial fishery for halibut in Area 3A. Estimates of permit holders, based on community of residence, suggest that between 100 and 150 Alaska Natives hold permits to fish in the area. Estimates are difficult to arrive at because, for example, the zip code of two Sugpiaq Eskimo communities, English Bay and Port Graham, is the same as that for Homer, a predominantly non-Native settlement. Communities with an Alaska Native population greater than 20 percent in the region include Old Harbor, Port Lions, Ouzinkie, Larsen Bay, Ahkiok and Karluk on Kodiak Island (Koniag Eskimo); Yakutat (Tlinget); Chenega and Tatitlek (Chugach Eskimo); Port Graham, Seldovia, and English Bay (Sugpiaq Eskimo); and Tyonek (Tanaina).

5.1.3.2.1 The Chugach Eskimo

The Chugach Eskimo have a long history of living throughout Prince William Sound, and have resided there at least since Captain James Cook made the first recorded contact with them in 1778 (Stratton, 1989). According to oral tradition and based on research done in the 1930's, there were 8 geographical groups of Chugach residing in the Prince William Sound area. Their villages were always located on the shore line to provide easy access to marine resources (Stratton, 1989). These geographical groups or tribes shared their culture and language and came together for feasts, but maintained political independence from each other (Birket-Smith, 1953; de Laguna, 1956).

Marine resources such as sea mammals and a variety of fish, including salmon, halibut, red snapper, and cod are the staple foods of the Chugach. Dependent on the weather, the Chugach fished for halibut with hooks and lines. They had the most success in this pursuit in the early summer (Birket-Smith, 1953).
By the early 1960's, in Chenega, a Chugach Eskimo community, halibut had become the most commonly harvested bottom fish. Like other Native American tribes and communities, subsistence food sharing was prevalent. Ten out of fourteen households fished for halibut, primarily from late spring to early fall and shared the catch with any member of the community who wished to partake (Stratton and Chisum, 1986). By the mid 1980's, sharing halibut had become even more common, with ten households (67%) reporting that they gave away halibut and twelve households reporting they had received it (Stratton and Chisum, 1986). Following the Exxon Valdez oil spill, 1990 subsistence harvests were 60 percent less than previous years in Chenega.

5.1.3.2.2 Koniag Eskimos

Kodiak-area Alaska Natives refer to themselves as Aleuts, but ethnographically they are Koniag Eskimos, using the Sugpiaq Eskimo dialect (Schroeder, et al; 1987:432). Archaeological data shows

that Kodiak Island was first settled some 8,000 years before present, and the Koniag Eskimos have occupied the island for at least 700 years.

Schroeder at al (1987) report that "Koniag culture has been strongly focused on the sea, and major subsistence use has been made of marine fish, mammals, and invertebrates" (1987:433). The wealth of marine resources was such that it is estimated that the population in pre-contact times was between 6,500 and 10,000 people. It is estimated that some 3,100 Koniag Eskimos lived on Kodiak Island and the out-islands in 1983 (Schroeder et al, 1987). Subsistence harvest of halibut is important to Alaska Natives in the six non-road-connected communities of Akhiok, Karluk, Larsen Bay, Old Harbor, Ouzinkie, and Port Lions, as well as in Kodiak City. Highest per-capita levels of halibut subsistence harvest were in Port Lions (85.6 pounds/capita) and Old Harbor (56.7 pounds/capita). Akhiok residents had the lowest halibut subsistence catch and harvested 24.3 pounds/capita in 1987.

The participation of Alaska Natives in the commercial fishery for halibut on and around Kodiak Island is not known, but it is estimated that at least 60 Koniag hold commercial fishing permits. Some Alaska Natives work in the fish processing plants, but the majority of the processing workforce is Filipino.

5.1.3.3 Alaska Natives of Area 3B

Two groups of Alaska Natives inhabit the communities of this area. Chignik, Chignik Lake, Chignik Lagoon, Perryville, and Ivanof on the Lower Alaska Peninsula was populated by Kaniagmuit Eskimos at the time of Russian contact (Schroeder, et al; 1987:394). The population relocations during the Russian period led to mixing of, and inter-marriage between, Eskimo, Aleut and other Alaska Native groups and families and with Europeans. The communities of Sand Point, King Cove, Cold Bay, and False Pass were developed with the commercial sealing and fishing industry. Their Alaska Native population was drawn from in-migration of Aleut groups from communities further west on the Aleutian Chain. Inter-marriage with European fishermen and sealers has also been frequent, and some Aleuts who were moved to Southeast Alaska during World War II or were sent to a Bureau of Indian Affairs school in Sitka returned to the region with Tlingit spouses. The residents of the area prefer to call themselves "locals" rather than Alaska Natives, although all the communities (with the exception of Cold Bay) have an Alaska Native population greater than 50 per cent of the whole (see Table 5.14). When an Alaska Native descriptor is sought, residents refer to themselves as Aleuts (Schroeder et al, 1987:395).

Commercial and subsistence fishing are important activities of these communities and halibut features in both. It is estimated that some 40 Alaska Natives hold commercial halibut fishing permits in Area 3B of the 117 permits issued. Employment as crew and in processing plants is unknown at this time.

5.1.3.4 Alaska Natives of Area 4

Area 4 includes the waters surrounding the Aleutian Chain and the Bering Sea. The Alaska Native population of the Pribilof and Aleutian Islands is Aleut. Saint George, Saint Paul, Akutan, Akta, and Nikolski have Alaska Native populations in excess of 39 percent of the whole population (see Table 5.17). The four Aleutian communities have been year-round Aleut settlements since pre-contact days, and the Aleuts of the Pribilofs were transported to the Islands as seal hunters by the Russians in the late eighteenth century (Schroeder et al, 1987; Veltre and Veltre, 1981). It is estimated that Aleuts of the Pribilofs hold 20 commercial fishing permits for halibut, and that some sixty fishermen participate in the commercial fishery. Few Pribilovians work in fish processing. Aleuts of the Aleutian Islands are estimated to hold 20 commercial halibut fishing permits. Information on the

extent of Aleut employment on fishing vessels and in processing plants in Akta, Akutan, Nikolski, and Unalaska is not available in the literature.

The East Bering Sea communities are populated by Yup'ik Eskimos, and only regional centers such as Nome, Dillingham, Bethel, or special function towns like King Salmon, Naknek, and Port Heiden, have an Alaska Native population of less than 85 percent. It is estimated that the Alaska Natives of the East Bering Sea communities hold some 40 commercial halibut fishing permits. Information on participation in fishing crews and halibut processing is not available in the literature.

5.1.3.4.1 **The Aleut**

Based on archaeological data, the Aleut Indians have lived in the Aleutian archipelago area for at least 4,000 years and probably have been living there for as long as 8,500 years before present. Throughout this time, they have maintained their cultural adaptation to the sea, which serves as the essential provider of nearly all of the basic necessities of life (Veltre and Veltre, 1983). As Orbach and Holmes (1983:141) state, "...fishing in the Pribilofs is centered about a species which is both an Aleut tradition and a commercial prize: halibut."

Aleuts, like other Native American tribes/communities, are enmeshed culturally and economically with the surrounding natural resources (Veltre and Veltre, 1983; Orbach and Holmes, 1983; Schroeder, Andersen, Bosworth, Morris, and Wright, 1987). In most communities halibut is harvested year round, providing a constant supply of this important resource (Schroeder, Andersen, Bosworth, Morris, and Wright, 1987). Most people prefer to eat traditional foods over many of the commercial items that are available. For some, traditional foods comprise as much as 50 percent of the diet. In addition, many people prefer traditional preservation methods, salting and drying, for example, even though most have freezers (Veltre and Veltre, 1983).

Fishing for halibut provides not only valuable nutrition but is important for maintaining social ties within families and between various members of the community. In Atka, most of the fishing is done by men, either alone or in small groups. Women, who normally do not participate in subsistence activities, may sometimes fish for halibut from the shore (Veltre and Veltre, 1983) or may even go along on fishing trips with the men (Orbach and Holmes, 1983). Besides berry-picking, this is the only harvesting activity where the women are relatively equal partners in the acquisition of resources (Orbach and Holmes, 1983).

Once the halibut is brought back, it is shared with the community (Orbach and Holmes, 1983; Veltre and Veltre, 1983; Schroeder et al, 1987). As Veltre and Veltre state, "Two of the basic tenets of the Aleut subsistence economy since precontact times have been cooperation in subsistence endeavors and sharing of the products of hunting, gathering, and fishing. Both cooperation and sharing are still very much a part of resource utilization in Atka today..." (1983:169). Members of Aleut communities derive great satisfaction and pride in being able to share traditional foods that they have caught with their families and with the community as a whole (Veltre and Veltre, 1983). As Orbach and Holmes (1983:143) note, "it is the kindness, remembrance and satisfaction of this activity as much as its support of tradition or sustenance which gives it its value."

5.1.3.4.2 The Yup'ik

Although the area where the Yup'ik live has been inhabited by several different human groups in the last 10,000 years, archaeological evidence suggests that by A.D. 1000 the cultural ancestors of present-day western region Yup'ik Eskimos were living in and utilizing the subsistence resources of the area (Schroeder et al, 1987).

In Togiak, for example, halibut is harvested for subsistence whenever available. However, not being able to rely on halibut year-round in no way detracts from the importance of subsistence fishing for halibut for the Yup'ik. Like other Alaska Native tribes and communities, the Yup'ik will save these catches of halibut for eating at home or will share them with others in the village (Schroeder et al, 1987; Wright, Morris, and Schroeder, 1985).

The Yup'ik way of life in intricately entwined with the natural environment and the resources therein. Natural resources are valued not only for their obvious nutritional and economic components but for the cultural and familial glue they provide to the members of the community, particularly for the elderly and those in need. As noted in Schroeder et al, "Family activities, particularly in the Yup'ik and Athapaskan communities, are centered around fishing and hunting. Families are bound together by the distinctive labor roles of men and women and different responsibilities of different age groups. The distribution and exchange of subsistence products link families and provide an expression of kinship ties and social order" (1987:516).

A Yup'ik individual's psychological well-being and social adjustment are dependent upon fishing and hunting and gathering. Those who participate in the acquisition of the resources as well as those who receive them attach deep personal meaning to the process of harvesting, processing, and sharing subsistence foods. These are based upon traditional values, belief systems, and ideological structures that are culturally learned and culturally maintained (Schroeder et al, 1987). For many Yup'ik men, much like their counterparts in the commercial fishing industry, self-worth is measured by their ability to provide for their families and their community. Disruption of this way of life could lead to many negative consequences, from shaking up the family and social order to substance abuse (Schroeder et al, 1987).

5.2 Description of Affected Communities

5.2.1 Relevant community profiles

Previous community profiles developed by the Council are to be found in Langdon and Miller (1983, 1984a and 1984b) and IAI (1991). The communities profiled are those of Akutan, Kodiak, Petersburg, Saint Paul, Sand Point, and Unalaska, Alaska; Bellingham and Seattle, Washington; and Newport, Oregon. The Langdon and Miller study was of the halibut fishery; that by IAI was of the North Pacific groundfish fishery. Both data sets have been fully utilized in this literature review and are the basis for the descriptions in Sections 5.1.1 and 5.1.2 above. Extensive additional material has been drawn from the community profiles developed by the Subsistence Division, Alaska Department of Fish and Game of rural Alaskan coastal communities. This material has been incorporated into Sections 5.1.1 and 5.1.3 above. Information from social impact studies undertaken for or by the Minerals Management Service and the National Park Service, U.S. Department of the Interior, and for the Forest Service, U.S. Department of Agriculture has been incorporated where appropriate.

5.2.2 Size, composition, and stability of affected work force

No comprehensive survey of halibut fishermen and processing workers has been undertaken for this FMP amendment. Estimates based on the studies reviewed in Section 5.1.1 are that, in 1990, there were 14,889 fishermen and 4,500 point-of-landing processing workers involved in the halibut fishery. (The estimates of the number of fishermen employed in the fishery developed as part of the economic analysis in Section 4.1.13 above is 14,721; since these estimates were developed separately from different source materials, their similarity indicates that they are realistic.) Langdon and Miller (1984b), using IPHC survey data of the fishery, showed that there were 2,050 halibut fishermen in 1978 and 2,809 fishermen in 1982. The increase was attributed to the shift to the open access "derby" fishery in 1977.

Between 1984 and 1990, 8,212 vessel owners have participated in the fishery, and, in 1990, there were 3,823 permit holders.

In Tables 3.20 and 3.21 the movement in and out of the fishery since 1984 is shown. Only 6 percent of vessels fished in all seven years between 1984 and 1990. This movement in and out of the fishery has three explanations. First, the short seasons made it possible for fishermen to fish for halibut without affecting their participation in other fisheries. Second, the development of the longline fishery for Pacific cod and sablefish increased the number of larger vessels able to fish for halibut. Finally, a number of fishermen sought to develop a record of participation in the fishery prior to any consideration of access controls by the Council. For these reasons, the number of fishermen and vessels in the fishery has grown rapidly. Langdon and Miller (1984b:33-34) showed that the fishery in 1982 had offered relatively stable and continuous employment for fishermen. The mean age of fishermen in their sample was 40.66 years, and the mean number of years of experience in the halibut fishery was 13.05 years.

The fishery has three principal components; the vessels from "Outside" which tend to be larger and exploit the western halibut fisheries; the vessels from urban Alaskan communities; and the vessels associated with rural Alaskan communities. The rural communities have, in the main, higher proportions of Alaska Natives as residents and fishermen and greater numbers of smaller vessels, particularly skiffs. The Alaskan urban communities, with their better support facilities, have fleets of vessels which include larger longliners similar to those from "Outside" as well as vessels fishing in the local fisheries.

As noted above, this analysis is based upon a study of the literature related to the halibut fishery. The most recent survey of halibut fishermen, carried out in 1982 by Langdon and Miller, showed that 7 percent of the fishermen were residents of Washington State; 37.5 percent lived in Southeast Alaska (including Yakutat); 3.2 percent lived in Prince William Sound communities; 35.6 percent resided in Cook Inlet communities; 11.1 lived on Kodiak Island, and 3 percent in the Lower Alaska Peninsula and Aleutian Islands. Of the Alaskan fishermen, 72 percent lived in urban communities.

The crews are typically paid on a crew-share/boat-share basis. This pattern of payment extends back to the early days of the halibut fishery. The Deep Sea Fishermen's Union (DSFU) founded in 1912, has represented the Puget Sound fishermen in negotiations about pay and conditions with the Fishing Vessel Owner's Association (FVOA) since 1914. This is the only example of organized labor-owner agreements in the fishery.

5.2.3 Relative economic importance of the halibut fishery

The literature survey has not provided sufficient specific information to assess the economic importance of the halibut fishery to communities. In general, there are few employment opportunities other than commercial fishing available to residents of rural Alaskan communities described in Section 5.1. In consequence, any change in the allocation of harvest rights to a fishery will have impacts on rural Alaskan fishermen and their communities. The commercial fishing industries of Kodiak, Seward and Sitka will be impacted by an allocation scheme, but it is difficult to predict from the literature survey what that impact will be; much will depend on developments in the halibut marketing and processing sector. The communities of the Upper Cook Inlet/Kenai Peninsula and Seattle have diversified urban economies, and changes in the allocation of halibut harvests will have little or no effect on the social and cultural systems of these urban areas. Seattle may benefit from an allocation scheme since it, and other Northwest ports, may regain landings lost to Alaskan ports. Other Pacific Northwest communities in Washington and Oregon will have some social impacts from an allocation program, but these will be relatively minor and will primarily affect vessel owners resident in those communities.

5.3 Analysis of the Alternatives

Two alternatives are being considered for the future management of the halibut fishery. Alternative 1 is the existing status quo in the fishery; that is, the fishery would continue as an open access fishery with harvest controlled through area-specific seasonal quotas. The fishery would continue as described in Section 5.1 above; increasing numbers of vessels and gear, leading to ever-shorter seasons and decreasing catch per unit of effort. The problems and issues related to continuation of the status quo fishery have been identified and listed in Section 4.0 above.

The second alternative under consideration by the Council is the introduction of an individual fishing quota (IFQ) program for halibut fishery in the waters off Alaska. The Council is considering three variants of an IFQ program. However, all would allocate quota shares (QS) in the fishery to participants proportionate to their historical fishing records. After the total allowable catch (TAC) for a given fishing year has been specified, IFQs would be set. The IFQ would be the poundage equivalent of the proportionate ratio of QS to the TAC. Thus the amount available for harvest under an IFQ would vary each year with the size of the TAC. IFQs would be transferable under all variants of the program. In two variants of the program, portions of the TAC would be set aside for community development.

The following discussion of issues, costs and benefits of possible adoption of an IFQ program are based on a qualitative assessment of social impacts. As noted previously, it has not been possible to conduct a social impact study and this assessment is based on a survey of available literature.

5.3.1 Assessment of impacts

The discussion of impacts is organized by issue so that the reader can refer to the discussion of economic impacts in Sections 4.1 and 7.

5.3.1.1 Provision of a harvest share

a. The allocation of a QS to an individual is the allocation of a fishing privilege and not the allocation of a piece of real property. Further, the yearly poundage represented by the ratio of the QS to the TAC will fluctuate as the stock biomass changes. Currently, the biomass appears to be decreasing and thus the annual poundage of the IFQ will also decrease until the stock recovers and TAC is increased.

b. The Council proposes to allocate QS and IFQ to vessel owners and qualified bareboat charterers who landed halibut in designated years. In so doing the Council will recognize the capital investment and risk taken by these individuals and/or companies. Crew and hired skippers have also invested time and labor as co-venturers paid through the vessel share system, but these investments are not recognized in the allocation of harvest shares proposed.

c. Since the IFQ is proportionate to historic catches, and these have been declining over time (see Table 5.1), an individual vessel owner will not see any immediate increase in catches and will forgo the opportunity of "striking it rich" through fishing skill or luck, for the opportunity to expand fishing operations through the purchase of additional QS or IFQs. However, the vessel owner is assured of the opportunity to take the full poundage of an IFQ during the season, and not be subject to the need to take unnecessary risks in bad weather or in fishing practices in order to maximize harvests during an opening. Further, mechanical or other vessel problems can be resolved without missing the opportunity to fish for halibut, as was the case with, for example, engine failure at the beginning of an opening. A significant social and cultural impact of the introduction of an IFQ program is the switch from a "hunting and fishing" culture to a "farming" culture. For many the attraction and satisfactions of fishing as a life-style will fade with the introduction of quotas and the lessening of feelings of competitiveness and independence.

d. The initial allocation of QS and IFQs will fix the maximum social parameters of the fishery. Access to the fishery, unless the Council and Secretary change the IFQ program through an FMP amendment, will be by purchase or lease of QS and IFQ or through inheritance in years after implementation of the program. Since many of the initial allocations will be small, it is predicted that the number of vessels and fishermen will decrease as unprofitable QS and IFQs are sold or transferred. The economic model suggests that an economically efficient fishery would contain 288 to 376 vessels with 1,504 to 1,976 fishermen. This economically efficient fleet would be similar in numbers to that operating in the halibut fishery in 1978 (Langdon and Miller, 1984b), but with increased fishing power due to improved technologies. Since much of the rural Alaskan fishery operates within a mixed cash-subsistence economy, with different criteria of efficiency, availability of QS and IFQs to the present operators of the fleet of skiffs and medium-sized vessels will permit continuance of traditional fishing, but will not encourage economic growth in rural communities.

In summary, there will be social benefits accruing to the individual and community from the allocation of QS and IFQs in removing uncertainty about the potential size of, and returns from, harvests. Some of this uncertainty is related to income, or to conflicts with openings in the salmon or sablefish fisheries, but other forms are purely social; an oft heard complaint was that the preparations for the May halibut opening conflicted with traditional Native ceremonies and with family celebrations, such as high school graduations. Further social benefits will accrue from the reduction of some of the operating risks associated with fishing in an open access, "derby" fishery, especially in the reduction of pressure to fish in an unsafe manner. QS and IFQs represent privileges that can be transferred, through sale or gift, to others; the social benefits to individuals and communities is that traditional patterns of life can be maintained if it is chosen to do so, or the benefits of economically efficient fishing businesses can be achieved.

The social costs associated with the proposed allocation of IFQs include three factors that will affect the social and cultural dynamics of the fishery and fishing communities. First, the program does not provide individuals with the opportunity to increase their share of the fishery through the application of skill alone, and thus for many represents a less-satisfying life style. A further social "cost" is the possibility that the allocations may enhance the discrepancy in life-opportunities existing for residents of rural communities vis-a-vis those from urban areas; Alaska Natives and others with a subsistence component in their domestic economy will likely be impacted adversely in particular. Urban communities offer a variety of job opportunities and, because of their size, the infrastructure to support fishing- and processor-support activities. If the rationalization of the fishery by the quota system succeeds, there is a real possibility that processing will become concentrated in urban locations, further impoverishing the rural communities. Finally, the allocation will stratify the harvesting sector industry and create, formally, a class of individuals who are owners of shares and another class of non-shareholding workers; while the transferability of shares through the market-place will take place, both kin-based vessel operation and the opportunity of crew and hired skippers to own their own vessels operating in the fishery will be impacted. Family-based fishing operations are found throughout the fishery; vessels are owned jointly with kin and, particularly in rural communities, crews are kin-based. Allocation of QS and IFQs are to be made to individuals (real and corporate) and thus for family interests to be maintained as a unit, families must be prepared to incorporate their fishing enterprises. Crew and hired skippers have always had the opportunity to work hard, learn the trade, and advance through chartering vessels and fishing on their own account or by buying small vessels and working their way back to the top. The purchase of a QS or IFQ will be an additional economic barrier to achieving the social goal of "being your own boss."

5.3.1.2 Choice of criteria for a harvest share

The Council has proposed a number of criteria on which to base a QS. These will be reviewed in turn.

a. The period of years on which fishing history will be based is potentially a socially important sifting device. Newcomers to a fishery will receive a smaller share if a longer historical period is selected, while the longer the historical period chosen the greater the share to fishermen who have always utilized halibut. Tables 3.20 and 3.21 above show that 8,212 owners operated vessels in the halibut fishery during the period 1984-1990; of these owners, 3,441 (42 percent) operated vessels for only year in the period, while 479 owners (6 percent) operated vessels in every year of the seven year period. Selecting the best 5 of 7 years as the basis for allocation would reward many fishermen with a long tenure in the fishery, but would penalize skiff fishermen. Catches in the skiff fishery in 1990 had declined to an average of 1,081 pounds per skiff, or 41 percent of the average catch by skiff fishermen in 1984 (see Table 5.1). For

fishermen who were not able to participate fully in the fishery -- for reasons of bad weather during openings, conflicts between halibut and salmon openings, or need to take subsistence harvests from their commercial catches, for example -- assignment of zero to years with no commercial halibut catch would lead to minimal QS. Since the rural Alaskan communities have the highest proportion of skiffs, the lowest-income fishermen would not benefit from the application of the best 5 of 7 years, or best 3 of 5 years. The selection of Option 2, of Council Alternative 2.2 -- the best single year between 1988 and 1990 -- would level the playing field by rewarding fishermen for their best efforts in the fishery and would simplify the allocation process by avoiding conflicts.

b. Allocation which conforms to existing patterns of activity is likely to be less disruptive than one which crosses those lines. The use of vessels described in the earlier sections of this chapter suggests three components to the fishery. The small vessel or skiff fishery with vessels less than 35 feet in length; the combination longline and salmon seine vessels up to 60 feet in length; and the larger vessels in excess of 60 feet. Each vessel type serves a particular set of community and social needs; allocation which is made to vessel classes will permit, for example, fishermen from Kodiak who commonly fish in the salmon seine fishery to trade QS and IFQs among themselves without competition from vessels larger than 60 feet. This will have the effect of protecting small businesses and rural communities. Since QS and IFQs would be transferable within vessel categories, social and economic benefits of the sale of quota would be maintained. The benefits of a freely tradeable QS, regardless of vessel size, are outweighed by the social costs of potential loss of QS from rural communities and smaller fishing businesses. While every share may have a "price," the purchasing power of larger ventures could easily strip some Alaskan communities of the QS needed to maintain a viable fishery. If there is insufficient halibut being landed to justify a processing line or a shipment of fresh fish, fishermen remaining in the fishery, and their community, could suffer the social and economic consequences of loss or devaluation of QS and IFQs.

c. Of the options proposed for transfer of QS and IFQs, it appears that Option 1 of Council Alternative 2.2, that QS and IFQs be fully saleable and leasable, has the greatest social benefits if the Council selects a program of allocation by vessel characteristics. This will ensure free flow of quota within vessel classes and optimize the flexibility of operators to obtain additional quota or to leave/enter the fishery, while shielding smaller businesses and/or rural communities from the economic power of larger ones.

d. Without further study it is not possible to comment on the specific social impacts of the community development set-asides or the proposed open access set-aside. Community development quotas and open-access fisheries with registration areas could be very helpful in achieving the social goals of maintaining the community-based fisheries in Alaska and in providing "nursery grounds" for new entrants to the fishery. Community quotas, if used with care, could also ensure the throughput of fish within a port to maintain a halibut processing facility and retain its attendant employment in the community.

5.3.1.3 Flexibility in operations

An IFQ system will provide each participant in the fishery with a share of the allowable harvest that can be taken at almost any time in the fishing year. In theory this will permit QS owners to plan their fishing operations in a way which will permit the greatest efficiency in their use of labor and capital, and enable them to provide fresh halibut to the market-place in a form and at a time that maximizes returns.

a. It was noted above that flexibility in choosing when to fish would enhance safety in the fishery. This flexibility will also allow QS and IFQ holders to plan their fishing year to maximize returns from the "portfolio" of fisheries in which most vessels participate. Tables 3.22 through 3.27 above clearly show that 75 percent of halibut vessels participate in other fisheries during the fishing year, confirming the findings by Langdon and Miller (1984a, 1984b) and Betts (1991).

b. Investment in gear will be reduced, since QS owners will be spreading their catches over periods of time greater than the openings. It is estimated that some vessels have as much as 75 percent more longline gear than is necessary for normal fishing. This additional gear was purchased to enable vessels to have spare gear and to provide as much fishing capacity as a vessel could handle in a one-day opening. Social benefits to be derived from this these savings will be in the form of increased income and less time spent on maintenance.

c. Investment in labor will probably not be reduced. Supplying quality fish to the fresh halibut market will require additional care and attention to the handling of catches. Further, the ability to operate to a business plan of harvesting efficiently will provide a continuity of employment conducive to retaining a stable workforce.

d. Fishing for the market will require attention on the part of IFQ holders to market trends and needs rather than hauling a catch and landing it at a processor during an opening. Fishermen have adjusted fishing practices over time to accommodate other changes, but this change will require further social change in relationships with buyers, processors, and other fishermen. These changes will occur because cooperation in handling relatively small lots of fish will have to occur if maximum social benefits are to be attained.

e. For those engaged in the mixed cash-subsistence economy, the flexibility will enable harvesting of halibut to be dovetailed into other subsistence and economic activities. Under the status quo alternative commercial halibut harvesting frequently conflicted with other seasonal activities, such as participating in the salmon fishery.

f. Flexibility in fishing operations begs the issue of the availability of processing capacity at times when fishermen need it. Current processing plants may not be able to, or wish to, handle small lots of halibut unless there are a number of fishermen landing fish within the same time period. Both social costs and opportunities/benefits could accrue to communities if fishermen have to develop new fish-handling organizations or mechanisms for getting halibut to market.

g. Spreading the halibut fishery out during the season will reduce on the gear conflicts with other longline fishermen, and this will be of social benefit. Conflicts with trawlers may, however, increase.

In summary, the social benefits to be derived from the flexibility of an IFQ fishery are a certainty and stability in planning for harvesting a "portfolio" of fisheries largely absent since 1977. Since social and cultural factors related to fishing activities can also be accommodated in an individual's planning, it is believed that social and cultural benefits can also be maximized. Costs and effort involved in owning and maintaining large holdings of gear necessary for a "derby" fishery will be reduced, but the labor necessary to handle fish and gear will probably not decrease. A major benefit will be continuity of employment and the possibility of creating a stable workforce in the harvesting sector. Alaska Natives and others engaged in the mixed cash-subsistence economy of rural Alaska will benefit in

their ability to use the flexibility of IFQ harvests to dovetail their halibut fishery into their seasonal rounds of activities.

A social cost to owners of QS and IFQs will be the need to develop new social networks and skills in obtaining the maximum benefit from the fresh-halibut market. A latent social benefit could be the increased involvement of fishermen's families and communities in marketing and market through, for example, cooperatives.

Sitka Block proposal

Public Testimony on SJR 38
Senate Resources Committee

Members of the Committee,

My name is Linda Behnken. I have participated in both the sablefish and the halibut fisheries since 1982 as a deckhand. Because I was a deckhand, and not a vessel owner, I will not receive any IFQs in the initial allocation. I am also executive director of the Alaska Longline Fishermen's Association, or ALFA, which I will be representing with this testimony. Briefly, ALFA is a longline organization based in Sitka, with over 100 members from Sitka, Port Alexander, Tenakee Springs and Pelican. Our membership includes vessel owners, deckhands, local businesses and Southeast processors.

ALFA opposes SJR 38. We support IFQs, and have worked with the Council through the years of designing a limited access system that will resolve the waste, bycatch, and safety problems plaguing the longline fisheries. The Council selected IFQs as the best management strategy after years of extensive analysis and public input. IFQ were selected because they will eliminate the destructive derbies, control effort, and preserve fleet diversity. The Council determined that by protecting the resource and ensuring the health of the longline industry, IFQs would also protect the socioeconomic health of the Alaska coastal communities.

As I listened to testimony last week and today on HJR 61, I was stuck by the number of salmon fishermen who opposed IFQs because the wanted to be able to diversify into the longline fisheries. I wonder if they--and you--are aware that with each new fishermen the piece of the pie left to the longliners becomes smaller, until the longliners start to starve. And what are the longliners' options? They can't go salmon fishing--well, they can, but they have to buy into the salmon fisheries. Buy in, which is all the longliners are asking of the salmon fishermen oozing into the longline fisheries. If buying in is so wrong, why did the State impose limited entry on the salmon fisheries? I believe it was to protect the resource. As the salmon fishermen testified last week, unless access and effort is controlled now the waste, bycatch and safety problems that are threatening the health of the sablefish and halibut resources are only going to get worse.

Gear limits have been suggested as an alternative to IFQs, a way to slow down the derbies. But have gear limits (on vessel size and net size) slowed down or rationalized the Bristol Bay derby? Has the 4 lines per boat limit prevented the troll season from getting shorter each year? A look around

the State clearly indicates that gear limits are not effective in controlling effort. They didn't work in the fisheries outside the state either.

Trip limits, which are basically IFQs awarded on the basis of vessel size rather than past participation, will certainly put a number of longliners out of business--along with a huge percentage of the longline deckhands. Very few skippers will take a deckhand if their annual trip limit amounts to a third of what they have caught in an average year--which is what trip limits will come to once the pie is split up among everyone who qualifies. Add a "use it or lose it" clause and the number of vessels participating will dramatically exceed the number that have participated in any given year.

I was also surprised by the testimony last week stating that IFQs have failed everywhere else, and wonder what yardstick the speakers were using. The New Zealand offshore fisheries have been managed with an IFQ system since 1986; the fish stock are healthy and the fishermen are generally in favor of the system. (Interestingly enough, the trend in New Zealand is now toward smaller boats). The BC fishermen have been under an IFQ system for a year; in 1991 they received twice as much money for their sablefish as the Alaskan fishermen, sold most of their halibut on the fresh market, and were paid only 25 cents less per pound for the halibut they sold frozen. In fact, they are quite happy to see the continued confusion in Alaska, knowing that their markets are secure. So where is the failure?

* I would like to point out one more difference between NZ's IFQ program and the one before you: NZ allows leasing; our system requires the vessel owner to be on board the vessel harvesting. This eliminates possibility of speculation and ownership by shore-side processors

Throughout the development of an IFQ plan, ALFA has fought for provisions to protect the small boat fleet and coastal communities. We now have an opportunity to strengthen the plan even more in this respect, an opportunity we are pursuing. Along with other members of the Sitka community we have developed an amendment to the IFQ plan which goes one giant stop further toward maintaining a relatively large, diverse fleet and ensuring that small, independent operators can afford to buy IFQs. We will be distributing this amendment, called the Sitka Block Proposal, throughout the state during the next month. I would suggest that at this time any action by the Alaska State Legislature would be premature and inappropriate. On behalf of ALFA, I request that HJR be defeated and that the industry be given the opportunity to develop an effective management plan that everyone can live with.

Thank you for your time and attention.

Linda Behnken

also submitting documents - Block Proposal and petitions

1 of 3

PROPOSED AMENDMENT

TO IFQ PLAN:

SITKA BLOCK PROPOSAL

QUOTA SHARE/LICENSE

PROGRAM FOR CATCHER BOAT CLASS

This amendment to the sablefish and halibut IFQ plan is proposed in response to continued concern regarding the socioeconomic impacts of IFQs on costal communities and the small boat fleet. The amendment preserves the nature of the fleet to the maximum extent possible, while providing the sablefish and halibut resource with much needed protection.

Under the proposed amendment, initial quota share allocations will be attached to a specific license. The amount of the initial quota share allocation will be determined as per criteria specified in the current preferred alternative. Subsequent quota transfers must include transfer of the quota share license (QSL) and all quota shares attached to that license. A persons' total holdings will be restricted by caps specified in the preferred alternative, and include all existing "grandfather" exemptions. Each person may land fish on no more than three licenses per area per year. No more than five licenses may be used on any vessel per area per year.

These provisions will:

1. Ensure the continued existence of a relatively large, diverse fleet.

2. Provide protection to coastal communities. Because small boats tend to be locally based, traditional delivery patterns will continue.

3. Provide an entry level fishery accessible to deckhands and other small, independent operators. The abundance of small quota share "blocks" will reduce the relative cost per pound of these licenses.

4. Simplify implementation, monitoring, and enforcement by eliminating the need for vessel size classes and significantly reduce the number of discreet quota share blocks that may be bought or sold.

By responding to the frequently voiced objections and concerns raised by industry and community members, the proposed amendment has significantly increased the support base for IFQs in southeast Alaska; predictably it will do the same statewide.

-Sitka Block Proposal-

Sablefish and Halibut Fixed Gear IFQ Management Plan

This is the Council's halibut and sablefish fixed gear management plan as approved at their December 1991 meeting. The amendment package and implementation plan will be completed and forwarded for Secretarial review early next year. There will be further opportunity for public comment then. The plan will be implemented no sooner than 1994.

Sec.1. DEFINITIONS. Definitions for terms used herein shall be the same as those contained in the Magnuson Fishery Conservation and Management Act, except as follows:

(A) "Person" means any individual who is a citizen of the United States or any corporation, partnership, association, or other entity (whether or not organized or existing under the laws of any state) which meets the requirements set forth in 46 CFR Part 67.03, as applicable. This definition is subject to other restrictions and conditions as set forth in Sec.(2)(C) and (D).

(B) An "individual" means a natural person who is not a corporation, partnership, association, or other entity.

(C) "Quota shares" (QS) are equal to a person's fixed gear landings (qualifying pounds) for each area fished.

(D) The "Quota Share Pool" is the total amount of QS in each area. The QS pool may change over time due to appeals, enforcement, or other management actions.

(E) "Individual Fishing Quota" (IFQ) means the annual poundage of fish derived by dividing a person's QS into the QS pool and multiplying that ratio by the annual fixed gear TAC for each management area.

(F) "Fixed gear" is defined to include all hook and line fishing gears (longlines, jigs, handlines, troll gear, etc.) and pot gear for sablefish in the BS/AI.

(G) "Catcher boat" or "catcher vessel" means any vessel which delivers catch or landing in an unfrozen state.

(H) "Freezer longliner" means any vessel engaged in fishing in the fixed gear fishery which, during a given trip, utilizes freezer capacity and delivers some or all of its groundfish catch in a frozen state.

(I) "Bona fide fixed gear crew member," is defined as any person that has acquired commercial fish harvesting time at sea (i.e. fish harvesting crew), that is equal to 5 months of any commercial fish harvesting activity *(in a fishery in state or federally managed waters of the U.S.)*[1] Additionally any individual who receives an initial allocation of QS will be considered a bona fide crew member.

Sec.2. FIXED GEAR QUOTA SHARE AND INDIVIDUAL FISHERY QUOTA SYSTEM

(A) AREA. Quota shares and Individual Fishery Quotas (IFQs) shall be made available for each of the management areas identified for the Bering Sea and Aleutian Islands and the Gulf of Alaska.

(B) INITIAL QUOTA SHARE ASSIGNMENT.

(1) Initial assignments of Quota Shares shall be made to:

(i) a qualified person who is a vessel owner who meets the requirements in this section; or

1. Text shown in *italics* provides clarification by the staff to indicate Council intent.

(iii) There shall be three categories of catcher boat shares for the halibut QS/IFQ fishery:

(a) vessels less than or equal to 35 feet in length overall,

(b) vessels greater than 35 feet but less than or equal to 60 feet in length overall, and

(c) vessels greater than 60 feet in length overall.

(iv) For initial allocation of catcher boat Quota Shares:

(a) if, during the last year of participation in a fixed gear fishery through 9/25/91, a QS recipient simultaneously owned or leased two or more vessels on which halibut or sablefish were landed, and those vessels were in different size (or type) categories, then the QS allocation shall be for each vessel category and may not be combined into a single category.

(b) if a QS recipient bought or sold vessels in succession during the qualifying period, and to the extent the QS recipient operations were in one vessel category during one year and the next vessel owned was in another vessel category, the QS will be combined and applied to the last vessel category of ownership as of 9/25/91.

(v) Any person owning catcher boat quota shares may sell those quota shares to any person meeting the provisions outlined under Sec. 2(C)(3). Ten percent of an individual's catcher boat quota shares may be leased during the first three years following implementation. (*The Council's intent is that 10% of a QS owner's shares may be leased in any given year.*)

(vi) Fish caught with catcher boat quota shares may not be frozen aboard the vessel utilizing those quota shares.

(vii) Sablefish catcher boat shares may be utilized on a vessel with freezer capacity as long as no frozen product of any species is on board the vessel while those catcher boat shares are being utilized. Further, sablefish freezer shares may not be utilized at the same time as sablefish catcher vessel shares.

(3) General Provisions For Catcher Boats Following Initial Allocation:

(i) In order to purchase or lease QS, the purchaser must be an individual who is a U.S. citizen and a bona fide fixed gear crew member. Additionally, corporations or partnerships which received an initial allocation of catcher boat QS may purchase catcher boat QS and/or IFQs.

(ii) In order to use catcher boat IFQs the user must: 1) own or lease the QS, 2) be a U.S. citizen, 3) be a bona fide crew member, 4) be aboard the vessel during fishing operations, and 5) sign the fish ticket upon landing except as noted in (iii), below.

(iii) Persons, as defined below, who receive initial QS may utilize a hired skipper to fish their quota providing the person owns the vessel upon which the QS will be used. These recipients may purchase up to the total share allowed for the area. There shall be no leasing of such QS other than provided for in Sec.2(C)(2)(v). For the sablefish fishery east of 140°W longitude and for the halibut fishery in Area 2C, the above allowance for hired skippers applies only to corporations and partnerships. (*Additional shares purchased by these corporations or partnerships for the area east of 140°W, will not be exempted*

(d) 1.0% of the total QS or IFQs from IPHC Area 2C.

(2) Any person who receives an initial assignment of quota shares in excess of the limits set forth in paragraph (D)(1) of this section shall:

(i) be prohibited from purchasing, leasing, holding or otherwise controlling additional quota shares until that person's quota share falls below the limits set forth in (D)(1) above, at which time each such person shall be subject to the limitations of paragraph (D)(1) above; and

(ii) be prohibited from selling, trading, leasing or otherwise transferring any interest, in whole or in part, of an initial assignment of quota share to any other person in excess of the limitations set forth in (D)(1) above.

(3) For IFQ accounting purposes:

(i) The sale of catcher vessel caught sablefish or halibut to other than a legally registered buyer is illegal, except that direct sale to dockside customers is allowed provided the fisher is a registered buyer and proper documentation of such sales is provided to NMFS.

(ii) Frozen product may only be off-loaded at sites designated by NMFS for monitoring purposes;

(iii) QS owners wishing to transport their catch outside of the jurisdiction of the Council must first check in their catch at a NMFS specified site and have the load sealed.

(iv) Persons holding IFQs and wishing to fish must check-in with NMFS or their agents prior to entering any relevant management area, additionally any person transporting IFQ caught fish between relevant management areas must first contact NMFS or their agents.

(E) INDIVIDUAL FISHERIES QUOTAS. Individual fishing quotas are determined for each calendar year for each person by applying the ratio of a person's QS to the QS pool for an area to the annual fixed gear Total Allowable Catch for each management area. In mathematical terms, IFQs = (QS / QS pool) x fixed gear TAC. Persons must control IFQs for the amount to be caught before a trip begins, with the exception that limited overages will be allowed as specified in an overage program approved by NMFS and the IPHC.

(F) VESSEL AND GEAR RESTRICTIONS.

(1) Vessel Quota Share Caps

(i) For sablefish, no more than 1% of the combined Gulf of Alaska and Bering Sea/Aleutian Island quota may be taken on any one vessel, and no more than 1% of the TAC east of 140°W. (EY/SO), may be landed on the same vessel, except that persons who received an initial allocation of more than the 1% overall ownership level (or 1% in the area east of 140°W.) may continue to fish their QS on a single vessel.

(ii) For halibut, no more than 0.5% of the combined IPHC area quota may be taken on any one vessel except that persons who received an initial allocation of more than 0.5% overall ownership level (1% in area 2C) may continue to fish their QS on a single vessel. *(This differs from the ownership cap in that the limit applies to the whole North Pacific combined area TAC rather than the TAC combined for areas 2C, 3A, 3B, or for areas 4A, 4B, 4C, 4D, and 4E combined.)*

Sec.3. WESTERN ALASKA COMMUNITY DEVELOPMENT QUOTA PROGRAM.

(A) PURPOSE AND SCOPE. The Western Alaska Community Development Quota Program is established to provide fishermen who reside in western Alaska communities a fair and reasonable opportunity to participate in the Bering Sea/Aleutian Islands sablefish and halibut fisheries, to expand their participation in salmon, herring, and other nearshore fisheries, and to help alleviate the growing social economic crisis within these communities. Residents of western Alaska communities are predominantly Alaska Natives who have traditionally depended upon the marine resources of the Bering Sea for their economic and cultural well-being. The Western Alaska Community Development Quota Program is a joint program of the Secretary and the Governor of the State of Alaska. Through the creation and implementation of community development plans, western Alaska communities will be able to diversify their local economies, provide community residents with new opportunities to obtain stable, long-term employment, and participate in the Bering Sea/Aleutian Islands sablefish and halibut fisheries which have been foreclosed to them because of the high capital investment needed to enter the fishery.

The NMFS Regional Director shall hold the designated percent of the annual total allowable catch (TAC) of sablefish and halibut for each management area in the Bering Sea and Aleutian Islands for the western Alaska halibut community quota as noted below. These amounts shall be released to eligible Alaska communities who submit a plan, approved by the Governor of Alaska, for its wise and appropriate use. The portions of sablefish and halibut TACs for each management area not designated to CDQ fisheries will be allocated as QS and IFQs and shall be used pursuant to the program outlined in the Sections (1) and (2) above.

(B) WESTERN ALASKA SABLEFISH COMMUNITY QUOTA

(1) The NMFS Regional Director shall hold 20 percent of the annual fixed-gear Total Allowable Catch of sablefish for each management area in the Bering Sea/Aleutian Islands Area for the western Alaska sablefish community quota.

(2) Not more than 12 percent of the total western Alaska sablefish community quota may be designated for a single community, except that if portions of the total quota are not designated by the end of the second quarter, communities may apply for any portion of the remaining quota for the remainder of that year only.

(3) Those persons that would otherwise have received a full complement of sablefish QS in the Bering Sea and Aleutian Islands area, but would receive less due to the provisions of CDQs, will be partially compensated and the cost of the compensation will be borne equally by all initial sablefish QS/IFQ recipients. In general this compensation plan will issue incremental amounts of QS in each non-CDQ area to each disadvantaged person.

(C) WESTERN ALASKA HALIBUT COMMUNITY QUOTA.

(1) For IPHC management area 4E, 100% of the halibut quota shall be made available only to residents of coastal communities physically located in or proximate[2] to each management subarea. Trip limits of less than 6,000 pounds will be enforced.

(2) For IPHC management area 4C, 50% of the halibut quota, exclusive of issued QS, shall be made available for a community fisheries development program for residents of communities physically located in the management area.

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2. *(In determining whether a community qualifies, the Governor of Alaska will determine the interpretation of the word "proximate".)*

(6) business plan which will provide adequate information to complete a financial feasibility assessment;

(7) business arrangements which are entered into between a community and residents who reside outside of the community, provided that residents of a community shall received a preference for a portion of the harvesting quota over any arrangements for harvesting with persons who reside outside of the community; and

(8) within 30 days of receipt of the criteria from the Governor, the Secretary will approve, disapprove, or return the criteria to the Governor with recommendations for changes necessary to comply with the provisions of this Act, or other applicable law.

(F) APPROVAL OF PLANS

(1) Within 45 days of receipt of an application for a community, the Governor shall review the community's eligibility for the program and the community development plan, and at least 14 days prior to the next NPFMC meeting, forward the application to the North Pacific Fishery Management Council for its review and recommendations. The Governor of Alaska may hold a public hearing and submit a synopsis of that hearing to the Council in lieu of a hearing by the Council itself. The application shall be subject to a public hearing before the Council, or a committee of the Council. If the Council does not review the plan at its next regularly scheduled meeting, the Governor shall then submit the application to the Secretary for designation of a portion of the quota. The Governor shall submit the application to the Secretary within 14 days of Council action or within 14 days of the date of the adjournment of the Council meeting without any action taken on the application, unless the application is withdrawn by the applying community.

(2) Within 30 days of the receipt of an application approved by the Governor, the Secretary will designate a portion of the quota to the community, if the community development plan satisfies the criteria developed by the Governor and approved by the Secretary, or return the application to the Governor with reasons for denial.

Sec.4. AD HOC WORKING GROUPS.

(A) Two ad hoc working groups have been established: One group was established by the Council composed of but not limited to representatives from fixed gear vessel owners, crew members and processors, who would likely be affected by the Council's action on IFQs. The second group was established by the Alaska Regional Director, NMFS, composed of administration, data management, enforcement, and legal professionals. The groups developed a detailed implementation plan covering all aspects of the carrying out the Council's preferred alternative for a fixed gear IFQ management program (for sablefish and halibut). All states represented on the Council were given an opportunity to provide technical input to the groups. A Draft Implementation Plan, dated November 1991, contained details of the implementation plan, and except where modified by the Council, was accepted as part of the IFQ preferred alternative. The implementation groups are also authorized to continue their work to implement the Council's QS/IFQ program.

LANGUAGE CHANGES / ADDITIONS TO PREFERRED ALTERNATIVE

Sec 2 (B) : [Initial QS assignment]

(i) Initial QS allocations for each area shall be permanently attached to a license.

(ii) In the initial allocation, the IFQs arising from a quota share license (QSL) shall not exceed 1/2 of the specified ownership cap.

(iii) Those individuals or persons receiving initial allocation in excess of the cap in a management area shall be issued the number of QSLs equal to his/her allocation.

(iv) QSL shall remain as single licenses and may only be sold or transferred in their entirety unless QSL are combined pursuant to Sec 2 (D) (iv). Portions of the QSL may be leased in accordance with Sec 2 (c) (2) (iii).

(v) All sales of transfers of QSL shall be free and clear of all control, fiduciary trust and/or future contract.

Sec 2 (C) (2) - Delete (ii) (iii)

Sec 2 (D) [Ownership Caps]

add (iii) For sablefish and halibut any individual or person not grandfathered under Sec 2 (B) (1) (C) may not utilize the IFQs from more than three QSL in a management area in any one year. In the event of sale or transfer of QSL, a person or individual may hold up to 4 QSL for a period of no longer than one hundred and twenty days.

add (iv) QSL which have yearly IFQ's amounting to less than 1000 pounds for halibut and 3000 pounds for sablefish may be consolidated by an individual or person into a single permanent QSL as long as the resultant QSL does not exceed 1000 pounds for halibut or 3000 pounds for sablefish.

(ii) a qualified person who meets the requirements of this section engaged in a lease of a fishing vessel (written or verbal) or other "bare-boat charter" arrangement in order to participate in the fishery. (For instances identified under this section, the qualified person shall receive full credit for deliveries made while conducting the fishery under such a lease or arrangement.) *(Documentation proving such a lease existed will include the lease document itself if it exists, or other proof that the lessee did in fact control the disposition of the vessel, its gear, crew, and catch.)*

(2) Initial quota shares for sablefish or halibut will be assigned only to persons who meet all other requirements of this section and who have landed those species in any one of the following years: 1988, 1989 or 1990. These three years shall be known as the quota share qualifying years.

(3) Quota shares shall be assigned initially for each management area to qualified persons based on recorded landings, as documented through fish tickets or other documentation for fixed gear landings. Historical catch of sablefish will be counted from 1985 through 1990. Historical catch of halibut will be counted from 1984 through 1990. These historical periods shall be known as the quota share base period. For each species and management area, NMFS will select a person's best five (5) years (subject to approval of the person involved) from the quota share base period to calculate their quota shares.

(4) The sum of the catch in each person's five (5) selected years for each area shall equal that person's quota shares for that area. All QS in any area shall be added together to form the "Quota Share Pool" for that area.

(C) VESSEL CATEGORIES. Quota shares and IFQs shall be assigned by vessel category as follows:

(1) Freezer Longliner Shares:

(i) A vessel is determined to be a freezer longliner in a given year, if during that year it processed (froze) fixed gear (as defined above) caught groundfish. If a vessel is determined to be a freezer longliner and that vessel was used in the most recent year of participation by the owner, through 9/25/91, then all qualifying pounds landed by that vessel owner during the qualifying years shall be assigned as freezer longliner shares, unless the owner also participated in the most recent year through 9/25/91, using a catcher only vessel, then shares will be assigned to separate categories, in proportion to the catch made aboard each of the vessels. *(The Council's intent is that if a vessel is determined to be a freezer longliner that all QS accruing to that vessel will be issued as freezer vessel shares.)*

(ii) Any person owning freezer longliner quota shares may sell or lease those quota shares to any other qualified person for use in the freezer longliner category.

(iii) Fish caught with freezer longliner IFQs may be delivered frozen or unfrozen.

(2) Catcher Boat Shares:

(i) All landings made during the QS base period by a vessel owner, whose last vessel that participated in a fixed gear fishery through 9/25/91 is determined to be a catcher vessel, shall be allocated catcher boat quota shares.

(ii) There shall be two categories of catcher boat shares for the sablefish QS/IFQ fishery;

(a) vessels less than or equal to 60 feet in length overall, and

(b) vessels greater than 60 feet in length overall.

from the provisions of this section, nor does this exception apply to individuals using IFQs east of 140°W.)

This provision will cease upon the sale or transfer of QS or upon any change in the identity of the corporation or partnership as defined below:

a) **Corporation:** Any corporation that has no change in membership, except a change caused by the death of a corporate member providing the death did not result in any new corporate members. Additionally, corporate membership is not deemed to change if a corporate member becomes legally incapacitated and a trustee is appointed to act on his behalf, nor is corporate membership deemed to have changed if the ownership shares among existing members changes, nor is corporate membership deemed to have changed if a member leaves the corporation. *(In the case where ownership of shares is initially allocated to a publicly held corporations, the Council did not make a recommendation regarding what constitutes a change in membership of the corporation.)*

b) **Partnership:** Any partnership that has no change in membership, except a change caused by the death of a partner providing the death did not result in any new partners. Additionally, a partnership is not deemed to have changed if a partner becomes legally incapacitated and a trustee is appointed to act on his behalf, nor is a partnership deemed to have changed if the ownership shares among existing partners changes, nor is a partnership deemed to have changed if a partner leaves the partnership.

c) **Individual:** any individual as defined in Sec.1(B).

(iv) Quota shares, or IFQs arising from those quota shares, for any vessel category or any management area may not be transferred to any other vessel category or any other management area or between the catcher boat and the freezer boat categories.

(v) The Secretary may, by regulation, designate exceptions to Sec.2(C)(3)(ii) to be employed in case of personal injury or extreme personal emergency which allows the transfer of catcher boat QS/IFQs for limited periods of time.

(D) LIMITATIONS ON OWNERSHIP AND USE OF QUOTA SHARES.

(1) Quota Shares Ownership Caps

(i) For sablefish each qualified person or individual may own, hold, or otherwise control, individually or collectively, but may not exceed, 1% of the combined total for the Gulf of Alaska and Bering Sea/Aleutian Islands; additionally QS holdings in the area east of 140°W. (East Yakutat and Southeast Outside) shall not exceed 1% of the QS or IFQs for that management area.

(ii) For halibut each qualified person or individual may own, hold, or otherwise control, individually or collectively, but may not exceed any of the following ownership caps.

(a) 0.5% of the total QS or IFQs from the combined IPHC areas 2C, 3A, and 3B.

(b) 0.5% of the total QS or IFQs from the combined IPHC areas 4A, 4B, 4C, 4D, and 4E.

(c) 0.5% of the total QS or IFQs from all IPHC areas combined.

(2) Quota shares and IFQs arising from those quota shares may not be applied to: 1) trawl-caught sablefish or halibut, or 2) sablefish or halibut harvested utilizing pots in the Gulf of Alaska, or 3) halibut harvested utilizing pots in the Bering Sea/Aleutian Islands.

(G) ADMINISTRATION AND ENFORCEMENT.

(1) All sales, transfers, or leases of quota shares (or IFQ arising from those quota shares) must occur in a manner approved by the Secretary. All quota share and IFQ assignments and transfers will be administered by NMFS based on regulations established by the Secretary. The Secretary, in promulgating such regulations, shall hold at least one public hearing in each state represented on the Council and in at least one community in each of the management areas governed by the Council.

(2) The Secretary will promulgate regulations to establish a monitoring and enforcement regime to assure compliance with this program. Persons holding QS, who are found to be in violation of these sections or in violation of under-reporting catch, will be subject to appropriate penalties as designated by the Secretary, including forfeiture of their Quota Shares. *(The Council also directs the implementation teams to develop and recommend appropriate penalties and strictures to the Secretary of Commerce.)*

(H) DURATION. QS are a harvest privilege, and good indefinitely. However, they constitute a use privilege which may be modified or revoked by the Council and the Secretary at any time without compensation.

(I) DISCARDS *(The intent of the following sections is to eliminate high-grading by persons fishing under the IFQ program.)*

(1) DISCARDS OF SABLEFISH. Discard of sablefish is prohibited by persons holding sablefish IFQs and those fishing under the community development programs (CDQs).

(2) DISCARDS OF HALIBUT. Discard of legal sized halibut is prohibited by persons holding halibut IFQs and by those fishing under the CDQ program. Persons holding freezer longliner shares are exempt from this discard prohibition.

(J) Any person retaining sablefish or halibut with commercial fixed gear must own or otherwise control IFQs. *(The intent of the Council is to prohibit open access fixed gear fisheries for sablefish and halibut, and to require that persons in fixed gear fisheries who retain sablefish and/or halibut as bycatch must own or control IFQs for those species.)*

(K) In order for the continued prosecution of non-IFQs fixed gear fisheries, the Council recommends the suspension of the halibut fixed gear Prohibited Species Catch limit for the first two years of the IFQ program.

(L) Fish harvested incidentally during the operation of a QS/IFQ fishery shall be termed bycatch species for the purpose of this program. Bycatch species shall be Pacific cod and rockfish, but other species may be included by NMFS by regulatory amendment if it can be shown that the species is unlikely to survive if discarded. Any species identified as a bycatch species that is taken during the operation of a QS/IFQ fishery shall be retained and landed unless designated a prohibited species.

(M) Persons holding IFQs may utilize those privileges at any time during designated seasons. Retention of fixed-gear caught sablefish or any halibut is prohibited during closed seasons. Seasons will be identified by the Council and the IPHC on an annual basis. *(The IPHC and IFQ implementation teams have recommended initially that the season for IFQ sablefish and halibut should open on March 1 and close on November 30.)*

(3) For IPHC management area 4B, 20% of the halibut quota, exclusive of issued QS, shall be made available for a community development program for residents of disadvantaged western Alaska coastal communities physically located in or proximate[2] to the management area.

(4) For IPHC management area 4D, 30% of the halibut quota shall be made available for a community development program for residents of disadvantaged western Alaska coastal communities located in IPHC areas 4D and 4E for a community fisheries development (CDQ) program.

(5) Those persons that would otherwise have received a full complement of QS in areas 4B, C, D, & E, but would receive less due to the provisions of CDQs, will be partially compensated, and the cost of compensation will be borne equally by all initial halibut QS/IFQ recipients. In general this compensation plan will issue incremental amounts of QS in each non-CDQ area to each disadvantaged person.

(D) ELIGIBLE WESTERN ALASKA COMMUNITIES. The Governor of Alaska is authorized to recommend to the Secretary that a community within western Alaska which meets all of the following criteria be eligible for the western Alaska community quota program (hereinafter "the Program"):

(1) be located on or proximate to the Bering Sea coast from the Bering Strait to the western most of the Aleutian Islands or a community located on an island within the Bering Sea, that the Secretary of the Interior has certified pursuant to section 11(b)(2) or (3) of Pub. L. No. 92-203 as Native villages are defined in section 3(c) of Pub. L. No. 92-203;

(2) be unlikely to be able to attract and develop economic activity other than commercial fishing that would provide a substantial source of employment;

(3) its residents have traditionally engaged in and depended upon fishing in the waters of the Bering Sea coast;

(4) has not previously developed harvesting or processing capability sufficient to support substantial participation in the commercial groundfish fisheries of the Bering Sea/Aleutian Islands because of a lack of sufficient funds for investing in harvesting or processing equipment; and

(5) has developed a community development plan approved by the Governor, after consultation with the North Pacific Fishery Management Council.

(E) COMMUNITY DEVELOPMENT PLANS. Within 60 days of the effective date of these regulations, the Governor shall submit to the Secretary, after review by the North Pacific Fishery Management Council, initial criteria which the community must, at a minimum, include in a community development plan to be eligible to participate in the program. The criteria shall include provisions concerning the following:

(1) amount of quota requested;

(2) length of time community is requesting to receive a share of the quota;

(3) benefits that will accrue to the community from approval of their plan and release of quota, including how the plan will assist in diversifying the community's economy and provide opportunities for training and employment;

(4) how individual resident harvesters will be provided an opportunity to participate in the fishery;

(5) how the benefits will be shared within the community;

Dan Falvey
Box 6083
Sitka, AK 99835

January 25, 1992

Senator Lloyd Jones
Alaska State Legislature
Juneau Alaska

Dear Senator,

I have participated in the halibut and blackcod fisheries as either a crewmember or skipper for 10 years and fully realize the harm the present open access system is having on both the resource and fishermen. I support the concept of an IFQ system to help manage these fisheries and feel the preferred alternative adopted by the Council is acceptable. There are many caveats in the preferred alternative that protect the coastal communities and preserve the socioeconomic characteristics of the present fleet, however, this prefered alternative could be improved upon with the addition of the "Sitka Block proposal."

My main concern is what will happen to these fisheries if IFQ's are shot down. Traditional management tools that limit efficiency without limiting access will not solve the safety, waste, bycatch and overcrowding problems in these fisheries as new entrants will offset any gains these types of regulations make. Trip limits based on vessel size amounts to an "Individual Vessel Quota" program where the fishermen who did not go out and buy a bigger boat, and contribute to overcapitalization, are penalized. This hardly seems fair. Additionally, trip limits under the current 24 hour openings lead to an incredible amount of waste. This year's September halibut opening where 1/2 of all the gear set was left on the grounds is a prime example of this waste.

A simple moratorium and license limited entry system doesn't solve these problems as too many boats qualify. I understand that in blackcod 5-600 boats fish each year, but 1,100 would qualify if a moratorium was based on the same qualifications as the IFQ system. In halibut, the moratorium scenario is similar with 3000 boats fishing in a given year and some 6,00+ qualifying under a moratorium. A use "it or loose it" clause in

-PRO-IFQ/CON-SJR38

conjunction with a moratorium will insure that the effort and waste on the grounds is almost doubled. The Chatham Straights blackcod fishery is an excellent example of what this type of system does.

I am also concerned about the health of the coastal communities if the proposed AK State Legislative resolution passes and helps kill the current IFQ proposal. I've been to the last several Council meetings, and realize that all of the fishery managers agree that the present system of management is unacceptable. The next step in the process to correct the waste, bycatch and safety problems is a "comprehensive fisheries management plan." This plan will include both the trawl fisheries and the longline fisheries if IFQ's are killed. Under this type of plan, the longline fishermen and the coastal communities have no hope of getting the special caveats needed to protect the small boat fleets. Additionally, Amendment 14 (the one that banned blackcod pots in SE) comes up for review next year. Under open access, the Southeast blackcod fishery has had the highest halibut bycatch rates in the Gulf. There has already been one proposal that would give pot gear a preference over longlines because of the low halibut bycatch of pots. I don't see any way we can prevent Amendment 14 from being overturned if we still have open access next year. Most of the boats in SE are too small to carry Blackcod pots, so an amendment like the one proposed would be the end of the Southeast fleet.

In conclusion, Mr. Senator, I feel that open access is unacceptable and that traditional management tools are inadequate to handle the waste, safety, and bycatch problems we have. A simple moratorium and license limited entry would be even worst than open access. I urge you to do everything possible to bring some sanity to the AK State legislature and stop this resolution. Send the Council a strong message about protecting the coastal communities if you wish, but do not condem IFQ's as a form of limited access.

Thank you for your time and consideration. As I will not be able to make the tele-conference on this resolution, please see that this testimony is included in the record.

Sincerely,

Dan Falvey

Senate Resources Committee
Juneau, Alaska 99833

January 23, 1992

Dear Lloyd-

In listening to recent teleconference testimony regarding House Bill 61 I am again struck by the lack of knowledge we Alaskans have regarding the Council process and Individual Fishing Quotas in general. The North Pacific Fisheries Council already manages these fisheries under discussion and not the State of Alaska. We are not giving any thing away and for our legislature to attempt to intercede in the process of management strikes me as a dangerous precedent. We in these Coastal Communities who are directly concerned with the Sablefish and Halibut resource have been working with the Council thru six years and dozens of public meetings. Individual Fishing Quota's are not new and surprising. I would forward you some of the documents and studies supplied to us during the last decade but have long ago thrown them away.

I am a third generation Alaskan when growing up saw his parent leave in late April and return in the late summer from the Gulf of Alaska Halibut fishery. I fished halibut thru High School in the late 60's and after building my own boat in 1979 continued in the Gulf as my Grandfather did in the 1920's. I wonder what he would say about two 24 hour trips, with his peer group leaving 10-15% of the quota on the grounds dead on unhauled gear. Look at our Sablefishery, less than a couple of hundred participants in the early 1980's, now mushrooming up over a thousand. As much as we may want it there just is not enough resource for every one to diversify into. The IFQ system as it stands today locks in 86% of participants in Halibut as Alaskans and as 75% of the Sablefish participants. Shares will not be purchased from small fishers and or sold to large fishing vessels. The vessel size categories will freeze the makeup of the fleet as it is. For those that want to diversify or go to larger boats we again must stress that there just aren't enough fish! We currently have in our Coastal Communities a fairly balanced fishing effort. Our fleet contributes mightily to our local economy. If studies are being done regarding the impact of IFQ's on these communities I would have to insist that they be done also on the impact of Status Quo. If we are talking about existing management tools you must consider what is taking place on the Eastern Seaboard of the United States. There the Council has been beaten over the last years into using these so call traditional tools. It currently appears as if the U.S. Government is going to have to intervene and basically circumvent the Council and virtually close fishing for a three year period to allow stock rebuilding. When the Council is not allowed to do their job due to interest groups the resource will suffer. The end result here will be as economically severe in all Coastal Communities as wittnessed on the East Coast by a succession of business failures and vessel losses.

One last thought, sometimes it helps to put things in perspective using some what similar situations. Suppose you were told that a Foreign fishing fleet had come into the Gulf and had killed and dumped overboard 4,200,000 pink salmon from a total onshore run of 52,000,000 fish. This is approximately what has happened in the Sablefishery in 1990 resulting in the lower quotas for 1992, except it wasn't Foreigners, but my peer group attempting to diversify.
Please accept the enclosures for what they are, simply an attempt to help educate your process.

Sincerely Yours

Eric Rosvold

1144
99833

January 6, 1992

Dear Editor,

In December, the North Pacific Fishery Management Council passed an Individual Fishing Quota system for the sablefish and halibut longline fisheries. This important decision was not made in haste. Rather it was the product of many years of work and debate by the Council and members of the industry to find constructive solutions to the problems plaguing these longline fisheries.

Many of the articles that reported the Council's action and which appeared in various Alaska newspapers and trade publications emphasized the number of people who testified against the IFQ program. However, what these articles failed to mention is that many fishers and fishing organizations spoke in favor of the proposal at this meeting and during many of the past Council meetings. Positive solutions to the multitude of problems confronting the longline fisheries were noticeably absent in the testimony given by those opposing the program. "No" is probably the easiest spoken word in the English language; constructive solutions are many times more difficult to formulate and deliver. I believe the Council based their decision on the merits of the arguments presented rather than on the popularity of the program.

It appears that many people have conveniently forgotten why the Council has been seeking a change in the management methods used for sablefish and halibut. The overriding characteristic of the sablefish and halibut fixed gear fishery is that it has developed into a "derby" fishery as a direct outgrowth of open access. These developments have led to problems directly related to the length of seasons and to intensified competition on the grounds. Ten such problems have been identified by the Council. The most notable include: gear conflicts, deadloss, bycatch loss, excess harvesting capacity, safety, economic stability in the fishery and communities, and rural coastal community development of a small boat fishery. The analysis completed by the Council staff supports the view that IFQs will provide a clear improvement over the status quo in all of these problem areas. Clearly, the Council's decision will benefit the health and viability of the halibut and sablefish stocks. Unless the stocks are in good condition, we as fishers have no future.

Much has been said about the impact IFQs will have on communities. In some cases, communities have voiced opposition to the program prior to educating themselves on the concept and assessing the current situation. The derby style fisheries we currently have create a pulsing atmosphere. Either there are millions of pounds of halibut and sablefish to land and process, or there is nothing. This results in a few days of intensified work for people in the processing industry. This

does not create steady year-around jobs for residents of our communities. An IFQ program can provide steady employment of longer duration for crewmembers and those in the processing industry. This is far more desirable and will add greater stability to our communities than the pulse fisheries we currently experience. In addition, implementation of an IFQ program will not hinder landings. Halibut and sablefish can be landed anywhere in the State provided the sale is to a registered buyer and advance notification is given. An IFQ program will do alot to improve the economic stability of our longline fisheries and our communities.

It is evident that there are numerous rumors circulating with regards to IFQs. Misinformation severely hinders good decision making. Before forming a final opinion on IFQs, take some time to educate yourself with the facts. Here are a few to keep in mind:

--The Council has spent the past 5 years discussing the problems and possible solutions during more than 28 of their meetings, all of which were public. This issue is not new!

--For halibut, 86% of the initial quota share recipients will be Alaskan residents. For sablefish, this figure is 75%.

--For halibut, the total amount of quota shares initially allocated to Alaska residents will be 72%. For sablefish, this figure is 50%.

--There are 3 vessel size categories for traditional halibut boats (that deliver fish unfrozen). Less than or equal to 35 feet, 35 to 60 feet, and over 60 feet.
Quota shares cannot be transferred from one vessel size category to another.
These two provisions will insure that the present complexion of the fleet will be maintained. It prevents the small boat fleet from being eliminated from the fishery.

--Sixty-six percent of the halibut quota shares are going to vessels under 60 ft. (55% to vessels in the 36 to 60 foot size class, and 10% to the 35 feet and under class.)
Once quota shares are allocated to a particular vessel size category, it cannot be transferred to another size category.

--There are limits on the amount of quota share that can be owned or controlled by one person or corporation.
This will insure that ownership of quota shares will not be concentrated in the hands of a few large corporations.

--For the past two years, all longline fisheries in the Gulf of Alaska have been shut down due to halibut bycatch. The result has been millions of dollars lost in income and

revenue to longliners and coastal communities. This will no longer occur under this program.

--Although a community may not receive primary port status, it does not preclude that community from purchasing halibut or sablefish harvested with IFQs. It merely means that a National Marine Fisheries agent will not be permanently stationed in the community.

However, THE MOST IMPORTANT POINT IS THAT THIS IFQ PROGRAM WILL BENEFIT THE RESOURCE. Implementation of an IFQ program will reduce gear loss and gear conflicts, drastically reduce bycatch and mortality rates, and provide safer working conditions for our fleet.

Change is rarely easy to accept. But change we must. Without a change from the status quo, we will soon experience further declines in stock abundance, even shorter fishing seasons, increased crowding on the grounds, and an increase in loss of lives and property. Clearly, this is not a healthy situation for the resource, our fleets, nor our communities.

Difficult decisions are not always the most popular ones. For those of us interested in the health and viability of the halibut and sablefish stocks, as well as the future of our industry, I believe the Council took a very positive step in the right direction.

Sincerely,

Kris Norosz

Kris Norosz
Director

Petersburg Vessel Owners Association
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or whether it was ever armed on in the first place. And it doesn't really matter. The fact is that six fishermen went into the water, falsely confident that their float-free EPIRB would alert rescuers to their dire situation.

Perhaps the captain of the Andrea Gail, like so many other skippers, removed the device from the holding bracket when the boat was in port to avoid theft. In order not to send a false signal, he would have disarmed the signalling device by flipping the switch. When the EPIRB was replaced in its holder, maybe he or a crewman forgot to turn it on again.

With an automatic, float-free EPIRB, neither captain nor crewman should have to wonder whether the device has been turned on. Expecting someone to check the "on-off" position amid the panic that often sets in during an emergency is not realistic.

A group called the Radio Technical Commission for Maritime Services, or RTCM, helps write the specifications for EPIRBs, among other devices, that are used in the United States. William Adams, the president of RTCM, says that although the commission has discussed the issue of EPIRB on-off switches, there don't appear to be any good solutions. An answer could be found, he adds, but it might be expensive.

I may be putting too much stock in our ability to solve technological problems. However, the task of developing some type of foolproof triggering mechanism shouldn't be that difficult.

Maybe the answer is as simple as this: Whenever the EPIRB is in its mounting bracket, it is armed, ready to signal if released. Want to take the EPIRB home? Fine. The entire bracket — with EPIRB still in place — is removed from its quick-release holder, much the way a manually operated can opener is slid into place in a kitchen wall bracket.

EPIRB technology has come a long way, and the devices have saved many lives. We now need to take the next step and make them operationally fail-safe.

PACIFIC COAST WATCH

Get congressmen out of fish management

By Brad Matsen
Pacific Editor

Late in the week during which the North Pacific council was trudging through the heated, critical debate on halibut and blackcod Individual Fishing Quotas (IFQs) in Anchorage (see p. 22), a letter arrived opposing the council's plan. Several hundred other letters opposing the plan and several hundred in support had also arrived during the three years the council had been working on it.

This particular letter, though, was from Alaska's Sen. Ted Stevens, written pointedly on Appropriations Committee stationery. Its arrival triggered a reaction not unlike you'd expect if a wrecking ball came through the wall of the hotel.

The council, for better or worse, bit the bullet and passed the plan, at least taking some action after a decade in which there had been none. In that time, the longline fleets have grown from manageable to unmanageable proportions, dozens of lives have been lost to bad weather and hours-long seasons, and the only options for rationalizing the fisheries now will inflict pain on a lot of fishermen who don't deserve it. Everybody who supports IFQs regrets not having done so when such a system could have prevented the chaos and bitterness we now endure.

The most disturbing thing about the letter from Stevens was the reminder it brought of that time 10 years ago when a plan to control access to the longline fleets that would have hurt far fewer people was on the verge of adoption. Then, at the last minute, pressure from Alaska Congressman Don Young killed the deal and sent us into the tailspin from which we are trying to recover. Young killed it because a vocal minority knew how to reach him on the telephone and convince him that coastal communities and all of Alaska would suffer if access to the grounds were brought under control.

The council system is under a lot of fire for its ineffectiveness these days, but you don't have to go to the mountain to meditate to figure out that politics as usual is what this is all about. It's one thing for a legislator to keep his pulse on resource management; it's an entirely different matter for him to be up to his shoulders in decisions that require far more analysis and vision than political pragmatism can provide.

Whether or not IFQs become part of the reality of commercial fishing, we should consider refitting our management system with protections against such direct control of the councils and agencies by individual senators or representatives. The whole Congress expressing its will is part of the democratic process and serves all of us, but a single swing of the power hammer far too often constitutes idiosyncratic abuse or service to very specific interests rather than the common good.

JON LAITIN

New England groundfish stocks have continued to suffer despite years of management experimentation. Neither quotas, trip limits nor gear restrictions have stemmed the decline.

A New Age for Northeast groundfish

By Susan Pollack
Staff Writer

The rules of the game have changed in groundfish management — that's the message Massachusetts Congressman Gerry Studds delivered to fishermen, fishing industry representatives, scientists and fishery managers during a Sept. 23 hearing on his Groundfish Restoration Act.

Studds told constituents, who gathered in a chilly basement auditorium of the Massachusetts Statehouse in Boston, "The choice is not between some form of legislation on the one hand" and the New England Fishery Management Council returning to business as usual on the other. The choice, he said, "is between legislation and the consent decree."

The decree, signifying an agreement between the Conservation Law Foundation (CLF) and the National Marine Fisheries Service (NMFS), hangs over the heads of the New England fishing industry like Damocles' sword. No one likes it, but slowly people are reckoning with it. The court order establishes a five-year stock-rebuilding schedule for depressed cod and flounder stocks and a 10-year one for haddock, which is in worse shape.

Under the ruling, the New England council has until March 1 to prepare a draft plan for stock rebuilding and until next Sept. 1 to write a final plan. If it fails to meet the deadline, a plan will be imposed by NMFS. Studds' bill (H.R. 2919) likewise includes five- and 10-year rebuilding timetables.

At the hearing, Studds said he was open to changes on every aspect of the legislation, including scrapping controversial fuel tax and buyback provisions. But he stressed that he was "deadly serious" about restoring groundfish stocks. "The medicine prescribed in this bill will require sacrifices on the part of an industry that can ill afford to sacrifice," he said. "But the price of inaction would be even higher."

Jeff Pike, Studds' fisheries specialist, later elaborated. Under no conditions would the congressman drop the rebuilding schedule from his bill, despite appeals from industry representatives. To do so would be "irresponsible," Pike insisted.

However, Studds would be amenable to extending by a few months the time the council is allotted for plan development if that would mean a better plan, said Pike.

On another matter, Pike reported that Studds is investigating potential new sources of money — including from the Saltonstall-Kennedy fund — to develop markets for underutilized but plentiful East Coast mackerel. At the hearing, fishermen said the problem was not catching mackerel but finding someone to pay a decent price for it.

The Groundfish Restoration Act also includes provisions for a moratorium on vessel entry and a proposal to strengthen fisheries law enforcement by calling on state agencies to supplement the work of the Coast Guard and NMFS. Additionally, there are measures to encourage talks with Canada to improve conservation of shared resources, along with a controversial provision to retrain fishermen and plant workers who are put out of business by new conservation regulations.

The bill could be voted on as soon as late fall. If enacted, it would supersede the court decree.

Pros and Cons

At the meeting, longtime fishermen's representative Jake Dykstra, who worked with Studds to draft the Magnuson Act, voiced a common view. Legislative involvement in fisheries management is preferable to judicial intervention, he said, particularly if legislation improves the process by providing fishery managers with more tools.

However, Dykstra insisted that the job of management belongs with the council — a view that no one disputed. The problem, said Dykstra, is that no one yet knows how

fishery like groundfish. Although neighboring Canada has an entirely different system based on fleet and individual quotas, it, too, is suffering serious stock, enforcement and data problems, he said.

Peter Shelley, senior attorney for CLF, observed that for U.S. fishery managers it was "far easier and more politically expedient to say 'no' to the Polish and Japanese fleets than to our own fleets." Furthermore, he asserted, "the New England council and NMFS were vested with too much discretion and too few tools" for managing stocks. He applauded the bill for providing additional tools.

Speaking for the council, Vice Chairman Barry Gibson said the group appreciated Studds' efforts to foster stock rebuilding. Particularly helpful were sections in the bill that would expedite spawning and nursery area closings and supplement the sea sampling program. He was concerned, however, that "the council's role in fisheries management not be usurped."

Questioned pointedly by Studds, Gibson said the council had every intention of complying with the court-ordered deadline. Later, he told *National Fisherman* that he felt the decree "was necessary to get the council moving. We were in a quagmire with a lot of differing viewpoints. This [legislation] was not the best way to do things, but it lit a necessary fire."

No one denied that groundfish stocks are in trouble, although James Warren, a former council chairman who is currently executive secretary of Associated Fisheries of Maine, said he did not think the situation had reached crisis proportions.

Ed Lima and several other representatives from Gloucester, meanwhile, suggested that the problem might not be overfishing, but rather increasing numbers of predators, including mackerel, skate and dogfish, taking a toll on groundfish. Furthermore, they urged that fishermen be helped to redirect efforts on these underutilized species and others such as menhaden.

the groundfish plan, the council is now developing ways to cut fishing effort in half.

Sitting on a panel from New Bedford, Howard Nickerson of the Offshore Mariner's Association said, "The purposes of the act are laudable, but you can't do it [rebuild stocks] in five years."

Licensing Captains

Capt. Ken Thompson of the Coast Guard supported a proposal for mandatory-permit sanctions. Two days later, on Sept. 25, the council's groundfish committee took a first step toward that goal. The committee decided to develop a provision requiring that all captains of groundfish vessels be licensed. The idea is that a captain's license could be pulled if, after adequate warning, he continues to violate groundfish regulations.

The measure will be included in Amendment 5 to the council's groundfish plan. The council is preparing a draft of this amendment for presentation at public hearings by March 1 as per the consent decree.

In other action at its Sept. 25 meeting, the committee returned to the thorny issue of the license moratorium.

Under the moratorium, commercial fishermen must have held a Northeast multispecies permit as of Feb. 21, 1991, and to have landed groundfish between Jan. 1, 1990, and Feb. 21, 1991. If not, fishermen must show written proof that their vessel was under construction or contract for purchase by Feb. 21, 1991, and was to have landed fish by Feb. 21, 1992.

Russ Cleary of the Commercial Anglers Association urged the council to consider exempting hook-and-line fishermen — jiggers and line trawlers — from the moratorium since, he asserted, this gear is far more selective than otter trawls. The idea, said Cleary, would be to provide fishermen incentives to switch to more selective gear.

His request, which was backed by Bill Adler of the Massachusetts Lobstermen's Association and various hand-gear fishermen, added fuel to an already heated debate over license limitation.

Fred Mattera of Point Judith, R.I., and several other commercial fishermen sparred with council member Arthur Odlin over limited-entry. Sonny McIntire of Ogunquit, Maine, charged that the council was "doing something unconstitutional. My family came here to go fishing. I'm going to do it. You guys don't have the right to stop me."

Odlin, a boat owner and retired fisherman himself, said, "It [limited entry] is pure and simple protectionism. When stocks recover, what's to prevent Texas shrimpers or a fleet of freezer trawlers from the West Coast" from groundfishing here? Groundfishermen who were being "put through hoops now" want some assurance that they would benefit in the future, he said. □

NMFS backs consent decree

At an Oct. 2 hearing in Washington, D.C., the director of the National Marine Fisheries Service (NMFS) applauded the intent of Rep. Studds' groundfish restoration bill, but favored a different approach.

NMFS chief William Fox Jr. said his agency supports the strategy established by the recent legal consent decree to amend the Northeast Multispecies Fishery Management Plan. Those provisions require the rebuilding of cod and yellowtail flounder stocks within 5 years and haddock within 10 years.

Fox said complying with the Studds bill requirements for doubling all groundfish stocks within 5 years would be impossible to guarantee because of factors outside the control of fishery managers.

The NMFS director also objected to other parts of the bill, including vessel buy-backs. Meanwhile, he argued for some mechanism, such as transferable quotas, to reduce fishing effort. —J.F.

Vaughn Anthony of NMFS' Northeast Fisheries Center said that predators could be aggravating a bad situation. But he insisted that overfishing is the dominant factor in the decline of groundfish stocks.

Anthony said a significant reduction in fishing pressure would result in "three times the amount of groundfish you have now." On the other hand, if you maintain fishing pressure at its current level, he said, "stocks will continue to decline."

Fishing effort is at least twice what it should be to achieve maximum sustainable yield, Anthony said. Under Amendment 5 to

e authorized against countries that top high-seas driftnetting by June 2. Such countries have until Jan. 1, o declare their intentions to stop ing by June. If they do not make claration, they may be penalized by tion of the secretary of commerce, position of an embargo on fishery and possible embargo of non-fish- ucts.

— Brad Matsen

erman arrested discarding fish

rt Myers Beach, Fla., fisherman has rested and charged with catching discarding undersized reef fish. tion on each count carries a maxi- enalty of five years in prison and a $250,000.

Debold was accused in late July of cy to violate a federal criminal sta- ssessing undersized reef fish) and interference with a Coast Guard f his vessel (throwing the fish over- He was under investigation by spe- nts of the National Marine Fisheries (NMFS) and the U.S. Coast Guard months before his arrest.

rding to Dr. William Fox, NMFS di- "This arrest will hopefully send a sig- hose who intentionally threw away undersized or illegally caught fish to avoid citations by NMFS or Coast Guard agents.

"Unfortunately," Fox says, "these crimes can have severe negative impacts on fishery resources and are often difficult to prosecute. NMFS and the Coast Guard depend greatly on the support of the general public to come forward with information on such practices."

NMFS calls such acts "throwaway crimes" and believes they are common in both commercial and recreational fisheries.

— Russ Fee

Groundfish suit raises controversy

As *National Fisherman* went to press, controversy was raging over an impending settlement between the U.S. government and the Conservation Law Foundation of New England (CLF).

The proposed consent decree, which sets up a time schedule for rebuilding depleted New England groundfish stocks, was submitted to U.S. District Court Judge A. David Mazzone in Boston on Aug. 14. CLF sued the Commerce Department over its alleged failure to halt overfishing (see NF Sept. '91, p. 8).

In brief, the proposal sets up a five-year rebuilding schedule for cod and yellowtail flounder and a 10-year scheme for haddock. If the New England Fishery Management Council fails to submit such a stock rebuilding plan to the secretary of commerce by Sept. 1, 1992, or if the secretary finds that what the council has submitted is inadequate, then the secretary must make available its own plan by Nov. 1, 1992.

There is also an intermediate check point. If by March 1, 1992, the council does not have an amendment to take to public hearing, the Commerce Department must begin work on its own plan, according to Margaret Hayes, assistant general counsel to the Commerce Department's National Oceanic and Atmospheric Administration (NOAA).

Seven fishermen's associations have filed a motion to intervene in the lawsuit, and the New England council debated, but decided against, similar action. According to Ralph Gills, who represents the fishermen's groups, "The settlement, regardless of its terms, preempts the congressionally established administrative process," under the Magnuson Act. Furthermore, he says, it was inappropriate to ask the court to take action on a fishery management issue.

The CLF case sets a "bad precedent," adds Lucy Sloan, executive director of the Northeast Atlantic Swordfish Net Association. It encourages other groups to bypass the council if they are discontented. If this becomes the operating mode, "fishermen will be cut out of the process because they don't have unlimited resources with which to litigate for management," she says.

By contrast, fishermen in the Southeast have been using the courts for relief from actions by the councils and state fisheries commissions (see p. 22).

The other potential intervenors are the Massachusetts Inshore Draggermen's Association, Point Judith Fishermen's Co-op, Massachusetts South Shore Gillnetters Association, Cape Cod Gillnetters Association, Associated Fisheries of Maine and the Maine Gillnetters Association.

Eleanor Dorsey, staff scientist for CLF, says she supports the council process, and, moreover, that she wants to "see the council determine the contents" of a groundfish management plan. The settlement proposal does not preempt the council's management authority, she maintains. All it does is to set a time frame.

Concerned that a court-imposed time frame does, in fact, amount to "an end-run on the council process," the council spent several hours debating whether to join the potential intervenors. "There was a tremendous amount of concern and outrage by various members over the process that was followed," reports Dave Borden, the council's outgoing groundfish chairman. Never once, he says, was the council consulted concerning the "specifics of the proposed settlement. Nor did any members have advance knowledge of the settlement agreement or its terms," he says.

Some council members felt it was too late to intervene, that it was a "done deal" as one member put it. Others argued that the council's resources would now be better spent developing a management plan.

(Continued on Page 10)

Around the Coasts

(Continued from Page 8)

Judge Mazzone is not expected to act on the proposed consent decree until after holding a conference with representatives of CLF, the government and the potential intervenors. At press time, the conference was tentatively scheduled for Aug. 28.

Meanwhile, a public hearing on Congressman Gerry Studds' proposed groundfish bill is scheduled for Sept. 23 at 10 a.m. in the Gardner Auditorium of the Massachusetts State House. Council members and fishing industry representatives have raised some concerns about the issue of legislative intervention in the management process, but they have subsided in the wake of greater concerns over court involvement in the process.

— Susan Pollack

Oil spill blackens the Northwest coast

The Japanese fish-processing ship Tenyo Maru was struck by a Chinese freighter in Canadian waters off the Washington coast on July 22 and sank hours later with the loss of one of her 85 crew members. The ship, resting on the bottom at 500', immediately began to disgorge the estimated 350,000 gals. of light and heavy fuel in her bunkers, fouling beaches down-current as far south as Oregon.

Debris surrounding the sunken ship prevented divers and remotely operated vehicles from patching the hull around the fuel tanks, and in mid-August, she was still leaking. The sludge washing ashore killed hundreds of sea birds and forced the closure of popular wilderness beaches along the coast. Commercial fishing operations out of nearby LaPush and Neah Bay were affected by the physical presence of the oil and cleanup operations by skimmers and tender vessels.

The Tenyo Maru was involved in a joint venture with Canadian catcher boats at the time of the collision. She was operating at the mouth of the Strait of Juan de Fuca within the Canadian 200-mile zone, though the massive slick extended entirely into U.S. waters. Canadian and U.S. Coast Guard and clean-up crews responded to the disaster.

— B.M.

Council sets red snapper quota

The 4-million-lb. total allowable catch (TAC) for Gulf red snapper that had been recommended by the Gulf of Mexico Fishery Management Council in March was approved by the National Marine Fisheries Service in July. Commercial fisheries will get 51% of it; recreational fisheries will get 49%.

The commercial quota results in 2.04 million lbs. for all gear types in 1991. A recreational bag limit of seven fish per person is believed to equate to a harvest of about 1.96 million lbs.

The TAC is a 1.1-million lb. reduction from 1990. If the commercial quota is harvested before year's end, the fishery will close until Jan. 1, 1992.

Also at its July meeting in Key West, the council agreed to take to public hearings proposals for a five-year moratorium on permits to harvest reef fish and coastal pelagics (mackerels) during consideration of limited-entry schemes for those fisheries.

It also went against the recommendations of its shrimp advisory committee and NMFS Southeast regional director in voting to reopen parts of the stressed Tortugas

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1-21-92

Senator Jones,

My name is Randy Nichols I have been fishing in the South-east Alaska blackcod and halibut fisheries for 7 and 10 years respectfully. I would like to voice my approval for the IFQ program proposed by the North Pacific Fishery Managment Council. There are many reasons why I feel that this program would be benifical to Alaska and Alaskan fisherman. Safety is probably the single most important reason I support this program. I have had personal friends and neighbors injured and killed in our crazy "Derby" fisheries.

Fish quality, fish and gear waste would also be well addressed with this program. Waste includes the tons of fish destroyed on lost gear as well as the tons of fish destroyed via bycatch. If this program is not adopted I believe the longline fleet will loose the blackcod fishery as other gear types will prove that they can harvest these fish with less bycatch and change the laws

to allow these fish to be taken with either pot or trawl gear. Given IFQ's the longline fleet would be less crowded and able to stay away from high by catch areas and market all of its catch.

I believe that the future of our small boat fleet and our costal communities here in Alaska is very bleak in regard to longline fisheries. I feel we are on the verge of loosing the blackcod fishery and with the number of entrants snowballing in the longline fisheries I dont believe many boats can maintain a viable business into the future. I feel it would be far better to have a sound longline fishery in Alaskas future than to have a remenent fleet of part time fisherman or to have another gear type harvesting our Blackcod and halibut. I also feel that if we do not take care of our fish resources that there will not be much left in a few years to support our fisherman or our costal communities. The current IFQ plan does a good job of addressing these problems

and should be implemented.
The NPFMC has studied and restudied these problems and recommended IFQ's I think it is time we let them do their job and institute this program while we have a fishery.

Sincerly,
Randy Nichols

RANDY Nichols
P.O. Box 3044
SITKA, AK.
99835

JAN 24 '92

1-2-92

Sen. Jones

I would like to voice my approval for an IFQ system to manage black cod and halibut. There are many good reasons which have been discussed and rediscussed over the the past 4-5 years. I think an IFQ system would be an improvement over the present system for a lot of reasons, not the least of which are safety, product quality and wasteage.

There are a lot of people who are saying that an IFQ system will deprive them, and their children, from any future in the longline fisheries since they have no past in it. Will these same fishermen enter the fishery as it is now? - and will there be any fishery left to hand down to our children under the present system?

What is to stop the large factory trawlers who, ~~are~~ NOW, are in Seattle re outfitting to be longliners from fishing all over Alaska in the coming seasons and displacing the small boat fleet that is in existence now, and would continue to exist under an IFQ program? If left under the present management of open entry would these ex trawlers - now to be longliners - have the same ruthless fishing practices and environmentally devistating effects as they did as trawlers? What kind of fishery would there

be left for us then?

Canada has gone to an IFQ program and is producing fresh fish many months of the year. Russian bottom fish is starting to enter the marketplace with a big increase in the future expected. We are hurting ourselves with the product produced in our derby fisheries - both blackcod and halibut and these other sources will put us in a lower place in todays market. Under the open entry management scheme there is a lot of damage to fish stocks by lost gear - and gear left out when it closes. This harm to our own fish stocks by the fishermen themselves is very self defeating - It is also harmful to the fishermen themselves. Everyone fishes hard - even when the weather is very stormy and lives are lost - It is quite difficult to hand a fishery down to your children if you are dead.

Please implement the proposed IFQ system. I am sure there will be problems that arise within it once it is in action - But as I understand the NPFMC has the authority to make changes in it in the future if it is not working the way it is being designed to.

As a fisherperson involved in the longline fisheries today I feel the present system is unacceptable. In my opinion

IFQs are a viable alternative.
Thank you
Carolyn Nichols
PO Box 3044
Sitka, AK 99835
Carolyn R Nichols.

I would also support the Sitka Block proposal.

SENATOR FRED F. ZHAROFF
ALASKA STATE LEGISLATURE
P. O. BOX 405, KODIAK, ALASKA 99615 (907) 486-5259
DURING SESSION:
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DISTRICT N
ALASKA PENINSULA • ALEUTIAN CHAIN • BRISTOL BAY • KODIAK ISLAND • LAKE CLARK/LAKE ILIAMNA • PRIBILOF ISLANDS • SHUMAGIN ISLANDS

SJR 38
SPONSOR STATEMENT

January 21, 1992

The Alaska commercial fishing industry is a vital component of Alaska's social and economic structure, the product of a dynamic matrix of elusive and abundant fishery resources, fluctuating markets, and a wide variety of diverse regional interests and needs.

The North Pacific Fishery Management Council (NPFMC) has focused a great deal of its attention on addressing certain problems in the Alaska halibut and sablefish fisheries for many years. These considerations have primarily concentrated on the development of a share-quota, or Individual Fishery Quota (IFQ) management plan for these fisheries.

IFQ management has been a highly controversial question since it was initially discussed for the Alaska halibut fishery in the early 1980s. While IFQ management had some support at that time, strong opposition to this type of management was expressed by many individual fishermen, fishermen's organizations, processors, municipalities, and other organizations. In 1983, the Alaska Legislature expressed its opposition in Legislative Resolve Number 7, "Relating to the imposition of a halibut moratorium and the establishment of a shares system for halibut in Alaska".

Since that time, the NPFMC has continued to pursue the development of IFQ management plans for the halibut and sablefish fisheries regardless of the continued opposition. At their December, 1991 meeting the Council passed an IFQ management plan for the halibut and sablefish fisheries in spite of overwhelming testimony against such action. Again, concerns were strongly expressed by a large and diverse group of individuals, organizations, and industry and municipal representatives, to no avail.

The NPFMC has essentially decided to address the problems they have identified in the halibut and sablefish fisheries by artificially inducing a dramatic reduction in the number of participants through economic attrition. Any IFQ plan will exclude participants who fail to meet the criteria to qualify for initial share allocations. "Marginal" operators will find it necessary to either buy more shares to allow them continued viability in the fishery, or sell out completely---an increased burden on the conduct of their business either way. Eventually those with the greatest wealth and financial stability will survive this attrition process, and those fisheries will be owned by fewer and fewer people.

Referring to a study of the socio-economic impacts of the IFQ plan passed by the NPFMC now being conducted by the National Marine Fisheries Service (NMFS), council member Clem Tillion recently was recently quoted: "The state supports the program and is convinced the study will show it is beneficial for Alaska to do this", and regarding Governor

Hickel's request that the Council delay proceeding with the implementation process of the plan until the NMFS study is completed, that the governor was "reacting to a lot of community councils who don't know anything about fishing" (Anchorage Daily News, January 14, 1992).

The implementation of an IFQ system in the halibut and sablefish fisheries will have serious impacts on the Alaska commercial fishing industry and Alaskan coastal communities. This action will be precedential and virtually irreversible. Concerns that have been repeatedly expressed regarding the socio-economic impacts and the administrative and enforcement costs of IFQ management have not been adequately recognized or addressed by the NPFMC. Alternate, more flexible management measures have not been attempted.

I urge the Legislature to once again add its voice to those who wish to maintain the commercial fishing industry as one of the most important elements of our state's economy. I urge your support and the expeditious approval of SJR 38.

Alaska State Legislature

Please enter into the record my testimony to the Senate Resources
committee name

committee on SJR 38 , dated Feb. 21, 1992 .
bill/subject

2 pp. Follow

Signed: Linda Behnken
Testifier

Alaska Longline Fishermen's Assoc.
Representing (Optional)

Box 6065
Address

747-1229
Phone No.

9-86 Legislative Information Office

Public Testimony on SJR 38
Senate Resources Committee

February 21, 1992

Members of the Committee,

My name is Linda Behnken. I have been a deckhand in the longline fisheries for nine years. I am ~~representing~~ director of the Alaska Longline Fishermen's Association, an organization with members from Sitka, Pelican, Port Alexander, and Tenakee Springs. As you know, our organization supports IFQs and opposes SJR 38.

On Wednesday you received a lot of factual information on the IFQ plan from members of the Council staff. I would like to state that from my experience with that staff, on this and other issues, I have found them to be reliable, extremely competent, and unbiased in their analysis and presentation of information. Hopefully you now have before you enough information on IFQs to separate fact and justified concern from conjecture and misconception.

ALFA's support of IFQs is the result of years spent seeking solutions to the current problems facing the longline fisheries. Certainly the waste of fish, gear, and human lives under the current system is unacceptable. Bycatch rates in the sablefish longline fishery are now the highest in the Gulf of Alaska--higher than the trawlers, higher than every other fishery. Not because longlines are a dirty or wasteful gear type; on the contrary, they used to be one of the cleanest. But because there simply isn't enough room on the grounds for longline fishermen to target a single species cleanly. Halibut are being wasted, blackcod are being wasted, rockfish are being wasted; and until effort is controlled, this waste will continue--along with the perception that fishermen care little about protecting the resource. Even worse, until effort is controlled human lives will continue to be wasted--along with the perception that fishery managers and politicians place little value on the lives of Alaskans. Clearly a new management system is needed.

By controlling effort, IFQs eliminate the derby system and hence protect the resource. By allocating at least some percentage of the resource to every individual with a history in the longline fisheries during the qualifying years, IFQs have a lesser economic impact than the more draconian license limited entry systems considered by the Council. By allowing individuals to purchase small amounts of quota, IFQs provide an entry level fishery that **will not** be available if a moratorium is imposed--as it almost certainly will be if IFQs are not implemented. Finally, IFQs will ensure that longlining remains a viable livelihood, hence the longline fleet and the coastal

communities dependent on it will remain healthy; under trip limits or some of the other management alternatives considered by the Council, the viability of the longline fleet would be undermined, deckhand jobs would be eliminated, and the coastal communities would suffer.

Certainly care must be taken to ensure that IFQs benefit Alaskans and the Alaskan coastal communities now and in the future. For this reason, ALFA fought for provisions in the IFQ plan such as the provision against leasing, the provision prohibiting corporations from buying catcher boat IFQs, the vessel size classes, and the cap-by-area on quota accumulation in Southeast. We may now have an opportunity to strengthen the plan even more in this respect, an opportunity we are pursuing. Along with other members of the Sitka community, we have developed an amendment called the Sitka Block Proposal that I hope, by now, all members of the Committee have had an opportunity to review. This Amendment goes one giant step further toward maintaining a relatively large, diverse fleet and ensuring that small, independent operators from Alaskan communities will be able to afford IFQs; it is a response to the valid concerns raised by opponents of the current IFQ plan. We have been distributing this Amendment throughout the State during the past month, and at this point support is growing rapidly. This is the kind of solution we need; working together I am confident that a management system acceptable to to members of the industry sincerely concerned about the resource and the coastal communities can be developed and implemented.

In closing: ~~[illegible] constructive step toward resolving~~ there are constructive ways to resolve the current conflicts and concerns facing the longline fishermen. SJR 38 is divisive and anything but constructive. By eliminating a management strategy without proposing a viable alternative, SJR 38 only adds to the problems that the industry is facing. We need solutions, not more obstacles. As an organization, ALFA asks that the Alaska Legislature reject SJR 38 and allow the industry the opportunity to resolve this issue.

Thank you for the opportunity to comment. Linda Behnken

My name is Carolyn Nichols. My husband and I are involved in the halibut and blackcod fisheries.

I am against SJR 38. I am in favor of either the present IFQ proposal or the Sitka Block Proposal. To stop IFQs at this time will lead to more years of wasting a public resource, gear loss, and loss of lives. I feel the alternative coming forth of a moritoriam and trip limits is not a good one for several reasons. To regulate ones fish catch by the length of ones boat is no different than telling someone with a 12 month 9-5 job that they can now only work 3 months and must sit the rest of the year since they only own a two bedroom house. Trip limits do nothing to stop the waste of fish as all size classes of boats set too much gear to be sure of their limit in the allowed time- and others dump fish overboard that they had extra after selling their limit.

Both trip limits and IFQs will reduce deckhand jobs. At least with IFQs there will be steady jobs for good deckhands, and if they want to enter the fishery they can by buying shares or blocks. With a moritoriam on new entrants and trip limits deckhands and new entrants lose all the way. Trip limits are small enough so most boats would need few if any deckhands.

I urge you to throw out SJR 38. I feel there is too much misinformation about this issue for you to make any decision that would be valid. I also feel that with listening to questions asked today by various senators to council members that too many of you are much to ignorant on this issue to make a clear decision. I feel it should not be legislators business to sway decisions made by the NPFMC, just as I feel the NPFMC should not be making legislative decisions.

Please look to the future. A viable fishery for a part of the fleet that has been involved in the fishery and made a living from it is sounder than putting them out of business and creating a hobby fishery by allowing IFQs to be stopped. I support IFQs!

Thank You,

Carolyn Nichols
PO Box 3044
Sitka Ak 99835

P.S. If the legislature feels the need to do something, Then please do something constructive ie: take no stand on this issue and give the NPFMC enough funding to do whatever social and economic studies

Alaska Longline Fishermen's Assoc.
P.O. Box 1229 Sitka, AK 99835 (907) 747-3400

Dear Senator Jones,

Last February the factory trawl fleet invaded the waters of Southeast Alaska. In response, the Alaska Longline Fishermen's Association (ALFA), spearheaded an effort to gain immediate and permanent protection for Southeast from the factory fleet. Backed by a joint House/Senate Resolution, 12 ~~nine~~ Southeast City Assemblies, Southeast Fish and Game Advisory Committees, sport and commercial fishing organizations, environmental groups and several thousand individuals, ALFA requested two-part action from the North Pacific Fishery Management Council: 1) an emergency rule closing waters east of 140 degrees West Longitude (Southeast outside) to all trawling; and 2) a Plan Amendment to permanently prohibit trawling in the Southeast outside area (emergency rules only last for 180 days). The Council approved the Emergency Rule with an 8-3 vote, and in July of last year the National Marine Fisheries Service closed the Southeast outside area. The Council assigned the Plan Amendment analysis to the Alaska Department of Fish and Game. That analysis is going on now, and IF Fish and Game can be kept on schedule, final action on the Plan Amendment will take place in Sitka at the June Council meeting.

Although Alaskans may differ over IFQs, every Alaskan fishermen recognizes the threat posed by the factory trawl fleet to the marine resource and to the Alaskan coastal communities. Unless the plan amendment to prohibit trawling east of 140 degrees West Longitude is passed, the future of the Southeast region is in serious jeopardy. The factory trawl fleet is wealthy and powerful; they are an enemy Alaskan fishermen can defeat only with the help of the State. Your support on this issue enabled us to win round one of the battle; now we need your support as final action on the plan amendment approaches. This issue must remain a State priority; the analysis must be completed on time and the plan amendment approved at the June Council meeting. With your help, Alaskan resources and livelihoods will be protected.

Thank you for your time and attention. Your support on this issue will be widely recognized and appreciated. Sincerely,

Linda Behnken

Linda Behnken (exec. director, ALFA)

March 3, 199

Senator Lloyd Jones
Senate
State Capitol
Juneau, AK 99801-1182

Dear Senator Jones,

I am an Alaskan resident concerned about our fisheries resources from both a conservation perspective and for reasons of economic interest. All of our natural resources, from timber to wildlife and fish, have an inherent value and need to be protected from selfish human interests that function to decimate them and their habitat. Alaska, with the only remaining true wilderness and wealth of these resources, owes it to the rest of this abused country to manage these areas and their inhabitants with a strong environmental ethic that will ensure their preservation.

My specific interest in writing to you now is in regard to fisheries management. As a member of a coastal community and the small boat fleet who depends on commercial fishing for my primary source of income, I am very concerned about the activities of the factory trawlers in the waters of Southeast Alaska. Last year the National Marine Fisheries Service closed the waters east of 140 W. Longitude to trawling by an emergency rule and Governor Hickel declared this closure a State priority. A Plan Amendment to permanently prohibit trawling in the Southeast outside area is currently in the hands of the Alaska Department of Fish and Game. These trawlers are a huge threat to the Southeast resource and the socio-economic health of our coastal communities and must be stopped.

I would also like to encourage you to support the amendment to the Sablefish and Halibut IFQ plan known as the Sitka Block Proposal. I am convinced that IFQ's are necessary in order to ensure protection of the Sablefish and Halibut resources. After reading the literature on the Sitka Block Proposal provided by the Alaska Longline Fishermen's Association, I feel that this amendment to the Plan would be the best way to protect the small boat fleet and the coastal communities while still protecting the resource.

Thank you for considering these important issues.

Sincerely,

Nancy Behnken

Nancy Behnken
P.O. Box 6065
Sitka, AK 99835

RE: SUPPORT IFQ'S

We support the Individual Fishery Quota proposal, **with the Sitka Block Amendment.** Status quo on the sablefish and halibut longline fishery is not working. I.F.Q.'s, although not perfect, offers the best solution to current problems in the longline fisheries.

	Signature	Name	Address	Phone
1	[signature]	GREG MARTIN	201 LEDER Ln. Sitka	747-3382
2	[signature]	Anthony David Tucker	P.O. Box 6352 Sitka, AK.	747-3382
3	[signature]	Scott Cassedy	PO Box 452 SITKA, AK	747-3031
4	[signature]	ROBERT A. YOUNGER	311 Peterson Ave. Sitka, AK	747-6965
5	[signature]	Minnie Bacon	404 Lake St. #1A Sitka	747-3031
6	[signature]	TIM BROWN	P.O. Box 2471 SITKA	747-6662
7	[signature]	DAVID JENNY	P.O. Box 6311 SITKA	747-3031
8	[signature]	MARSHA J. BLAVINS	P.O. Box 6311 SITKA	747-8661
9	[signature]	PEGGY S. BROWN	P.O. Box 2471 SITKA	747-6662
10	[signature]	DEB CORSO	PO Box 6328 SITKA	[redacted]
11	[signature]	332 Kogwanton St	Sitka Alaska	747-8188
12	[signature]	Calvin Calvin Jr	332 Kogwanton St	7478188
13	[signature]	Christy O'Shaughnessy	3007 HPR	747-6734
14	[signature]	CYNTHIA CASSEDY	POB 452, SITKA	747-3031
15	[signature]	Sheryl L. Mayo	244 Kogwanton	747-3413
16	[signature]	Robert I Woolsey	1301 Edgecumbe Sitka	747-4718
17	[signature]	[illegible]	[illegible]	747-4715
18	[signature]	Linda Belinten	PO Box 1665 Sitka	7-3400
19				
20				
21				
22				

WE SUPPORT IFQ'S

We support the Individual Fishery Quota proposal, <u>with the Sitka Block Amendment.</u> Status quo on the sablefish and halibut longline fishery is not working. I.F.Q.'s, although not perfect, offers the best solution to current problems in the longline fisheries.

	Signature	Name	Address	Phone
1	Moira McDonald	Moira McDonald	PoBox 1181 Sitka AK.	7-3769
2	Jo Ann Hull	bAnn Hull	1507 Edgecumbe Dr Sitka AK	7-5175
3	Gary Piper	Gary Piper	PO Box 1307 Haines	766-2019
4	Brent Young	Brent Young	P.O.Box 2927 Sitka	—
5	Mark N. Young	F/V Chelsea Dawn MARK N. YOUNG	P.O. Box 2016 Sitka, Ak.	747-3518
6	Fred V. Barclay	FRED V. BARCLAY	701 Biorka Sitka, AK.	747-6220
7	Donald B Petro	Donald Petro	P.O.Bx 623 Sitka AK	907-747-6020
8	Harold Enloe	HAROLD ENLOE	P.O. 265 Sitka, AK.	747-4890
9	Jeff Stewart	Jeff Stewart	P.O. 265 Sitka AK	747-4896
10	Merle Enloe	MERLE ENLOE	P.O. 763 Sitka	747-8543
11	Jerry A. Strelow	Jerry A. Strelow	P.O. 1552 Sitka AK	747-5420
12	Eric Swanberg	Eric Swanberg	P.O. 3053 Sitka AK	747-3431
13	Alfred Carlson	Alfred Carlson	Box 903 Sitka, AK	747-8277
14	Charlie Samuelson	Charlie Samuelson	Box 6014 Sitka AK	747-8654
15	Walter L. Samuelson	Walter L Samuelson Jr	P.O. Box 6014 Sitka AK.	7-8654
16	Paul Klahn	Paul Klahn	1709 UPR #3 Sitka AK	7-8332
17	Brian D. Bergman	BRIAN G. BERGMAN	212 LAKEVIEW DR SITKA AK	7-8468
18	Ed Johnson			
19	Ed Johnson	ED. JOHNSON	BOX 421 SITKA, AK.	747-8193
20	Sid Carle	Sid Carle	Box 1055 Sitka AK	6937
21	Neil J Hoff	NEIL J HOFF	1507 EDGECUMBE DR SITKA AK	747 5175
22	Brian D Massey	BRIAN D MASSEY	Box 2324 Sitka AK	747-3139
	Forrest Dodson	Forrest Dodson	607 Etolin St Sitka	747-5476

WE SUPPORT IFQ'S

We support the Individual Fishery Quota proposal, <u>with the Sitka Block Amendment.</u> Status quo on the sablefish and halibut longline fishery is not working. I.F.Q.'s, although not perfect, offers the best solution to current problems in the longline fisheries.

	Signature	Name	Address	Phone
1	Greg Cushing	Greg Cushing	Box 164 Sitka	747-3195
2	Neil J Huff	NEIL J HUFF	~~BOX~~ 1587 EDGECUMBE	7 5175
3	Chas. Tonerschield	Chas. Tonerschield	Box 458 Sitka	747-3200
4	Bob Rumery	BOB RUMERY	Box 2050 SITKA	747-6406
5	Ray Golden	RAY GOLDEN	224 MARINE ST.	747-3788
6	Marian Blankenship	Marian Blankenship	1604 SMC Hwy	747-8532
7	Marian Blankenship	Marian Blankenship	1604 SMC Hwy	747-8532
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9	Carl Kerr	Carl Kerr	Box 71 Sitka	747-8231
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Signature	Name	Address	Phone
1 [signature]	Richard J. Curran	Box 1330 Sitka AK 99835	747 6094
2 [signature]	Dale Chesmit	5026-16th St E Tacoma	206-537-3538
3 [signature] James Swift	James Swift	Box 1725 Sitka AK 99835	747-3156
4 [signature] Dwight Downer	DWIGHT DOWNER	Box 232	747-3115
5 [signature] Dan T. Baxter	DAN BAXTER	Box 2915 Sitka, Ak	747-8657
6 [signature] Melody Baxter	MELODY BAXTER	Box 2915 SITKA, AK	747-8657
7 [signature] John Bohannon	John Bohannon	Box 2728 Sitka, Ak.	747-8844
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Signature	Name	Address	Phone
1	George ELIASON	102 Kunkle DR. SITKA	747-6817
2	Gene Frew	716 Lake St. Sitka	747-6733
3	Joann Frew	716 Lake St Sitka	7-6733
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Signature	Name	Address	Phone
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2 Anne Morris	Anne C. Morris	1943 Dodge Ct	747-8039
3 Ray Mabey	Ray MABey	Box 1070 Sitka	747-3272
4 ~~Leah Harvey~~			
5 Leah Harvey	Leah Harvey	417 Marine St. Sitka	747-0589
6 Meifang Lago	MEIFANG LAGO	205 HARBOR Dr.	747~~88~~40
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Signature	Name	Address	Phone
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2 Gilbert Knutson	Gilbert Knutson	716 A St.	747-5691
3 Betsy Knutson	Betsy Knutson	"	747-5691
4 Scott Winnop	Scott Winnop	Box 2343	747-3872
5 Duane Torgerson	DUANE TORGERSON	4017 H.P.R.	747-5363
6 Christy O'Shaughnessy	Christy O'Shaughnessy	3007 HPR	7476734
7 Ann Winnop	Ann Winnop	P.O.Box 2343 Sitka	747-3872
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9 Ron Mathews	RON MATHEWS	304 Marine E	7-8289
10 Keith Westover	Keith Westover	302 Monastery	7-3717
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12 Gary Starwich	Gary Starwich	PO Box 2034	7-5429
13 Marla Starwich	Marla Starwich	Box 2034 Sitka	7-5429
14 Judy Lewis	Judy Lewis	1202 HPR Sitka	7-3852
15 Joe E Lewis	Joe E Lewis	" " "	"
16 G K Kambak	G K KAMBAK	Box 426 Sitka	7-8827
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18 [illegible]	[illegible]	[illegible]	7-1991
19 Dennis Harvey	DENNIS HARVEY	417 MARINE ST	7-0554
20 Moses Johnson	Moses Johnson	423 Verstovia	7-5135
21 Bert Stedman	BERT STEDMAN	1905-A DODGE CIRCLE SITKA AK.	7-3343
22 E Lahmeyer	EDWARD E. LAHMEYER	104 KUHNKE DR.	7-5066

Sitka Block Proposal

The undersigned people support amending the Sablefish/Halibut IFQ plan to Include The Sitka Block Proposal We believe it will provide socioeconomic protection to the Alaskan Costal Communities And Small boat fleet

TIM RILEY	507 PARK	SITKA
DAROLD PETERS	420 KATLIAN	SITKA
Harold A. Jackson	P.O. BOX 1072	Sitka
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[illegible]	218 Lake View	Sitka
James D Chevalier	333 Katlian	Sitka
KRIS HOFFMAN	ANB HARBOR	Sitka
[redacted]	[redacted]	[redacted]
Janet Woolsen	602 Etolin St	Sitka

5 of 13

Alaska Longline Fishermen's Assoc.
P.O. Box 1229 Sitka, AK 99835
(907) 747-3400

Dear Senator Jones,

As I listened to testimony during the past two weeks on HJR 61 and SJR 38 (proposed legislative resolutions opposing IFQs) I was stuck by the number of salmon fishermen who oppose IFQs because they want to be able to diversify into the longline fisheries. I wonder if they--and you--are aware that with each new fishermen the piece of the pie left to the longliners becomes smaller, until the longliners start to starve. And what are the longliners' options? They can't go salmon fishing--well, they can, but they have to buy into the salmon fisheries. Buy in, which is all the longliners are asking of the salmon fishermen oozing into the longline fisheries. If buying in is so wrong, why did the State impose limited entry on the salmon fisheries? I believe it was to protect the resource. As the salmon fishermen testified, unless access and effort is controlled now the number of fishermen crowding the longline grounds will continue to increase, along with the waste, bycatch and safety problems that currently threaten the health of the sablefish and halibut resources.

State limited entry has protected salmon stocks, but in many fisheries it has also lead to the steady migration of access rights out of the communities and out of Alaska as wealthy investors have bought increasingly expensive licenses. This has happened because licenses do not control effort; licenses do not eliminate the race for the fish, nor the invitation to speculate on getting rich by plugging the boat. IFQs, which allocate a percentage of the resource to individual fishermen, do effectively control effort and eliminate the race for fish, hence reduce speculation. Reducing speculation will reduce the cost of IFQs, making them affordable to fishermen. State representatives and CFAB have indicated that they intend to make loans for IFQs available to Alaskan fishermen. Doesn't it follow that local Alaskan fishermen will be in a position to purchase IFQs?

Gear limits have been suggested as an alternative to IFQs, a way to slow down the derbies. But have gear limits (on vessel size and net size) slowed down or rationalized the Bristol Bay derby? Has the 4 lines per boat limit prevented the troll season from getting shorter each year? A look around the State clearly indicates that gear limits are not effective in controlling effort. If anyone knows of a fishery in which gear limits have worked please let me know; I don't know of a single one.

Pro IFQ / Con SJR38

Trip limits, which are basically IFQs awarded on the basis of vessel size rather than past participation, will certainly put a number of longliners out of business--along with a huge percentage of the longline deckhands. Very few skippers will take a deckhand if their annual trip limit amounts to a half or a third of what they have caught in an average year--which is what trip limits will come to once the pie is split up among everyone who qualifies. Add a "use it or lose it" clause and the number of vessels participating will dramatically exceed the number that have participated in any given year. Who benefits from that move?

I was also surprised by the testimony last week and yesterday stating that IFQs have failed everywhere else, and wonder what yardstick the speakers were using. The New Zealand offshore fisheries have been managed with an IFQ system since 1986; the fish stocks are healthy and the fishermen are generally in favor of the system. (Interestingly enough, the trend in New Zealand is now toward smaller boats). Someone also mentioned that corporate shore-side processors own a large percentage of the New Zealand IFQs; but remember: in our IFQ plan (sablefish and halibut) the IFQ holder must be on the boat when the boat is fishing, which precludes shore-side processors from owning the resource, and corporations are not allowed to buy catcher boat quota shares (which amount to 99.9% of the IFQs in the Southeast area). The BC fishermen have been under an IFQ system for a year; in 1991 they received twice as much money for their sablefish as the Alaskan fishermen, sold most of their halibut on the fresh market, and were paid only 25 cents less per pound for the halibut they sold frozen. In fact, they are quite happy to see the continued confusion in Alaska, knowing that their markets are secure. So where is the failure?

Throughout the development of an IFQ plan, ALFA has fought for provisions to protect the small boat fleet and coastal communities. We now have an opportunity to strengthen the plan even more in this respect, an opportunity we are pursuing. Along with other members of the Sitka community we have developed an amendment to the IFQ plan which goes one giant step further toward maintaining a relatively large, diverse fleet and ensuring that small, independent operators can afford to buy IFQs. We will be distributing this amendment, called the Sitka Block Proposal, throughout the state during the next month. Perhaps by working together we can come up with a solution everyone supports.

Thank you for the opportunity to comment. Sincerely, Linda Behnken, ALFA

Linda Behnken

2/12/92

Alaska Longline Fishermen's Association
P.O. Box 1229 Sitka, AK 99835
(907) 747-3400

Dear ~~Reader~~. Senator Jones,

I would like to take this opportunity to briefly restate the rationale behind replacing open access in the sablefish and halibut longline fisheries with the proposed Individual Fishing Quota system, and to respond to some of the questions and concerns regarding IFQs that I hear repeatedly.

Open access encourages waste--waste of the resource through bycatch and deadloss (fish that die on the hooks of lost gear), waste of human life through the high accident rates associated with the frantic derby fisheries, and waste of economic resources through over-capitalization and gear loss. Perhaps fishermen are willing to take the risks that lead to the economic waste and the waste of human life; it is not the fishermen's right, however, to take the risks that lead to waste of the resource.

IFQs are designed reduce waste and promote wise resource use. By eliminating the derby fishery and distributing effort over nine or more months, IFQs reduce gear conflicts and gear loss. IFQs minimize bycatch by allowing quota holders to retain and market bycatch species. By allocating harvest privileges to fishermen, IFQs also allocate vested interest in protecting or conserving the fishery. No longer are fishermen encouraged to adopt the attitude of "if I don't catch this fish some one else will," as they are under the open access derby system; rather the incentive is to care for the resource so that the harvest privilege will remain lucrative and valuable in the future.

Assuredly, IFQs must contain provisions that protect the socioeconomic health of the Alaska coastal communities. For this reason, a number of safeguards have been built into the Council's IFQ plan. These safeguards were developed through years of research, testimony, analysis and compromise by the multitude of affected fishermen, processors, members of the marketing sector, enforcement officers, etc. Some people consider these safeguards inadequate; because of this continued concern, our organization is circulating an amendment to the plan that would increase the level of socioeconomic protection. But before judging whether or not the plan needs to be amended, each concerned individual should take the time to become well-acquainted with the current IFQ plan and the existing safeguards. There is a tremendous amount of IFQ misinformation circulating at this time; conjecture is frequently stated as fact. I have done my best to relate only facts in the answers to the most commonly asked questions related below.

Q Will IFQs eliminate the small boat fleet?

The Council has built into the IFQ preferred alternative provisions to protect the small boat fleet, such as a 60' vessel size class. IFQs allocated to vessels under 60', in other words, will be designated as IFQs for that size class and <u>can not</u> be harvested on a vessel over 60' (allocation based on past participation 1984/1985-1990, depending on the fishery). On a fishery-wide scale in the sablefish fishery, this means that 47% of the quota will be designated for catcher vessels (ice boats) under 60' (In the Southeast sablefish fishery (SEO/EY), 79% of the quota will be allocated, for the life of the IFQ program, to vessels under 60'). In the halibut fishery, 67% of the total quota will be allocated to vessels under 60'.

The Council's analysis of the halibut fishery illustrates that under open access the average vessel size has increased between 1984 and 1990, and the percentage of the Total Allowable Catch (TAC) taken by small vessels has decreased. To illustrate: in 1984, 49.3% of the vessels were under 36'; in 1990, only 39.5% of the fleet was under 36'. During the same time period, the number of larger vessels (over 56 feet) almost tripled--from 250 vessels in 1984 to 728 vessels in 1990. In area 2C (Southeast), vessels under 35'

took 30.2% of the quota in 1984 and only 14.8% of the quota in 1990. Are these trends that the industry wishes to see continued?

Q Will IFQs hurt the coastal communities and local processors by allowing fishermen to freeze their fish or by restricting the number of ports in which fishermen can unload IFQ fish?

In order to minimize socioeconomic impacts of IFQs on the Alaska coastal communities, the Council created a specific vessel class for freezer/processors, as opposed to catcher vessels that have traditionally iced their catch. Under the IFQ program, freezer vessels will only be allowed to freeze the poundage of fish they receive in the initial allocation (i.e., the amount of sablefish or halibut frozen at sea will not be allowed to increase above current levels), and catcher vessels will not be allowed to freeze IFQ species on board. Although this prevents catcher vessel IFQ holders from participating in the "value added" frozen-at-sea market, the loss was deemed worthwhile in light of the protection the provision affords to the local shore-based processors and the coastal communities. Since the freezer longline fleet has relatively little participation in either the halibut or sablefish fisheries at this time, very little quota will end up be in this category (approx 16% of the sablefish TAC and less than 1% of the halibut TAC.) The IFQ preferred alternative will prevent further expansion of this off-shore processing fleet; it will also prevent these large, generally corporate-owned vessels from competing for quota with the smaller, locally-based catcher boats. Remember that the open access derbies, on the other hand, are favoring large boats such as the freezer longliners, since the vessels have highly efficient automated systems and can operate under severe weather conditions.

In terms of restrictions on unloading IFQs: IFQs will not restrict the ports in which participating vessels can off-load. As long as IFQ fishermen comply with hail in and confirmation provisions (specified in the Implementation Plan), IFQ holders can unload in any coastal community where there is a registered buyer. The NMFS designated primary ports (seven of which are in Southeast) differ from other ports only in that a fishermen must go through a primary port in order to transship IFQ fish (i.e., shipping IFQ fish to a foreign country or unloading processed fish onto another boat) and an enforcement officer will be stationed in every primary port. In other words, a fisherman can unload in Elfin Cove, Hoonah, etc., as long as they call in to NMFS during the designated time periods before and after unloading.

Q Won't IFQs significantly diminish the size of the fleet?

Many people have argued that the caps on the maximum amount of quota a person may accumulate are too high (As a reminder the caps are: 1% of the sablefish TAC; .5% of the halibut TAC; and for both fisheries in the SEO/EY area, 1% of the TAC for that area.) There are other fishermen, particularly fishermen with long histories of participation in the longline fisheries, who feel the cap is too low and will prove to be overly-restrictive to fishermen--paticularly in Southeast. For perspective, the 1% cap by area for area 2C (halibut) would have translated into 74,000 lbs in 1991. The IPHC expects halibut stocks to decline for another 3-5 years before stabilizing and hopefully recovering. The 1% cap by area could, in future years, restrict fishermen to 60,000 pounds or less. The half percent cap by area requested by some fishermen would translate into only 37,000 lbs. or less. At what point does the constraints on quota accumulation cause the fishery to become a part-time or supplemental fishery rather than the significant livelihood it once represented to the professional halibut or longline fisherman?

An additional thought: by most yardsticks, the longline fisheries are over-capitalized and over-burdened with participants, a fact evidenced by the significant decrease in catch per participating vessel between 1984 and 1990. The industry and the coastal communities would suffer if excessive quota accumulation occurred; however, over-participation is damaging the resource. Thinking in terms of pounds rather than the worst case scenario of 200 fishermen controlling the sablefish and halibut quota, the caps represent a compromise between the professional longliner, the coastal communities, and the new entrant hoping to purchase a piece of the pie.

Q Will fishermen, particularly small boat fishermen, be able to afford quota?
The philosophy behind IFQs, vs licenses for example, is that IFQs allow incremental entry into the fisheries--a small boat operator can buy as little as 1,000 lbs of quota at a time, perhaps initially harvesting the quota as bycatch in another fishery or earning an extra share by harvesting it while working as a deckhand on a vessel participating in an IFQ fishery. An additional economic advantage will be afforded to Alaskan fishermen through CFAB loans and, quite likely, Alaska state loans earmarked for IFQ purchases.

Safeguards have been built into the proposed IFQ preferred alternative with the intent of ensuring that quota remain affordable to fishermen in general and small boat operators in particular. These safeguards include requirements such as: catcher boat IFQs can only be purchased by individuals, not by corporations; anyone purchasing catcher vessel IFQs must be on board the vessel when IFQs are being harvested; only "bonafide crewmembers" (individuals who can demonstrate significant participation in the fixed gear fisheries) can purchase IFQs; and finally, the vessel size classes and caps on quota accumulation outlined above. The restrictions are intended to keep IFQs in the hands of fishermen by allowing only fishermen to purchase IFQs, allowing fishermen to profit from IFQs only if they participate in the fisheries, and keeping the price of quota down by undermining the attractiveness of IFQs to "big money" investors.

Won't the IFQ program be costly and difficult to enforce?
The Council-appointed IFQ Technical and Industry Teams recently completed a monitoring and enforcement program designed to control harvest, sale, marketing and shipping of IFQ fish. The International Pacific Halibut Council (IPHC) designed an additional monitoring program that will be implemented in conjunction with the National Marine Fisheries Service (NMFS) program. These monitoring and enforcement programs will be primarily shore-based, at the point of delivery rather than harvest--i.e., at the dock rather than on the high seas. The estimated combined cost of the programs, for both halibut and sablefish fisheries, is approximately 5 million dollars--roughly $00.05 per pound of fish harvested under the proposed program. Bear in mind that IFQ fishermen will have lower overhead than fishermen participating in an open access fishery, since the elimination of the derby fishery will eliminate the need for purchasing and setting multiple sets of gear. IFQs are also predicted to increase the price of fish delivered under the program, since the year-round fishery will encourage the development of a high quality product and a fresh fish market. The five cents per pound for monitoring and enforcement should be weighed against these benefits--along with the benefits afforded to the resource through elimination of the derby system.

Q What will prevent trawlers from buying IFQs and retaining sablefish or halibut?
An international treaty between Canada and the United States prohibits trawlers from retaining halibut. This treaty will not be affected, or changed in any way by the implementation of IFQs. Sablefish can only be targeted with longlines in the Gulf of Alaska, and with longlines and pots in the Bering Sea; sablefish can, however, be retained by trawlers as bycatch under the current system in both the Gulf and the Bering Sea. Again, this will not be affected by IFQs.

There are certainly other questions or concerns regarding IFQs that I have not addressed; I've chosen only the ones that have come up most frequently. IFQs will certainly change the longline fisheries, just as limited entry changed the salmon and herring fisheries. The cost of entry into the fisheries will be higher, but hopefully the resource will be healthy and the fishery worth buying into.

Thank you for this opportunity to comment. Sincerely, Linda Behnken

Linda Behnken

Petersburg Vessel Owners Association

P.O. Box 232
Petersburg, Alaska 99833
Phone (907) 772-9323 Voice and Fax

February 5, 1992

Senator Lloyd Jones
Alaska Senate
State Capitol
Juneau, Alaska 99801

Dear Senator Jones,

We are pleased with the recent passage of an Individual Fishing Quota system for the halibut and sablefish longline fisheries by the North Pacific Fishery Management Council.

The Council and industry has struggled for over five years to resolve the many problems plaguing these fisheries. We believe the Council made a wise decision that will greatly benefit the resource, as well as our Alaska fleet and coastal communities.

Enclosed is a letter which I have sent off for publication in some of the trade journals. It sums up our feelings about the IFQ program and why we believe it will benefit Alaska. We hope you will take time to carefully consider our concerns.

I have just returned from the 1992 annual International Pacific Halibut Commission meeting which was held in Seattle. While there I had an opportunity to attend a briefing by the Canadian Dept. of Fisheries on their IFQ system. Canadian fishermen and DOF staff all spoke of the great success of their recently enacted IFQ program. Prior to having an IFQ system, only 75% of their halibut were delivered to Canadian ports. They now have 95% of their fish delivered to Canadian ports. Currently 90% of their fish is going to the fresh market and fishermen are receiving much higher prices for their product. They commented favorably on having a longer season, better prices, steadier employment, decreased wastage of the resource, and improved conditions regarding safety.

It is our sincere belief that House Joint Resolution No. 61 is not in the best interest of Alaska, our coastal communities, or the halibut and sablefish resources. We believe that the North Pacific Fishery Management Council has done a good job in trying to resolve the many problems facing the longline industry. We applaud their efforts and believe in the Council process.

We hope that you will continue to consider the merits of the arguments and will come to realize that we can all benefit from an IFQ program for halibut and sablefish.

Thank you for your consideration on this matter.

Sincerely,

Kris Norosz

Kris Norosz
Director

January 6, 1992

Dear Editor,

In December, the North Pacific Fishery Management Council passed an Individual Fishing Quota system for the sablefish and halibut longline fisheries. This important decision was not made in haste. Rather it was the product of many years of work and debate by the Council and members of the industry to find constructive solutions to the problems plaguing these longline fisheries.

Many of the articles that reported the Council's action and which appeared in various Alaska newspapers and trade publications emphasized the number of people who testified against the IFQ program. However, what these articles failed to mention is that many fishers and fishing organizations spoke in favor of the proposal at this meeting and during many of the past Council meetings. Positive solutions to the multitude of problems confronting the longline fisheries were noticeably absent in the testimony given by those opposing the program. "No" is probably the easiest spoken word in the English language; constructive solutions are many times more difficult to formulate and deliver. I believe the Council based their decision on the merits of the arguments presented rather than on the popularity of the program.

It appears that many people have conveniently forgotten why the Council has been seeking a change in the management methods used for sablefish and halibut. The overriding characteristic of the sablefish and halibut fixed gear fishery is that it has developed into a "derby" fishery as a direct outgrowth of open access. These developments have led to problems directly related to the length of seasons and to intensified competition on the grounds. Ten such problems have been identified by the Council. The most notable include: gear conflicts, deadloss, bycatch loss, excess harvesting capacity, safety, economic stability in the fishery and communities, and rural coastal community development of a small boat fishery. The analysis completed by the Council staff supports the view that IFQs will provide a clear improvement over the status quo in all of these problem areas. Clearly, the Council's decision will benefit the health and viability of the halibut and sablefish stocks. Unless the stocks are in good condition, we as fishers have no future.

Much has been said about the impact IFQs will have on communities. In some cases, communities have voiced opposition to the program prior to educating themselves on the concept and assessing the current situation. The derby style fisheries we currently have create a pulsing atmosphere. Either there are millions of pounds of halibut and sablefish to land and process, or there is nothing. This results in a few days of intensified work for people in the processing industry. This

does not create steady year-around jobs for residents of our communities. An IFQ program can provide steady employment of longer duration for crewmembers and those in the processing industry. This is far more desirable and will add greater stability to our communities than the pulse fisheries we currently experience. In addition, implementation of an IFQ program will not hinder landings. Halibut and sablefish can be landed anywhere in the State provided the sale is to a registered buyer and advance notification is given. An IFQ program will do alot to improve the economic stability of our longline fisheries and our communities.

It is evident that there are numerous rumors circulating with regards to IFQs. Misinformation severely hinders good decision making. Before forming a final opinion on IFQs, take some time to educate yourself with the facts. Here are a few to keep in mind:

--The Council has spent the past 5 years discussing the problems and possible solutions during more than 28 of their meetings, all of which were public. This issue is not new!

--For halibut, 86% of the initial quota share recipients will be Alaskan residents. For sablefish, this figure is 75%.

--For halibut, the total amount of quota shares initially allocated to Alaska residents will be 72%. For sablefish, this figure is 50%.

--There are 3 vessel size categories for traditional halibut boats (that deliver fish unfrozen). Less than or equal to 35 feet, 35 to 60 feet, and over 60 feet.
Quota shares cannot be transferred from one vessel size category to another.
These two provisions will insure that the present complexion of the fleet will be maintained. It prevents the small boat fleet from being eliminated from the fishery.

--Sixty-six percent of the halibut quota shares are going to vessels under 60 ft. (55% to vessels in the 36 to 60 foot size class, and 10% to the 35 feet and under class.)
Once quota shares are allocated to a particular vessel size category, it cannot be transferred to another size category.

--There are limits on the amount of quota share that can be owned or controlled by one person or corporation.
This will insure that ownership of quota shares will not be concentrated in the hands of a few large corporations.

--For the past two years, all longline fisheries in the Gulf of Alaska have been shut down due to halibut bycatch. The result has been millions of dollars lost in income and

revenue to longliners and coastal communities. This will no longer occur under this program.

--Although a community may not receive primary port status, it does not preclude that community from purchasing halibut or sablefish harvested with IFQs. It merely means that a National Marine Fisheries agent will not be permanently stationed in the community.

However, THE MOST IMPORTANT POINT IS THAT THIS IFQ PROGRAM WILL BENEFIT THE RESOURCE. Implementation of an IFQ program will reduce gear loss and gear conflicts, drastically reduce bycatch and mortality rates, and provide safer working conditions for our fleet.

Change is rarely easy to accept. But change we must. Without a change from the status quo, we will soon experience further declines in stock abundance, even shorter fishing seasons, increased crowding on the grounds, and an increase in loss of lives and property. Clearly, this is not a healthy situation for the resource, our fleets, nor our communities.

Difficult decisions are not always the most popular ones. For those of us interested in the health and viability of the halibut and sablefish stocks, as well as the future of our industry, I believe the Council took a very positive step in the right direction.

Sincerely,

Kris Norosz

Kris Norosz
Director

Petersburg Vessel Owners Association
P.O. Box 232
Petersburg, Alaska 99833
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Paul K. Seaton
HC-67 Box 1253
Anchor Point, AK 99556
907 235-6342

Dear Senator Jones,

IFQ's " give to an individual the right to harvest a definite quantity of fish, expressed either as a fixed amount or as a percentage of the total allowable catch. Privatization of the resource in this manner removes the right of public access to a common property, converting common property to private property." A system that converts a public resource to private property does not fall within the definition of limited entry for the State of Alaska, i.e. limited access to a public resource.

The Alaska Constitution Article VIII section 15 reads "No exclusive right or special privilege of fishery shall be created or authorized in the natural waters of the State". The only exception is the amendment passed in 1972 creating limited entry - but IFQ's are not limited entry under the definitions of the State of Alaska. The proponents of IFQ's are not working on a constitutional amendment to allow ITQ's to be legal, they just ignore the law. The Attorney General's Office on January 15, 1992 wrote "...if an IFQ proposal is made which would violate the "open access' clauses of the state constitution we will recommend against its adoption." There can be no doubt that the IFQ proposal violates open access since that is the exact purpose for which it has been proposed.

I call on you to honor your oath of office to support and defend the Constitution of the State of Alaska and oppose any effort to impose this unconstitutional system on the citizens of Alaska.

Date, 2/7/92

Sincerely,

Signed Paul K Seaton

PS On 2/5 at the Kenai Chamber of Commerce in response to this question, Clem Tillion told the audience that the Attorney General doesn't know what he is talking about and is just wrong. He also said that since most sablefish have been harvested in federal waters in the past, federal law will supersede State law (the State Constitution). Apparently he is willing to give all the State fish to the feds - but that still will not allow ITQ's to be "authorized in the natural waters of the State" unless he is proposing ceding all State waters to the Feds as well as the fishery resources!

Mr. Tillion obviously has a much stronger federal than State interest in our fisheries and I hope you will have someone with greater State interest on the Council in the future!

FROM: ECLIPSE INC., AN ALASKAN BASED CORPORATION SINCE 1981

TO: THE MEMBERS OF THE NATIONAL MARINE FISHERIES COUNCIL

DEAR MEMBERS,

AS OWNER OF AN ELEVEN YEAR ALASKAN CORPORATION BASED OUT OF HALIBUT COVE AND HAVING BEEN BORN AND RAISED IN A FISHING COMMUNITY, I HAVE A FAIR ACCOUNTING OF EVENTS CONCERNING THE COMMERCIAL FISHING INDUSTRY.

MY EXPERTISE IN IN HALIBUT SINCE 1965 AND BLACK COD FROM 1978. THIS IS INCLUDING THE GROUNDS OF THE WEST COAST AND ALL OF THE ALASKAN GULF, ALSO THE BERING SEA ALONG WITH THE

ALEUTIAN CHAIN

THE OFF SHORE FISHERY HAS ALWAYS BEEN DANGEROUS AND IN YEARS PAST CONSISTED OF LARGE VESSELS AND MEN WITH HIGH SEAS EXPERIENCE.

RECENT YEARS DEVELOPMENTS HAVE FORCED BOATS AND MEN OF ALL CLASSES FAR OFFSHORE, MAKING AN ALREADY PROVEN DANGEROUS SITUATION VERY TRAGIC INDEED, COAST GUARD STATISTICS WILL SHOW THAT.

I PLEAD TO YOUR BETTER JUDGEMENT WHEN I ASK FOR YOUR SUPPORT IN CREATING A HALT IN THIS MADNESS. IT IS TAKING AND INCREASING NUMBER OF LIVES EVERY YEAR AND LEAVING MILLIONS OF POUNDS OF QUALITY FISH ON THE DOCK OR IN SMALL BOAT THAT CARRY LITTLE OR NO ICE.

IT IS IMPERATIVE THAT ACTION IS TAKEN BEFORE REGULATION IS IMPOSSIBLE AND ONE OF THE OLDEST FISHERIES IS COMPLETELY LOST IN CHOAS.

MY BOAT WAS BUILT IN 1927 AND HAS FISHED HALIBUT AND BLACKCOD IN ALASKA EVERY YEAR SINCE, I HOPE IT CAN CONTINUE TO DO SO.

I AM VERY CONCERNED AND FOR THE SAKE OF MY FAMILY HERE IN HALIBUT COVE, WE PRAY FOR YOUR FULL SUPPORT ON THE ITQ ISSUE -

RESPECTIVELY YOURS

KELLY C BRENNAN

OWNER AND CAPTAIN OF THE ECLIPSE

Eric G. Robinson
P.O. Box 8045
Port Alexander, AK 99836

January 27, 1992

Sen. Lloyd Jones
Chairman
Senate Resources Committee
Alaska State Legislature
P.O. Box V (MS 3100)
Juneau, Alaska 99811

Dear Sen. Jones:

The following is my testimony concerning SJR 38:

My name is Eric Robinson and I am an active member of the Port Alexander Fish and Game Advisory Committee.

I am not in support of SJR 38 nor am I in support of the proposed IFQ system only because I don't want to see the resources end up in the hands of 200 IFQ holders.

Although I am not in support of the proposed IFQ system, I am in support of a limited access to the sablefish and halibut fisheries because the present open access management has allowed participation in fisheries to malignantly balloon to the point where the quotas for these fisheries are taken in days ignoring weather, safety, quality, gear conflicts and lost gear. Regardless of whether or not we are opposed to IFQs, the North Pacific Fisheries Management Council must implement a moratorium on new entries so that these fisheries are not destroyed while we wait for a suitable program of management to be implemented.

Respectfully submitted,

Eric G. Robinson

Eric G. Robinson

cc: North Pacific Fisheries Management Council
Alaska Trollers Association
Alaska Board of Fish
Senator Ted Stevens
Senator Frank Murkowski
Representative Don Young

February 13, 1992

Senator Lloyd Jones
Chairman Senate Resource Committee
Alaska State Legislature
State Capitol Building
Juneau, Ak 99801-1182

Dear Senator Jones:

My name is Duane Torgeson. I was born an raised in Ketchikan and have longlined since 1960. Longlining is just about all that I have done in order to make a living for myself and my family. I started running boats in 1974 and since 1976 I have been the owner and operator of the schooner "Republic".

I hate to see the way things are going in the longlining fisheries and in order to preserve the resource and the livelihoods of the longline fisherman, I see the IFQ system as the only logical solution to the problems in the fishery today.

The IFQ system will solve serious problems with safety that have stemmed from the derby-style fisheries lasting only 24 hours. The 24 hour openings have also created a situation where hundreds of miles of gear (with fish still on the hooks) is left on the bottom after each opening.

Also, this system will solve problems related to the dumping of fish on the markets, which in turn, devalues the price of fish to the fisherman.

I urge you to support the IFQ system, because as I see it, it is the best system available.

Sincerely,

Duane Torgeson

Duane Torgeson
F/V Republic

PUBLIC OPINION MESSAGE

DEAR: SENATOR JONES

NAME: CHARLES E. WILBER
TITLE:
ADDRESS: 705 ETOLIN ST.
CITY: SITKA ZIP: 99835
PHONE: 747-5819
BILL NO:
SUBJECT: HJR 61 & SJR 38
MESSAGE: I AM HEARTILY IN FAVOR OF AN IFQ SYSTEM. IT IS THE ONLY PLAN THAT ADDRESSES SAFETY, BY-CATCH, GEAR LOSS, CONSUMER CONSIDERATIONS OF FISH QUALI AND INSURES CONTINUATION OF A VIABLE FISHERY. THE ALTERNATIVE (STATUS QUO) I FAR MORE CHAOTIC AND RESTRICTIVE. PLEASE VOTE FOR IFQ'S. THANKS.

POMID: 12101919
DATE: 92/02/12
TIME: 10:19:19
LIONAME: SITKA LIO

COPIES:	REPRESENTATIVES	SENATORS
	DAVIDSON	COTTEN
	DONLEY	ELIASON
	ELLIS	FRANK
	GRUENBERG	HALFORD
	GRUSSENDORF	MENARD
	MARTIN	ZHAROFF
	TAYLOR	HOFFMAN

January 6, 1992

Dear Editor,

In December, the North Pacific Fishery Management Council passed an Individual Fishing Quota system for the sablefish and halibut longline fisheries. This important decision was not made in haste. Rather it was the product of many years of work and debate by the Council and members of the industry to find constructive solutions to the problems plaguing these longline fisheries.

Many of the articles that reported the Council's action and which appeared in various Alaska newspapers and trade publications emphasized the number of people who testified against the IFQ program. However, what these articles failed to mention is that many fishers and fishing organizations spoke in favor of the proposal at this meeting and during many of the past Council meetings. Positive solutions to the multitude of problems confronting the longline fisheries were noticeably absent in the testimony given by those opposing the program. "No" is probably the easiest spoken word in the English language; constructive solutions are many times more difficult to formulate and deliver. I believe the Council based their decision on the merits of the arguments presented rather than on the popularity of the program.

It appears that many people have conveniently forgotten why the Council has been seeking a change in the management methods used for sablefish and halibut. The overriding characteristic of the sablefish and halibut fixed gear fishery is that it has developed into a "derby" fishery as a direct outgrowth of open access. These developments have led to problems directly related to the length of seasons and to intensified competition on the grounds. Ten such problems have been identified by the Council. The most notable include: gear conflicts, deadloss, bycatch loss, excess harvesting capacity, safety, economic stability in the fishery and communities, and rural coastal community development of a small boat fishery. The analysis completed by the Council staff supports the view that IFQs will provide a clear improvement over the status quo in all of these problem areas. Clearly, the Council's decision will benefit the health and viability of the halibut and sablefish stocks. Unless the stocks are in good condition, we as fishers have no future.

Much has been said about the impact IFQs will have on communities. In some cases, communities have voiced opposition to the program prior to educating themselves on the concept and assessing the current situation. The derby style fisheries we currently have create a pulsing atmosphere. Either there are millions of pounds of halibut and sablefish to land and process, or there is nothing. This results in a few days of intensified work for people in the processing industry. This

does not create steady year-around jobs for residents of our communities. An IFQ program can provide steady employment of longer duration for crewmembers and those in the processing industry. This is far more desirable and will add greater stability to our communities than the pulse fisheries we currently experience. In addition, implementation of an IFQ program will not hinder landings. Halibut and sablefish can be landed anywhere in the State provided the sale is to a registered buyer and advance notification is given. An IFQ program will do alot to improve the economic stability of our longline fisheries and our communities.

It is evident that there are numerous rumors circulating with regards to IFQs. Misinformation severely hinders good decision making. Before forming a final opinion on IFQs, take some time to educate yourself with the facts. Here are a few to keep in mind:

--The Council has spent the past 5 years discussing the problems and possible solutions during more than 28 of their meetings, all of which were public. This issue is not new!

--For halibut, 86% of the initial quota share recipients will be Alaskan residents. For sablefish, this figure is 75%.

--For halibut, the total amount of quota shares initially allocated to Alaska residents will be 72%. For sablefish, this figure is 50%.

--There are 3 vessel size categories for traditional halibut boats (that deliver fish unfrozen). Less than or equal to 35 feet, 35 to 60 feet, and over 60 feet.
Quota shares cannot be transferred from one vessel size category to another.
These two provisions will insure that the present complexion of the fleet will be maintained. It prevents the small boat fleet from being eliminated from the fishery.

--Sixty-six percent of the halibut quota shares are going to vessels under 60 ft. (55% to vessels in the 35 to 60 foot size class, and 10% to the 35 feet and under class.)
Once quota shares are allocated to a particular vessel size category, it cannot be transferred to another size category.

--There are limits on the amount of quota share that can be owned or controlled by one person or corporation.
This will insure that ownership of quota shares will not be concentrated in the hands of a few large corporations.

--For the past two years, all longline fisheries in the Gulf of Alaska have been shut down due to halibut bycatch. The result has been millions of dollars lost in income and

revenue to longliners and coastal communities. This will no longer occur under this program.

--Although a community may not receive primary port status, it does not preclude that community from purchasing halibut or sablefish harvested with IFQs. It merely means that a National Marine Fisheries agent will not be permanently stationed in the community.

However, THE MOST IMPORTANT POINT IS THAT THIS IFQ PROGRAM WILL BENEFIT THE RESOURCE. Implementation of an IFQ program will reduce gear loss and gear conflicts, drastically reduce bycatch and mortality rates, and provide safer working conditions for our fleet.

Change is rarely easy to accept. But change we must. Without a change from the status quo, we will soon experience further declines in stock abundance, even shorter fishing seasons, increased crowding on the grounds, and an increase in loss of lives and property. Clearly, this is not a healthy situation for the resource, our fleets, nor our communities.

Difficult decisions are not always the most popular ones. For those of us interested in the health and viability of the halibut and sablefish stocks, as well as the future of our industry, I believe the Council took a very positive step in the right direction.

Sincerely,

Kris Norosz

Kris Norosz
Director

Petersburg Vessel Owners Association
P.O. Box 232
Petersburg, Alaska 99833
(907) 772-9323 (phone & fax)

Fred & Cheryll Athorp
F/V AUK
10 Creek Street
Ketchikan, AK. 99901
(907) 225-3452

Senator Jones
Senate District A
State Capitol
Juneau, AK. 99801

March 28,1992

Subject-IQFs

Dear Senator Jones,

I have been fishing halibut and black cod in S.E. Alaska for over 30 years, mostly in small boats(under 20 ton).

There was a moratorium proposed on halibut licenses to go into effect in 1980 because the number of boats involved in the fishery had increased from 157 to about 2,000 in the pervious 4 or 5 years. This was stopped by a small group from Kodiak and the halibut season has reduced from 5 months to 2 one day openings a year in area 2C.

These one day "derbies" are grossly inefficient, we must sell our fish a far lower price then we would under an IQF and is extremely dangerous to all fishing people involved.

I note that Sealaska (of which I am a shareholder) in our March publication has come out in cautious opposition to the halibut IQFs. I presume the authors opposition is based on an inadequate depth of information, fear of change and distrust of the North Pacific Council and the Government.

I have been earning a living fishing black cod and halibut longer then the great majority of those presently involved in these fisheries but have tentatively decided not to participate in these fisheries this year because of the over crowding, the danger to myself, crew, boat, and gear due to the restraints of time regardless of weather, and because of the lack of profitability due to the inefficiencies of "derby" style fishing.

[redacted]

Please support an IQF for halibut and black cod with a cutoff date as early as possible to protect a higher percentage of local fisher people and those that are serious and vested.

Sincerely

Fred Athorp

Fred & Cheryll Athorp

cc

Sealaska

U.F.A.

Rep. Chery Davis

Rep. Robin Taylor

[redacted]

Alaska State Legislature

Please enter into the record my testimony to the Resources (Senate)
committee name

committee on SJR 38, dated 2-21-92.
bill/subject

The NPFMC has responded to public concern over the IFQ preferred alternative by delaying sending of the proposal to WASH. D.C. until more study & public testimony is taken. You lawmakers should be content with that and let the council do their job.

You can not leave us with the current management mess. Do not take away a promising option in fisheries management. If you don't like all of the program, address those issues directly.

The first word learned as a baby is "no". Don't be simple. Don't be ignorant. You can't take away our tools for fish management before the system is built. Scrap SJR 38.

Signed: Steve Fish
Testifier

Steve Fish
Representing (Optional)

PO Box 6448 SITKA AK 99835
Address

747-6042
Phone No.

1-29-92

Area K Seiners Association
P.O. Box 2399 Kodiak, Alaska 99615
Phone 907/486-4686 FAX 907/486-7655

Written Testimony
for SJR 38
Lacey Berns

On behalf of Alaskans for Responsible Resource Management and Area K Seiners Association, I urge the passage of SJR 38. A.R.R.M. led a successful petition and letter-writing campaign from May thru Dec. '91, resulting in well over 700 signatures from crewmembers, families, operators of vessels, vessel owners, and businesses. The ensuing volume of letters to various officials and agencies opposing IFQ's, has been enormous. The opposition to IFQ's is in all communities -- people are tremendously concerned about their futures, if IFQ's are passed.

The IFQ concept, in its current framework and design, is unwieldy and cumbersome. A scheme which does not have the support of the fishing industry, will prove difficult to manage and enforce. Many fishermen are resentful about the way this scheme has been forced down their throats, under the guise of safety, or, fresh halibut year around - it (simply) is a fallacy that IFQ's will provide fresh fish 365 days a year.

Area K Seiners Association
P.O. Box 2399 Kodiak, Alaska 99615
Phone 907/486-4686 FAX 907/486-7655

The halibut / blackcod stocks are currently healthy, so the conservation of the resource is not an issue.

The issue is, that managers and the "fish czar" would rather see "100 prosperous & wealthy fishermen than 1000 fishermen" competing on the grounds. IFQ's are designed to eliminate numbers of boats, which in turn eliminates crewmembers, operators, and JOBS, from our coastal communities.

We support a simplified, flexible management plan which utilizes traditional management tools -- gear & trip limits, time & area closures, etc. need to be utilized before a drastic, plan such as IFQ's, is needlessly forced onto our fisheries --

The N.P.F.M.C. needs to consider public opinion before making such a monumental decision - especially before socio-economic analyses are studied by the public.

Sincerely,
Lacey Berns
(interim Director, A.K.S.A.)

Senate Joint Resource Committee, Lloyd Jones,

I am against S.J.R. # 38.
I think it is inappropriate for the legislature to get involved with the I F Q issue at this time. The North Pacific Fisheries Management Council is now looking at social and economic impacts on the I F Q issue, and also other alternatives and proposals are in the works with I F Q's and other limited access proposals. Let the work continue. Hopefully fishermen and the North Pacific Fisheries Management Council can do some more compromising, and work, and come up with a solution. Some sort of limited access needs to be implemented soon. I have been commercial halibut fishing since the mid 1970's. I've watched the season shrink from being open all summer, to now being open for two 24 hour openings in 1991 in southeast Alaska.

Sincerely

Marty Remund
Box 8147
Port Alexander, AK.
99836

March 9, 1991

Mr. Richard Lauber, Chairman
North Pacific Fishery Management Council
P.O. Box 103136
Anchorage, Alaska 99510

Dear Mr. Lauber,

My involvement longlining started in 1975. Fishing halibut from May 1st through September 10th. It was stable, dependable, and environmentally sound.

By 1983, ways of regulating participation in halibut was being seriously considered. By 1985 the Council implemented a cut off date for participation in sablefish. Longliners, processors, and crews began to feel stability would last in their fisheries.

Many based their loan portfolios on these movements. From upgrading their boats, homes, and processing equipment to retirements and annual budgets. As the movement began to falter in the late 1980s, many more participants joined in the game and soon chaos invaded the grounds. Now in the 1990s it is all becoming derby fisheries. Fish wastage and gear loss is considered just a variable in these derbies by most. More fish is left unharvested on lost gear and from gear conflicts than is really accounted for.

My personal observation for the 1991 season and reported to the Halibut Commission:

1st trip halibut 1991 in an area 1 mile wide by 3 miles long with 6 vessels participating. (I have fished here by myself for 5 years with a CPUE of 1500 lbs per skate, 1991 season produced the same.) Between the 6 vessels on this little area, 89 skates of gear were cut off or lost due to gear conflicts. I calculate 100,000 lbs of halibut killed and not delivered to market. The 6 vessels delivered 154,000 lbs. The loss is unacceptable, but this is what derby fishing will continue to do.

September opening 1991--weather came up to 50 mph. After the fishery, I anchored up for a day. Taking a straight course home from Montague Island to Cape Spencer, I passed 11 sets still in the water. I would estimate 10 skates to a set. This is four days after the season. Gale warnings are up for the next three days. How much of this gear will really be retrieved and how can we honestly estimate the fish wastage here?

We need IFQs now! We need it before our stocks are wiped out, or down to a bare minimum, like so many fisheries in the Kodiak area. We need it before the intelligent investments made by

the longtime longliners turns into a S & L crisis in the longline fisheries.

Limitation for participation in halibut and sablefish has been pondered as history records show from 1978 to today. It is not a new idea. It needs implementation today!

Sincerely,

William Connor

William Connor
107 Skylark
P.O. Box 1124
Petersburg, Alaska 99833
(907) 772-9211

Darb Fishing, Inc.
Bernard Bjork
P. O. Box 153
Seward, Alaska 99664

March 7, 92

Dear Senator Jones;

I am an Alaska Halibut Fisherman and am writing you to show my support for the Halibut I.F.Q. plan proposed by the North Pacific Fishing Management Council. I've seen the fishery degenerate into a dangerous and unenforceable one day fiasco. In the long run the IFQ plan would be good for both Alaska fishermen and the state of Alaska. I urge you not to support HJR 61 and SJR 38 which is before you regarding IFQ plan.

Thank You;
Bruce Bjork

March 9, 1992
Seward, Alaska

Dear Senator Jones,

No, No, No, to HJR 61 and SJR 38, and yes to Support of the proposed I.F.Q. management plan.

The present high-risk-no-win Halibut fishery is a disaster waiting to happen. Both for the fishermen and his/her Community. Please put an end to this / NO more delays or Studies.

Yours truly,

Max H. Cutshall

Donna E. Cutshall

F/V ASSIDUOUS - c/o
MAX H. CUTSHALL
DONNA E. CUTSHALL
P.O. Box 969
SEWARD, ALASKA 99664
2101 OLYMPIA RD.
PH- 224-3776- SEWARD, AK.

5000 Nottingham Way
Anchorage, AK 99503
March 3, 1992

Senator Lloyd Jones
Chair, Senate Resources Committee
Alaska State Legislature
Juneau, AK 99811

Dear Senator Jones:

It would be a mistake for the House and Senate to adopt the joint resolutions opposing the individual quota program for halibut fishing, HJR 61 and SJR 38.

As a small boat commercial halibut fisherman since 1970 and an Alaskan since 1945, I know a solution to this problem is long overdue. The plan developed by the North Pacific Management Council may not satisfy everyone but that utopia will never be reached. It is a good plan and has had more than enough public review and study.

It is not a new issue and anyone involved in halibut fishing over the past five years had to know that some system similar to this would eventually be adopted. In fact it seems to me that many of the detractors are people who have primarily been part-time fishermen in the past who to a large intent have been hanging on in the hope that they would get a free slice of the pie. What they are really objecting to is the allocation being made on the basis of past fishing performance. For example, one of the organizers of one of the objection groups told me he averaged about 500 pounds per year. Hardly what you would consider a serious commercial fisherman. Thus the main objections seems to be to the allocation system by those who have a poor fishing history. Just like limited entry for salmon, some individuals will benefit from an allocation system based on fishing history (if you consider getting the right to continue doing what you have been doing a benefit), but the main benefit will be the resource and the lives of our fishermen.

You should change the resolution to support the plan and do it now. To delay further is dangerous and shamefully wasteful of the resource.

Sincerely,

Pedro Denton

Pedro Denton

Alaska State Legislature

Please enter into the record my testimony to the _____
committee name

committee on SENATE RES 38, dated 1-27-91.
bill/subject

I support FURTHER STUDY OF SOCIALECONOMIC AFFECTS of IFQs. I want to see small communities remain as designated ports in language of IFQs. I oppose IFQs as proposed by N.P.MC. I'm in favor of the block proposal designed by ~~Howard~~ Kendall, SITKA. I encourage you to do away with dangerous 24 hr. openings ASAP - I also want to see in this plan total banning of factory trawlers.

Signed: Claire Cohen
Testifier

Representing (Optional)
F/V Sequoia
Address
P.O. 6384 - Sitka, Ak.
Phone No.

City and Borough of Sitka

304 LAKE STREET. SITKA, ALASKA. 99835

February 5, 1992

The Honorable Walter J. Hickel
Governor of the State of Alaska
State Capitol Building
Juneau, AK 99811

Dear Governor Hickel:

It was brought to my attention this morning that your office has been misinformed about the stand the Assembly of the City and Borough of Sitka took on the issue of IFQ's for the fishing industry.

This office would like the record to be clear that the City and Borough of Sitka HAS NOT passed a Resolution against IFQ's. A copy of the Resolution we did pass is attached. Any information you might have received otherwise is incorrect.

The Assembly of the City and Borough of Sitka has not taken a stand on this issue.

Sincerely,

Melinda L. Jenkins

Melinda L. Jenkins
Municipal Clerk
FOR
Dan Keck
Mayor, City and Borough of Sitka

cc: John van Amerongen, Editor
Alaska Fisherman's Journal
Senator Stevens
Senator Murkowski
Representative Young
North Pacific Fisheries Protection Association

Attachment

City of Pelican

BOX 737 • PELICAN, ALASKA 99832 • PHONE 735-2202 • FAX 735-2258

January 23, 1992

The Honorable Walter Hickel
Governor of Alaska
State Capitol Building
Juneau, Alaska 99811

Dear Governor Hickel:

Recently it has come to our attention that some incorrect or misinformation about the City of Pelican and IFQ'S for the fishing industry may have been stated or circulated.

We want the record to be very clear that the Pelican City Council HAS NOT passed a Resolution against IFQ'S. Anything stating or alluding otherwise is not correct.

The Pelican City Council has not taken a position on this matter.

Cordially,

for Allen Stewart, City Administrator

Allen Stewart
Mayor

cc: Senator Murkowski
Senator Stevens
Representative Young
North Pacific Fisheries Protection Association

CITY OF CORDOVA

December 2, 1991

Mr. Rick Lauber, Chairman
North Pacific Fisheries Management Council
P.O. Box 103136
Anchorage, Alaska 99510

Dear Chairman Lauber:

I am submitting comments regarding Individual Fisherman's Quotas (IFQ's) on behalf of the Cordova City Council. The Cordova City Council remains very concerned about the impacts an IFQ management scheme would have upon local fishermen, the economy of Cordova and the lifestyle of residents of Cordova. We are aware that you have received a great deal of testimony regarding the expected impacts upon individual fishermen; especially the small boat owners and those just getting into the longline fishery. Our comments will focus on the impacts upon small coastal communities like Cordova; communities whose economy is dependent upon the fishing industry. Following is a list of specific comments:

1. Cordova's economy has historically been based upon the seafood industry. The Exxon Valdez oil spill, world market conditions, and other factors have combined to produce hard economic times for many local fishermen. Local fishermen have always depended on flexibility and the ability to participate in a number of fisheries to make ends meet. Many have gotten involved in the longline fishery over the past decade. Most of these fishermen are small boat owners, but they have made substantial investments in longline gear and equipment and have been working hard to increase their catch each year. An IFQ system would hurt these fishermen because it would "lock" them into a quota. In most cases, this quota would be so small that they couldn't afford to fish it. The only rational economic decision for people in this position is to sell their quotas. Other fishermen who planned to get into the fishery or who have only fished it the last few years could be locked out completely. This means a loss of jobs and income and reduced revenue from raw fish and sales taxes.

2. Local processors have been gearing up to handle increased deliveries of halibut and black cod. If IFQ's go into effect, the likely outcome is that it will become uneconomic for the processors to handle these fish because deliveries from local boats will decline. Again, this translates into a loss of local jobs and a loss of tax revenue for the community.

602 Railroad Avenue P.O. Box 1210 Cordova, Alaska 99574 Telephone (907) 424-6200 Fax (907) 424-6099

3. The Council has set aside Community Development Quota's (CDQ's) for disadvantaged communities in the Bering Sea. CDQ's are designed to prevent communities who have not yet participated in those fisheries from being locked out if an IFQ scheme limits access in 1993. Those longliners displaced by Bering Sea CDQ allocations will be given shares of the Gulf of Alaska quota. We have two comments about this. First, we believe that compensating longliners who are displaced in the Bering Sea with Gulf of Alaska shares is unfair to Prince William Sound Fishermen who are just getting into the fishery. This also has the effect of driving local fishermen out of the business because there will be less poundage available for harvest in the Gulf. Second, we would argue that Cordova should be eligible for a CDQ also since it has great potential to participate in the longline fishery but is likely to be locked out under the IFQ scheme. Cordova is just beginning to emerge as an important bottomfish port.

In summary, the Cordova City Council believes that an IFQ system will have very definite winners and losers. The losers will be small boat owners, people just getting into the fishery, and fishing communities like Cordova. We would urge the North Pacific Fisheries Management Council to look very closely at more traditional management schemes. We understand that management is necessary to protect the resource, to reduce waste, and to increase safety. However, we see no need to rush into an IFQ system; a system which has not yet proven itself in other areas of the world. For example, evidence from the east coast of Canada and New Zealand suggests increasing conservation problems, enforcement problems, and economic disaster for many inshore fishermen and the communities they live in.

Thank you for the opportunity to comment. Please contact us if you have any questions or need more information.

Sincerely,

Charles K Weaverling

Mayor Charles K. Weaverling
City of Cordova, Alaska

KODIAK
CHAMBER
OF COMMERCE

P.O. Box 1485, Kodiak, Alaska 99615 (907) 486-5557 FAX: (907) 486-7605

February 6, 1992

Senator Fred Zharoff
P.O. Box V
Juneau, AK 99811

Dear Senator Zharoff:

Enclosed please find a resolution passed and approved by the Board of Directors of the Kodiak Chamber of Commerce on February 3, 1992.

This resolution outlines our continued opposition to the present individual fisheries quota plan being promulgated by the North Pacific Fisheries Management Council.

The Board of Directors firmly believe that before a plan to change the existing system of fisheries management is implemented, an in-depth socio-economic analysis must be conducted and reviewed by the council.

We firmly believe that the proposed plan has the potential to negatively impact the economies of all coastal communities in Alaska.

Your attention and consideration of this request is sincerely appreciated.

Yours in economic prosperity,

Alan Schmitt
Vice-President

City of Kodiak / Kodiak Chamber of Commerce Resolutions

CITY OF KODIAK
RESOLUTION NUMBER 01-92

A RESOLUTION OF THE COUNCIL OF THE CITY OF KODIAK SUPPORTING CONTINUED OPEN ACCESS IN THE GROUNDFISH FISHERIES IN THE EXCLUSIVE ECONOMIC ZONE OFF ALASKA AND URGING THE ADOPTION OF SJR 38 AND HJR 61

WHEREAS, Senator Zharoff has sponsored Senate Joint Resolution 38 and Representative Davidson has sponsored House Joint Resolution 61 opposing individual fishing quota management systems for the Alaskan halibut and sablefish fisheries and other Alaskan fisheries; and

WHEREAS, the North Pacific Fishery Management Council is developing detailed options for limited access in the sablefish longline fishery; and

WHEREAS, groundfish, including sablefish and halibut, is important to the diversified economy of the coastal communities of Alaska and the ability to participate in multiple fisheries and adapt to changing economic and resource conditions is a vital characteristic of the Alaska fishing fleet; and

WHEREAS, individual fishing quotas may deny the opportunity for residents of coastal communities to fully diversify and maximize their fisheries; and

WHEREAS, the individual fishing quota program under consideration provides for much of the resource to be allocated to nonresident users, excluding disproportionate numbers of Alaska fishermen and precluding participation by the growing Alaska longline fishing fleet; and

WHEREAS, limited access will prohibit maximum utilization of a natural resource by depriving crew members, processors, and other support groups of full participation; and

WHEREAS, the trend will be to process groundfish offshore which will minimize the raw fish tax to coastal communities and the state; and

WHEREAS, limited access programs restrict the free enterprise system by not allowing commercial fishermen to maximize their potential in the fishery; and

WHEREAS, limited access represents a quick-and-easy, but ineffective, solution to more fundamental management problems;

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Kodiak, Alaska, that the Governor is respectfully requested to take whatever action is necessary to protect the rights of Alaska fishermen and to vigorously oppose any effort to implement limited entry in the groundfish fisheries in Alaska.

BE IT FURTHER RESOLVED that the North Pacific Fishery Management Council is respectfully requested to abandon all efforts to study, plan, encourage, or recommend implementation of limited access in the groundfish fisheries in Alaska.

AND, BE IT FURTHER RESOLVED BY THE Council of the City of Kodiak, Alaska, that the Alaska State Legislature complete its deliberations and adopt Senate Joint Resolution 38 and House Joint Resolution 61.

AND, BE IT FURTHER RESOLVED that copies of this resolution shall be sent to the Honorable Barbara Franklin, Secretary of the U.S. Department of Commerce; the Honorable John A. Knauss, Administrator, National Oceanic and Atmospheric Administration; the Honorable Richard G. Darman, Director of the Office of Management and Budget; the Honorable Richard Lauber, Chair of the North Pacific Fishery Management Council; and to the Honorable Ted Stevens and the Honorable Frank Murkowski, U.S. Senators, and the Honorable Don Young, U.S. Representative, members of the Alaska delegation in Congress; Governor Hickel and all members of the Alaska State Legislature.

PASSED AND APPROVED this 23rd day of January, 1992.

CITY OF KODIAK

Walter E. Johnson
MAYOR

ATTEST:

Marcella Dalke
CITY CLERK

RESOLUTION 01-03-92

A RESOLUTION URGING THE NORTH PACIFIC FISHERIES MANAGEMENT COUNCIL AND ALL OTHER AUTHORITIES TO RESCIND ITS VOTE TO IMPLEMENT THE IFQ PROGRAM TO APPROVE THE INDIVIDUAL TRANSFERABLE QUOTA SHARE PROGRAM FOR THE SABLEFISH AND HALIBUT FISHERIES UNTIL AN ECONOMIC IMPACT ANALYSIS OF THE PROGRAM ON THE COMMUNITIES OF ALASKA IS COMPLETED AND SHARED WITH THE AFFECTED COMMUNITIES FOR THEIR CONSIDERATION AND COMMENT.

WHEREAS, a number of traditional management proposals have been submitted to the North Pacific Management Council which would potentially eliminate the problems that an Individual Fishery Quota (IFQ) would address; and

WHEREAS, the Council's role and responsibility is to analyze all proposals on a given issue before implementing major changes to a fishery; and

WHEREAS, analysis and implementation of traditional management proposals to address the problems have not even been reviewed prior to the proposed implementation of an IFQ System; and

WHEREAS, an IFQ System is going to take years to implement while the fisheries need extensive traditional management changes, not short-term improved management; and

WHEREAS, the ability to participate in multiple fisheries and adapt to changing economic and resource conditions are vital characteristics of the Alaska fishing industry; and

WHEREAS, IFQ Systems under consideration provide much of the resource to be allocated to non-resident users, excluding disproportionate numbers of Alaska fishermen, and preclude participation by the growing Alaska longline fleet; and

WHEREAS, IFQ Systems will deny the opportunity for residents of the Alaskan communities to fully diversify and maximize their fisheries creating financial hardships and creating adverse economic impacts; and

WHEREAS, IFQ Systems could accommodate offshore processors which will minimize the raw fish tax to Alaskan communities and the State.

NOW THEREFORE, BE IT RESOLVED that the Board of Directors of the Kodiak Chamber of Commerce urges the Alaska State Legislature and the Governor to intercede on behalf of Alaska fishermen to prevent any negative economic impact or hardship on them and affected Alaska communities as a result of the IFQ System.

PASSED AND APPROVED ON THIS 3RD DAY OF FEBRUARY 1992.

Anna Berg
Secretary to the Board

Alan L. Schmitt
Alan Schmitt
Vice-President

INTERNATIONAL PACIFIC HALIBUT COMMISSION

ESTABLISHED BY A CONVENTION BETWEEN CANADA
AND THE UNITED STATES OF AMERICA

DIRECTOR
DONALD A. MC CAUGHRAN

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SEATTLE, WA 98145-2009

TELEPHONE
(206) 634-1838

FAX:
(206) 632-2983

MEMO

February 21, 1992

TO: Dick Eliason

FROM: Steve Hoag, IPHC Assistant Director

RE: Stock Trends

The IPHC staff estimates that halibut biomass declined approximately 8% last year. Declines ranged from 11-12% in Areas 2B, 2C, and 4, to 6-7 % in Areas 3A and 3B.

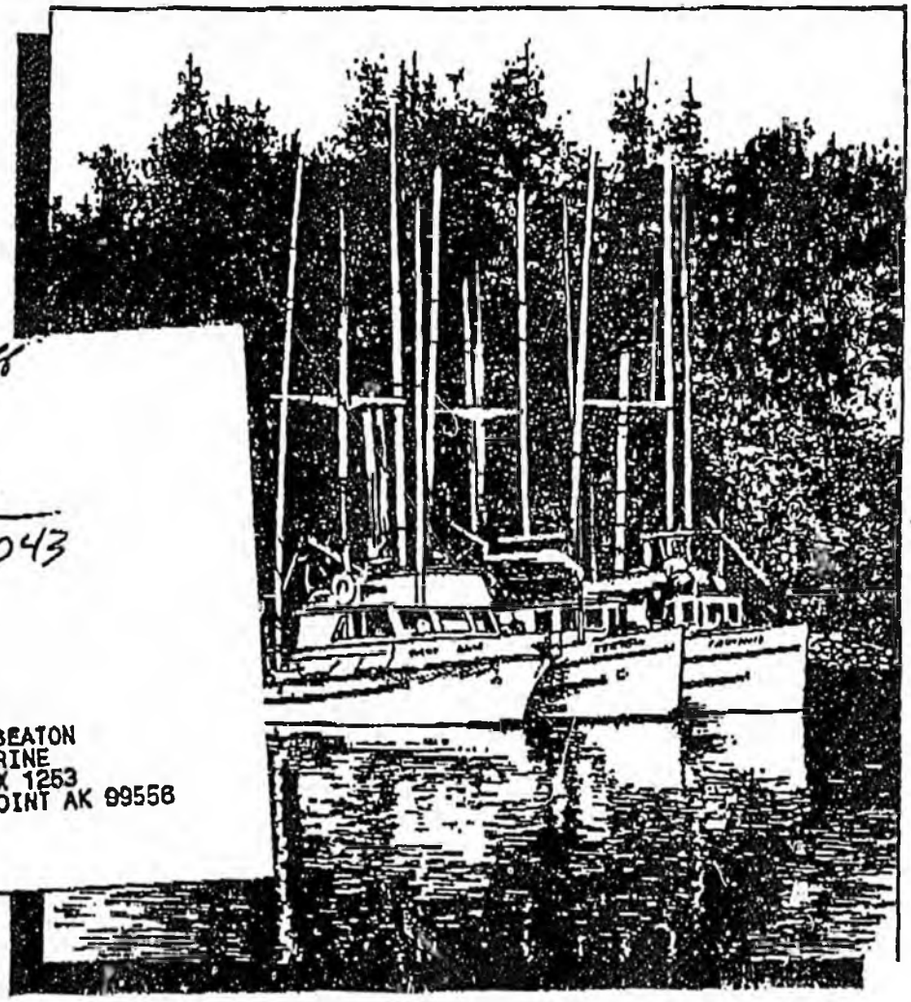
The reason that catch limits are higher in 1992 is because biomass estimates were recalculated following improvements in stock assessment methodology. This assessment showed that past biomass was higher than previously estimated.

Canada

November 1991

A Commission of Inquiry into Licensing and Related Policies of the Department of Fisheries and Oceans

Don Cruickshank
Commissioner



Senator Tarff
Attn:
Dave
Fax 463 3043

From

PAUL K. SEATON
K-N-S MARINE
HC-67 BOX 1253
ANCHOR POINT AK 99556

The Fisherman's Report

Comments on Canadian IFQ

Chapter 3

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THE IQ TEST

What Are Individual Quotas?

Individual quotas, resource allocations, enterprise allocations or individual entitlements — all meaning the same thing — give to an individual the right to harvest a definite quantity of fish, expressed either as a fixed amount or as a percentage of the total allowable catch. Privatization of the resource in this manner removes the right of public access to a common property, converting common property to private property. Currently, individual quotas are in place for the management of six Pacific fisheries:

- spawn-on-kelp
- abalone
- herring food and bait
- geoduck
- sablefish (black cod)
- halibut

The initials "IQ" stand for individual quota; "IVQ" for individual vessel quota; and "ITQ" for individual transferable quota.

Spawn-On-Kelp: This has been a quota fishery since 1975. The licences are issued to a person or a Native band, are non-transferable and area specific. The vessel is designated; there is a licence holder on-site requirement; and all 38 quotas are equal.

Abalone: A quota fishery since 1979. The licences were personal, non-transferable, and not area specific. The vessel was designated. The absence of an owner-operator provision permitted leasing and stacking. There were 26 equal quotas. The abalone fishery is described in the past tense since it was closed indefinitely on October 30, 1990, to all user groups: commercial, Native and recreational.

Herring Food and Bait: A quota fishery since 1985. Licences are personal and non-transferable; the vessel is designated. Issuance is by a lottery-type arrangement.

Geoduck: - a quota fishery since 1989. Licences are assigned to a vessel and are transferable and area specific. There is no owner-operator provision. All 55 quotas are equal.

Sablefish (Black Cod): A quota fishery since 1990. The licences are assigned to a vessel, are transferable and not area specific. There is no owner-operator provision. The 48 quotas are variable or not equal.

Halibut: 1991 was its first year as a quota fishery. Licences are assigned to a vessel, are non-transferable and not area specific. There is no owner-operator provision, and the 435 quotas are variable or not equal.

The Issues

The issue of IQs, IVQs and ITQs is one of the hottest topics in the British Columbia fishing industry today. It evokes the question of common property ownership versus privatization of the resource, and no other debate in the industry raises as much emotional or philosophical intensity.

The proponents of quotas herald the security of tenure as an advantage. The opponents counter that the system is flawed by its exclusivity and irreversibility favouring the quota recipients. Inflaming the quota debate is the opinion expressed or implied by some DFO personnel that many industry representatives are reactionary, and that the resistance to quotas is nostalgic deference to an obsolete system. Meanwhile, DFO staff are accused of seizing on quotas as the panacea of licensing policy.

The method by which quotas were introduced is also a controversial point, since the policy is widely seen as being imposed on the industry, even though it is billed as response to the demands of the majority of fishermen.

The Commission of Inquiry's research suggests there is some justice to this concern. On March 2, 1982, on the advice of Pacific Region staff and in response to the *preliminary* report of the Commission on Pacific Fisheries Policy, the Honourable Romeo Leblanc established a committee of five halibut licence holders to develop a proposal for the implementation of a halibut vessel quota system. This committee, chaired by a DFO employee, was not asked to determine the advantages or disadvantages of quotas, but merely to set the terms for their implementation. The report was signed only by the Chairman and was submitted to the Minister on April 27, after eight separate meetings between April 2 and April 23, 1982.

The recommendations of this report were rejected by Mr. Leblanc, after the industry voiced considerable opposition. With the appointment of the next Minister of Fisheries and Oceans, Pierre De Bane, the proposal resurfaced and again industry opposition quashed it. Nonetheless, several years later and several ministers later, halibut quotas are in place, "at the request of halibut fishermen."

The Department's handling of licensing and fleet rationalization issues has created an element of mistrust and bitterness among fishermen. The message was clear during this Commission's hearings that they are fed up with fighting off the Department's incessant attempts to impose licensing theories that have been repeatedly rejected by the industry.

Pros and Cons

Vision 2000 details the benefits as follows:

> Individual Quota (EA) licensing, perhaps operating in conjunction with area licensing, provides a direct means of controlling catch within the target set, and potentially frees managers from a complex regulatory regime (restricting vessels, gear and fishing time) which is the hallmark of a system where total catch is controlled simply by the number of licences issued. However, the outstanding advantage of this approach is that it eliminates the basic cause of overcapacity in the fishing industry. Rather than encouraging fishermen to competitively and defensively increase their fishing power, it encourages them to adapt their vessels and fishing practices to take their licensed catch as a quality product at the lowest cost.

There are other favourable reasons for quota licensing:

- individual quotas offer the opportunity to harvest species when market demand and prices are the highest;
- once the competitive nature of a fishery is removed, fishermen need not travel nor fish in unsuitable weather conditions;
- fishermen have a better opportunity to become involved in marketing the catch;
- the accumulation or stacking of quotas can result in a reduction in fleet size.

Industry Reaction

The Commission of Inquiry found industry to be generally opposed to quotas. Where a group already held a quota, the reaction was less critical, but concerns were still voiced. These statements have been excerpted from written briefs submitted to the Commission of Inquiry:

> **Fisheries Council of British Columbia:** "The IQ system that has been introduced into a number of British Columbia fisheries over the past years is roundly condemned by this organization on two major counts.
>
> "First, the policies have been introduced without the establishment of any clear guidelines for change. In effect, the old limited licensing system has been eroded. Whether you liked the system that began in 1969 or not, at least the rules were fairly clear after two decades of use. Now, fisheries for various species are taking place with the objective of providing some catch history and, therefore, insurance in case the rules of the game change again.
>
> "Second, the process of change has been slanted towards those who wanted to see change, whether for academic or personal business reasons. The example of the manner in which DFO conducted the advisory process for the Halibut IQ system was a fraud from start to finish . . . a pretense of democracy in the name of open consultation."
>
> **Fishing Vessel Owners Association of British Columbia:** "The past two years have seen a dramatic change in the thrust of fishery management in British Columbia. The fundamental principle of free access to a common property resource by all licence holders is being rapidly transformed into privatization of the resource through a headlong rush by DFO for the institution of Individual Transferrable Quotas (ITQs) to existing licence holders. In 1989 geoduck licence holders voted overwhelmingly for a quota system, and in 1990 sablefish licence holders also opted for ITQs. Finally, late in 1989, DFO sponsored a series of meetings with halibut fishermen to explore the possibility of a halibut quota fishery, and a quota system is now in place in this fishery as well, in theory on a two year trial basis.
>
> "Philosophically, most fishermen are opposed to quota fisheries. The free competition for an individual's share of the harvest is a long standing tradition of our fisheries, and one of its attractions for many. With traditional fisheries, good fishermen are rewarded with good catches while bad fishermen are forced to either accept sub par earnings or to look elsewhere for a living.
>
> "It seems that for as long as there have been commercial fisheries there have been 'too many boats chasing too few fish,' and ITQs are a way to have a fishery rationalize itself, at no cost to the government for buy back programs. Of course, the concentration of licences doesn't reduce overcapitalization — in fact ITQs *increase* overcapitalization — since licences tend to increase in value. The key point of course is that under ITQs, the fleet tends to be reduced *at no cost to government*. . . .

"The strongest and most often heard criticism of quota fisheries is the strong incentive they create for cheating, and the difficulty of enforcement of quota limits. DFO's response to this problem has been to devise complex and costly monitoring and enforcement systems for the geoduck, sablefish and halibut fisheries, with the costs to be borne by the licence holders. . . .

"There is overwhelming support for having licences revoked as a penalty for cheating. However, in the past when DFO has tried to enforce stiff penalties on fishermen, the courts have considered the loss of a licence as 'cruel and unusual punishment' that removes an individual's ability to earn a dishonest living. . . .

"With quota fisheries, there is an obvious incentive to high grade the catch in order to market only the higher valued fish. The recent (March, 1991) wholesale value of sablefish in Japan varied from about $5.11 for over seven lb. fish to $4.94 for four-five lb. fish. It is difficult to guess whether this price differential will encourage high grading, but one thing is certain: the proposed monitoring program contains no provision for monitoring high grading. This can only be accomplished by placing observers aboard a few vessels and comparing the size composition of the observed vessels' catches with the overall landings of the fleet.

"Without an observer program, the only evidence of high grading, a potentially serious problem, will be hearsay and dockside gossip.

"DFO sees ITQs as a costless (to DFO) way to 'rationalize' fleet size, particularly in the halibut fishery, which is faced with declining stocks. Of course, a smaller fleet means less employment, especially for crewmen, and this loss of employment is a legitimate concern of these fishermen and the organizations that represent them.

"Another often heard criticism of ITQs is the potential they create for the concentration of licences in the hands of a few individuals or companies. Licence concentration, and the high cost of ITQ licences . . . will make it extremely difficult if not impossible for young new fishermen to enter the fishery. . . .

"The issues of monitoring, enforcement and licence concentration need to be seriously addressed and reviewed at the end of the two year trial periods. We believe that conservation and the maintenance of opportunities for future generations of fishermen ought to take precedence over administrative convenience for DFO and over fuzzy economic rhetoric about the 'tragedy of the commons.'"

Deep Seas Trawlers Association of B.C. (DSTA): "Initial information available to DSTA suggests that this type of management approach would be adverse to our industry and to Canada's fisheries. DSTA will continue to keep an open mind on the issue, however. We will insist on two prerequisites for serious consideration of such a proposal. First, we would need to have complete access to all information being considered by DFO. In particular, this would include results and analysis from the 'test' geoduck and sablefish programs currently being conducted by DFO; and a broader DFO assessment of Individual Quota programs in Canada (and possibly abroad) which DSTA understands has been completed, but not publicly released. Second, and following release of this information, we would need at least two years to jointly dialogue with and consider such an option with DFO."

Heiltsuk Tribal Council: "We are extremely concerned that the process may result in a privately owned fisheries resource. This would greatly increase third party interests which would then have to be dealt with on an individual basis during the settlement of the Heiltsuk sea claim. The result would be an even more costly and complicated

settlement process. It simply does not make sense to consider such a major change in fisheries resource management prior to the settlement of land claims. We maintain that Native claims must be dealt with first."

Prince Rupert Fishing Vessel Owners' Association: "Our organization is against some portions of *Vision 2000*, in particular ITQs, IQs and IVQs.

"Any licence changes that affect or impact on the commercial sector should have to be passed by CFIC.

"If there is need for any licensing changes, let the fishermen ask for it and let them do the implementation."

Sunshine Coast Labour Council: "The commercial fishing has remained viable for over one hundred years as a common property resource. The present licensing system insures that all commercial fishermen have equal access, while individual transferable quotas do not grant the same equality."

United Fishermen and Allied Workers' Union: Halibut Fishermen's Brief: "As of May 1, 1991, the halibut longline fishery will be regulated by a so-called experimental Individual Vessel Quota (IVQ) fishery. We as halibut fishermen remain concerned that IVQs and Individual Transferrable Quotas (ITQs) will spell disaster for most of us as fishermen and for the halibut as a commercially fishable stock. . . .

"DFO officials state that ITQs will; 'increase landed values,' 'make halibut fisheries more manageable,' 'reduce overfishing' and 'reduce costs of enforcement.' There has been no attempt by the DFO to support these contentions with research and in fact, where independent research has been conducted, DFO positions have been proved erroneous.

"Suffice it to say that authoritative sources of information about ITQs and their working history exist. They should be studied carefully by all concerned before introducing a problematic ITQ/IVQ system on west coast fisheries.

"In conclusion, as a minimum demand, we insist that nothing be done by the DFO to *allow IVQs to become irreversible*. The DFO has stated that the current IQ system is on a trial basis for two years and we insist that they be held to their word. The IQ system must be kept easy to change to another should the fishing industry as a whole so decide."

United Fishermen and Allied Workers' Union: Principal Brief: "It is difficult to assess where the initiative originates for privatizing Pacific fisheries resources. Peter Pearse touted ITQs but we suspect he was merely mirroring the policy initiatives of the DFO. The fisheries committee of the Canadian Senate, the Economic Council of Canada, the office of the Auditor-General and other authorities have advocated ITQs presumably as an economic measure but as a conservation and management system as well. . . .

"Various purposes are said to be served by ITQs, namely:

- conservation and management
- reduce management costs
- save the resource
- fleet reduction.

"The justification most commonly given for the use of ITQs is the common property resource argument. Fishermen will deplete fisheries resources in an open fishery and make increasingly burdensome investments to compete for their share of the fish. Resource rent is therefore dissipated by overcapitalization. Some suggest that a resource must be privately owned for it to be cared for properly. No one has an interest in caring for a publicly owned resource and the 'tragedy of the commons' theory is repeated over and over again.

"As justification for ITQs, the foregoing might be believable if Pacific fisheries resources were seriously threatened by over exploitation. Such is not the case.

"In the Black Cod fishery, we see not only limited entry but ITQs as well. Holders of black cod licences and quotas will plead this is the best possible invention save and except for the wheel. Other vessel owners are critical of the programme simply because they don't own black cod quotas which are a licence to print money. There is a 5,000 ton annual quota in the black cod or sablefish fishery. There are 48 licence holders who on average would hold a quota of 200 thousand pounds. Estimations are that these quotas would sell for six-seven dollars a pound making each gift of a quota worth $1.2 and $1.4 million dollars.

"Like the New Zealand system, these quotas can be leased and the going rate is 50 per cent of the catch. In fact they can be and are sub-leased with the second broker taking 30 per cent of the catch leaving a mere 20 per cent for the people doing the work. We have reports that the licence/quota owner charges the fishing venture the equivalent of the lease rate which is a common practice, too, in the roe herring gillnet fishery. In other words, if the going rate to lease quotas is say $1.50 per pound, the quota owner pockets that money as his rent before sharing the remainder with his crew. DFO planners must clearly be held in high esteem by this generation of licence quota owners who enjoy instant riches at the expense of another generation. Once again resource rent is extracted for personal gain rather than accruing to the owners of the resource, namely the people of Canada, or to the general benefit of the industry."

Pacific Black Cod Fishermen's Association [This association, understandably, is very supportive of the quota management of the black cod fishery, but it lists some weaknesses]:

"Recommendations for Change

"(a) The foreign ownership question

"Our members are concerned that foreign interests will someday begin to purchase black cod licences. To prevent such a development, we wish to see the following changes in licensing requirements:

"That owners of Category K Sablefish licences be required, upon payment of their annual fee, to sign an affidavit in which they state that their licence is not owned or controlled, either wholly or in part, by foreign interests.

"(b) Ownership and quota concentration

"We recommend that the Department of Fisheries and Oceans develop a forum to work with this association to deal effectively with the questions of non-fisherman ownership, processor ownership, and maximum individual ownership.

"(c) Creating smaller quotas

"We recommend that a process be put in place to develop the concept of the permanent transfer of smaller blocks of quota."

Economists' Comments

Resource economists, even while usually supporting quotas, voice certain reservations.

Sol Sinclair, *A Licensing and Fee System for the Coastal Fisheries of British Columbia*, 1978: "The enforcement of the quota system can present problems. It will require very close supervision to ensure compliance with each individual's quota.

"A freely transferable individual quota can force quota prices to levels that may eliminate inefficient, part time, or lower income fishermen. Thus it can adversely affect small-scale operators in isolated fishing communities that are very dependent on fishing."

Moloney and Pearse, 1979: "Quantitative rights would be most easily adapted to fisheries that do not call for frequent, intraseasonal management intervention in the form of changes to the allowable catch."

Wilen, 1980: "It is certain that such a system applied in a fishery which needs 'fine tuning' like the B.C. roe herring fishery would require a fair degree of complexity."

Fraser, 1980: "The more variable the resource stock, the more significant are the ensuing problems and the less practical are individual vessel quotas as a management technique."

Clark, 1980: "There are doubtlessly some fisheries for which allocated fisherman's or vessel quotas would be unsuitable. For example, in cases where annual recruitment is highly variable and unpredictable, there would be no basis upon which to fix annual quota levels."

Enforcement

With a quota system, the potential for high grading (the practice of keeping only the higher-valued fish and dumping all low-valued fish at sea) and "quota busting" (exceeding quotas) is certainly felt to be high, but there is no mechanism available to gauge its extent and impact on the resource accurately. It is also too early to judge the effectiveness of the complex procedure now in place, at shore locations, to monitor individual quotas.

But there is evidence that a fundamental enforcement problem faces DFO.

Enforcement of quota fisheries is based on the right of DFO to monitor and enforce these fisheries by conditions attached to the licences. But it is a right subject to legal challenge. Recently, the British Columbia Court of Appeal upheld a decision of the County Court of Prince Rupert contesting DFO's enforcement right in two cases. Challenged was the Department's right to regulate fisheries and impose restrictions as a condition of licence.

Even without court challenges, the DFO takes 16 months, on average, to develop and promulgate a regulation. It has taken as long as five years. If our present fisheries regulations cannot provide the necessary controls to monitor and enforce quota fisheries, and this situation prevails for even 16 months, the effect on the industry and on the resource will be disastrous.

Critics cite the abalone fishery as an example of failure to enforce quotas, and suggest that the Department may not have felt it had the legal grounding to do so.

Impact on Employment

The issue in this area is that quota systems may put crew and vessel owners out of work, reduce wage levels and deny opportunity to entry-level fishermen. The halibut fishery is cited as an example. Speaker after speaker at the public hearings echoed the words of this fisherman: "I have fished halibut for years, and I don't have a job this spring because of the halibut quota. To fish halibut now you either have to own a quota, or work for nothing."

The Commission of Inquiry's research found that the people on board halibut boats shared in 75 to 80 per cent of the value of the catch. It was a labour-intensive fishery, and the crew shares reflected that reality. These crew members, many of them professional halibut fishermen, had "busted their butts" to catch the fish that counted as the historic portion of the vessel quota, but they received no recompense for their pre-quota efforts under the advisory process conducted by DFO. As quoted above, the Fisheries Council of British Columbia described the manner in which DFO conducted this advisory process for the halibut IQ system as fraudulent.

After the introduction of quotas and the elimination of the need for a fast, high-volume catch, vessel owners (also the quota holders) found it more profitable if crew members were also eliminated. Vessel owners now take turns fishing their quotas, one boat after the other, with their fellow quota holders taking the places of men who had served them well for years. Some quota holders do still take crews, but the share of the halibut catch accruing to the boat now runs at 40 to 50 per cent — reducing the crew's historic share to 50 to 60 per cent of a catch whose size they can no longer increase by skill and effort. The halibut quota system has effectively destroyed the livelihood of all these fishermen and made their professional skills instantly redundant.

As for entry-level fishermen, if almost all halibut fishermen are vessel owners and quota holders, there is no training ground for the next generation. Entry-level fishermen cannot afford to purchase quotas and, without crew positions, they have no means of acquiring either the necessary money or the experience.

The sablefish or black cod fishery is also cited. Two crew members of a black cod boat offered the following experience of quotas in practice.

While preparing for the start of the 1990 season, the vessel owner announced that there would be a change in the crew share arrangement. Instead of sharing in the value of the catch, the crew would be paid by the pound, which made them feel they had been reduced to employees instead of co-entrepreneurs sharing the risk of the venture. They were offered five cents per pound of black cod sold and had no choice but to accept. On returning to the vessel in 1991, they found the pay offered was now three cents per pound — on fish that had been selling for up to $5.65 per pound. In spite of many years' work in the black cod fishery, they chose to attempt to find on-shore jobs instead.

Quotas Abroad

Vision 2000 states that quota licensing is now "state of the art" in Iceland, Australia and New Zealand. The Commission of Inquiry's research found that New Zealand participants in the system gave mixed opinions.

Robin Hapi, General Manager and Chief Executive Officer of the Maori Fisheries Commission, in Wellington, was generally pleased with the quota regime in the inshore fishery. The quota process is being used to transfer fishing rights to the Maori people, although only 15 per cent of the fisheries have been addressed so far. Initially, these rights are being transferred to the control of the Commission; the allocation to individuals will proceed at some later date.

Mr. Ray Dobson, General Manager of the New Zealand Fishing Industry Board, an organization representing the interests of the New Zealand fishing industry, is a self-proclaimed advocate of ITQs, believing that quotas are the solution for New Zealand fisheries. He cites increased efficiency, increased flexibility and the advantages of market forces dictating fishing times.

His major concern was the high cost of the initial installation of ITQs and suggested that, to be successful, quotas must be preceded by increased research in order to develop a high level of input for the establishment of the total allowable catches. He pointed out that, particularly for inshore fisheries, owner-operator provisions were vital. He said the enforcement of quota objectives was a problem — it appears high grading in the rock lobster fishery is rampant — but he claimed New Zealand fishermen are adjusting, recognizing that it is in their own best interest to fish legally.

Mr. Brian Piner, with 30 years experience as a fisherman, 15 of them as a vessel owner/skipper, is a resident in Greymouth on the west coast of the South Island. Strongly opposed to quotas, he warns that British Columbia fishermen should resist any system

similar to that imposed on the New Zealand industry. He said that British Columbia industry fears of corporate control were realized in New Zealand: four major companies control the majority of quotas for both the inshore and deep water resources. These companies allocate a quota to a fisherman for a lease fee. Real prices New Zealand fishermen receive for their catch are lower than pre-quota ones, as companies attempt to service debts incurred in the purchase of quotas. In Greymouth, a small coastal community, he said there are about 50 fishing boats, but only four or five of these now have their own fishing quotas. The rest lease the right to fish from company-held quota licences, and they must accept the prices offered or forgo the quota.

Ken Shirley, former Minister of Fisheries for New Zealand, was quoted in the newspaper *Grey Star* as saying, "with hindsight the government should never have introduced permanent fishing quotas." It proved impossible to get official confirmation of this statement from the Ministry of Agriculture and Fisheries for New Zealand.

Legality

Quotas raise a jurisdictional question that may cripple the entire proposal: Is it constitutionally legal for the Government of Canada to regulate any fishery, once access has been transferred from common property access to individual entitlement? Such privatized rights as individual quotas could be beyond the necessary legislative competence of the federal government since, as private property in the legal sense, IQs would be subject to the authority of provincial law relating to property and civil rights.

In 1985, the Faculty of Law at Dalhousie University analyzed this issue. Its report, *Individual Entitlements in The Tidal Fisheries: Some Legal Problems* by Bruce H. Wildsmith, Professor of Law, K.J. Spears, LL.B, and W.G. Wharton, LL.B, was prepared under contract for DFO.

The report defines the historic role of the federal government: under the power of the Constitution Act, 1867, Section 91 (12), the fisheries in Canada are an area of jurisdiction allotted to the federal government. It also confirms the fisheries as common property, offering the *Canadian Law Dictionary* definition: "that which belongs to the citizenry as a whole."

The report finds that individual entitlements, resource allocations, or individual quotas — all meaning the same thing — give to an individual a right to harvest a definite quantity of fish, expressed either as a fixed amount or as a percentage of the total allowable catch. Privatization of the resource in this manner removes the right of public access to a common property, and converts this to private property.

Calling on constitutional considerations, administrative law, and the *Canadian Charter of Rights and Freedoms*, the report acknowledges that legal interpretations recognize a provincial proprietary right and provincial legislative jurisdiction over property and civil rights. However, it considers that the federal government has the necessary legislative competence for control over the total harvest of fish in all waters recognized by international law as being within Canada's jurisdiction; further, the Department of Fisheries and Oceans can legislate to create exclusive transferable rights, ITQs, to fish in waters beyond provincial jurisdiction.

But the report points out that the Supreme Court of Canada has held the seabeds under the waters in the straits and gulfs between Vancouver Island and the Queen Charlotte Islands and mainland to be property of the Province of British Columbia. The first three miles of territorial sea could be similarly included as provincial property. Within this area, in the report's opinion, the actions of DFO in attempting to regulate IQs could be found to be *ultra vires*, that is, beyond their authority or legal power.

The report recommends that, if individual entitlements are to be granted by DFO, they should only be for fisheries in areas that are offshore, beyond provincial boundaries, unless fisheries are to be used as the vehicle for determining provincial boundaries. Alternatively, DFO should seek co-operation from the province to alleviate the necessity of drawing firm boundaries.

The Department has pursued neither of these options with British Columbia, consequently the six individual quota systems that have been implemented in Pacific fisheries may be subject to legal challenge on these jurisdictional grounds.

From the Commission of Inquiry's public hearings and written briefs, and from casual conversations with fishermen and industry workers, the points against quotas can be summarized as follows:

- they convert a common property resource to private property;
- difficulty of enforcement of high grading and the exceeding of quota limits;
- threat of foreign control;
- concentration of licences in the hands of too few individuals or corporations;
- reduces the opportunity for entry-level fishermen;
- creates unemployment through quota stacking;
- permits unfair labour practices; and
- may be constitutionally unsound and subject to legal challenge.

RECOMMENDATIONS FOR INDIVIDUAL QUOTAS

The Problem:

Are IQs, IVQs or ITQs a method that should be continued or expanded as a management system for Pacific fisheries?

Recommendations

Fishermen and resource managers should be aware individual quotas are not simply an alternative licensing system. The transition to IQs is a fundamental change that converts to private property that which has been a public or common property resource.

The fishing industry is prepared to accept changes, but these changes must be the result of evolution, not revolution. Fishermen will not accept changes that have been manipulated into place. They will not accept changes that are the result of balloting where licence holders are asked to vote for or against personal gain.

There are some significant disadvantages to quota fisheries, but the three personal licensed quota fisheries present no current problems: Spawn-on-kelp and herring food and bait are each unique fisheries and the present management system is adequate; the abalone fishery is closed.

Recommendation 1: that the spawn-on-kelp and herring food and bait fisheries continue as at present.

Recommendation 2: that, of the three vessel-assigned quota fisheries, geoduck, sablefish and halibut, introduced as two-year pilot projects, none be instituted as longer term quotas until the consultative process has had the opportunity to provide recommendations for change. Pending this input, the existing quota system should be extended on a year-to-year basis.

Recommendation 3: that, where as specified in this report individual quotas are working or can be satisfactorily amended, industry leave the question of constitutional authority to be resolved by the Government of Canada and the Province of British Columbia.

Recommendation 4: that, if more quota fisheries are announced for implementation, legal challenge on a constitutional basis should be considered to halt implementation, pending a Supreme Court decision.

Recommendation 5: that no quota, under any circumstances, should be issued for a term exceeding 10 years, an adequate time for the amortization of investments specific to each fishery.

Recommendation 6: that all vessel quotas, following the initial allocation, be reallocated by tender or auction with all successful tenders normalized; that is to say, with the lowest acceptable tender then being the unit price applicable to all successful tenders. A fail-safe option, or stop-loss option, should be employed, for initiation by either the fishermen or the government, to protect against abnormal market changes.

Recommendation 7: that the proceeds derived from the tender process be to the benefit of the government department or agency regulating quota licensing, thus recovering part of the cost of management, protection and enhancement of the fisheries. Further, the quota fee tendered should be payable at the time of landing the catch, in order to give equal opportunity to new applicants who have not had the benefit of past allocations. Further, the unit size of reallocated quotas should be governed to accommodate new entrants.

The aim of this system is to reduce overcapitalization and to encourage entry-level fishermen by reducing fishermen's investment in licences or quotas. The market price of quotas should decrease under the influence of two factors: first, prices will be lower simply because the quotas are not awarded in perpetuity; second, as each term reaches maturity, quotas transferred between fishermen can be expected to drop in price to reflect the reduced, remaining potential earnings of the quota allocation.

Recommendation 8: that crew shares in the black cod, halibut and geoduck fisheries be encompassed as an integral part of the quota process. During the trial period there should be consultation with all parties, including crew members, to arrive at a fair allocation of quotas. In the interim, the following conditions should be put into operation to resolve the problem of unfair crew shares:

1) As a condition of the issuance of the annual quota licence, the Minister must have proof, by statutory declaration, that an equitable share agreement is in place for each vessel participating in these fisheries. The responsibility for proof should be on the quota holder.
2) For each of these fisheries, a single industry-wide agreement should be negotiated between representatives of the quota holders and representatives of the crew members.

3) Part of this negotiation process should be the determination of acceptable expenses that might affect crew shares. Items to be considered would include: fuel, groceries, lost gear, UIC premiums, licence fees, registration fees, amortization of licence purchases, royalties, resource rents or sectoral contributions towards enhancement, biological assessment and enforcement.

4) The negotiation process should include determination of the areas from which expenses may be deducted (i.e., from the gross landed value, from the gross crew share, or from individual crew shares).

5) Following the determination of deductions, the agreement must specify the percentage of the value to be divided among crew members, and how this sum is to be divided.

6) Provision should be made in this agreement for the issuance to each crew member, by the quota holder, of a detailed statement showing all data relevant to the crew shares.

7) Every reasonable effort should be made by both sides to arrive at this agreement by a process of negotiations. Failing a negotiated settlement, binding arbitration should prevail, but only after all other factors besides crew percentage have been determined. The arbitration method should then be by "final offer selection," or "fixed choice arbitration." These terms refer to an arbitration system whereby the representatives of the two parties submit their final offers and the arbitrator selects one or other of the two offers, whichever he deems to be the closest to being fair.

8) Participation in the negotiation or arbitration process should be restricted to current quota holders for each of these fisheries, and those crew members who can show proof of active participation in each fishery during the period used to determine the historic landing requirements for the quota, or participation during an actual quota fishery.

9) The arbitration process should be facilitated by the Province of British Columbia, Ministry of Labour and Consumer Services. The provisions of Section 93 of the Industrial Labour Act authorize the Minister of Labour to appoint an arbitrator if settlement is not reached by negotiation, and if the two sides cannot agree on an arbitrator.

Recommendation 9: that the Minister of Fisheries and Oceans state clearly that the annual issuance of an individual vessel quota is at his sole discretion, and that this privilege grants privately guaranteed access to a common property resource. Further, it should be understood that the Minister's responsibility to fishermen is no less than his responsibility to the quota holders. Quotas should not be construed as a licence to cheat the labour component of any fishery.

Recommendation 10: that the Licensing Unit of Fisheries and Oceans disclose all data pertinent to the issuance of individual quotas. Citing the Privacy Act, the DFO is unwilling to provide any information of individual quotas that might make it possible to estimate personal income, but the public and fishermen have a right to know to whom the resource is being allocated. In any case, Section 3 of the Privacy Act states that "personal information" does not include "information relating to any discretionary benefit of a financial nature, including the granting of a licence or permit, conferred

on an individual, including the name of the individual and the exact nature of the benefit." As a condition of quota licence renewal, each licencee should be required to sign a waiver absolving DFO of any culpability or liability from disclosure of information regarding quotas. Section 27 of the Access to Information Act provides for such waivers.

Recommendation 11: that, since the threat of foreign control of privatized individual quota fisheries is too great and the leasing of quotas too repugnant to permit the operation of these licences by other than the owner, all individual quota fisheries be managed with owner-operator licences.

March 6, 1992

The Honorable Lloyd Jones
Alaska State Legislature
P.O. Box V
Juneau, Alaska 99811

Dear Senator Jones:

Sealaska Corporation is the Alaska Native Claims Settlement Act regional corporation for Southeast Alaska. The majority of Sealaska's 16,000 shareholders make their homes in the region. A large percentage participate in the region's important fishery industry as fishermen, crew members, processing employees, and in related businesses in the many communities heavily dependent upon the fishing economy.

Sealaska Corporation's Board of Directors has opposed the North Pacific Fishery Management Council's (NPFMC) decision recommending to the Secretary of Commerce an individual fishery quota (IFQ) system for halibut. Sealaska's opposition is based on two important considerations. First, the opportunity to review, comment and suggest changes to the proposed IFQ system was unconscionably short for such an important action and precluded knowledgeable communication among interested parties and those directly affected. Second, it is clear that the Council did not perform the necessary analysis of the economic impacts of the proposed IFQ system. We believe that such an analysis would have revealed that the IFQ system carries far-reaching negative economic effects for all fishing communities, including those in Southeast Alaska.

While Sealaska Corporation welcomes the NPFMC's recent decision to postpone final action on the IFQ recommendation pending a further hearing and additional economic analysis, we believe that the decision to recommend the IFQ system for halibut should be rescinded totally should the full range of needed analyses not be provided or should the analysis show the effected negative economic consequences for, among others, the small boat fishery of the many smaller coastal communities.

Sealaska has commissioned McDowell & Associates of Juneau to conduct an economic impact analysis of the proposed halibut

Sealaska has commissioned McDowell & Associates of Juneau to conduct an economic impact analysis of the proposed halibut IFQ system on the communities of Southeast Alaska and their small boat fisheries that are heavily dependent on halibut. Attached hereto are the preliminary findings of the McDowell Group. The final analysis and report will be completed in time for presentation to the NPFMC during its April meeting and will be shared widely with those concerned and affected.

The concern that prompts this action can be summarized as follows. Smaller coastal communities, many in Southeast Alaska, are heavily dependent on the fishing industry, with local fleets, buying and/or processing facilities, and fishery-related businesses of various kinds. In many instances these communities would be economically and socially devastated by any significant reduction in the opportunity to participate in any given fishery. These communities are already threatened because of statutory, regulatory and industry changes over the years that have limited the numbers of participants, restricted the availability of the fishery resources, and reduced the economic opportunity to participate. The sustaining viability of local fisheries for many communities comes from the ability to diversify and participate in a number of fisheries, each alone unable to sustain a local fleet and associated activity. Also, because in many communities these fisheries are critical to the local economy but make up only a small part of any particular fishery, it is often too easy to ignore the consequences of management actions on them in the pressures and demands to deal with the "big picture." Sealaska believes the proposed IFQ system is an example of this problem; and may devastate many, many fishing communities. Without question, halibut is a key fishery for a very large number of smaller communities; any decision that would reduce further the opportunity to harvest and process in those communities must be very carefully assessed.

Sealaska Corporation believes that there are very compelling public policy issues raised by the proposed IFQ system proposed that have not yet been addressed, and respectfully requests that both the time and the resources necessary to resolve these issues be made available before a final decision is made.

Sealaska Corporation is fully aware of the resource management concerns that have prompted the NPFMC's action. We believe, however, that remedial, interim solutions, although not perfect, are much preferable to a wholesale solution that unintentionally, but irrevocably, would further damage communities and people whose whole existence is tied up in the struggle to maintain a viable fishing industry of which halibut is a vital component.

We will be in further communication with you on this vital issue.

Thank you for considering our views.

Sincerely,

SEALASKA CORPORATION

Byron I. Mallott
Chief Executive Officer

Marlene Johnson
Chairman of the Board

BIM/RWL:mlh

cc: Southeast Presidents Association
Albert Kookesh-ANB Grand Camp
Selina Everson-ANS Grand Camp
Ed Thomas-Tlingit & Haida Central Council
Julie Kitka, President-Alaska Federation of Natives
International Halibut Commission
Carl Rosier, Commissioner, Department of Fish & Game
Alaska State Legislators
Alaska Congressional Delegation
Alaska Municipal League
Southeast Alaska Mayors
Members of the Board of Fisheries
Sealaska Corporation Board of Directors
Southeast Conference
Barbara Franklin, U.S. Secretary of Commerce

Prepared by: MCDOWELL GROUP

Preliminary Findings from the Study of the

Socioeconomic Impacts of the Proposed IFQ system on Southeast Alaska Coastal Communities

Processing Impacts

• Overall, our preliminary analysis indicates a significant loss may occur in on-shore processing, purchases by Alaska-based processors, and in the accompanying resident processing employment and other processing economic impacts.

Depending on the monitoring and enforcement system, it is likely that buying and processing in all but a few Southeast locations will be eliminated. This will have significant economic impacts on the region, especially in rural locations that already experience low average income.

The apparent net effect of the proposed system on processing is to export a significant portion of the processing activity and its important impacts outside the state. Clearly, the system will decrease the economic contribution of these fisheries to Alaska, and especially the Southeast region, which is the closest to Seattle, a major alternative out of state port

• Processing activity and related employment in Alaska is likely to decrease under the proposed system. More vessels are likely to run to Seattle since they can schedule their harvest activity, ice or freeze the fish without the time crunch of the current openings, and use vessels equipped to carry fish out of state.

• Buying and processing in small communities is likely to be limited, and in many cases eliminated, because any monitoring and enforcement system will limit the number of locations where halibut and black cod can be landed. In Canada, processors and small ports have suffered under the IFQ system.

• The lack of buying stations in small communities will discourage harvesting by those fishermen with vessels that do not have the capability to run long distances with fish on board. This, in turn, will make them more likely to sell IFQs, permanently depriving small communities of future longline income.

Harvesting Impacts

• Once IFQ's become marketable, those held in small communities are likely to decline in number. Many of Alaska's small communities have poor economic bases and incomes are significantly below average. This lack of adequate household income in many communities makes it economically attractive to consider selling IFQs to meet basic short term economic needs.

This low household income in small communities also prevents resident IFQ holders from generating income to purchase additional shares. Therefore, few residents of small communities do have, and fewer will have, the economic ability to upgrade their longline income.

Conversely, IFQ holders in larger communities and from urban areas outside Alaska have access to other forms of income, giving them the means to purchase IFQs from rural Alaska holders. They also generate additional income from other fisheries because it is the urban fleets which are economically driven rather than lifestyle oriented. This imbalance in economic ability will likely contribute to the drain of IFQs from small communities.

• The fleets in small communities tend to be lifestyle fleets rather than highliner fleets. This means the vessels are limited in their range and their ability to participate in other fisheries. Most other fisheries require an investment in adequate vessels and permits and most small community fishermen simply do not have the economic ability to diversify.

Being limited by IFQs, small community fishermen have no chance of improving their economic situation, except through sale of their own IFQs. As a result, the IFQ system seriously limits any future growth in longline income and ensures a drain of IFQs from rural areas.

Harvesting Employment Impacts

• Significant harvesting employment losses are assured in rural areas by the proposed IFQ system. There are two major reasons for this:

1. As IFQ permits are drained from rural areas for the reasons stated above, crew members will lose their source of income from longlining. For many rural families, crew income from halibut and black cod is a significant part of household income., allowing them to live in their community of choice.

2. Fewer crew will be required under the proposed system because IFQ holders will no longer need to harvest the most possible fish in the least possible time. IFQ holders will be economically driven to keep as much of their limited income as possible. Instead of maximizing crew to increase catch, IFQ holders will minimize crew to increase their own income.

• Crew member will also be driven from these fisheries because the prospect of a good payday in a short period of time is eliminated. It is likely tnat some rural families will leave their communities to seek income in larger, more prosperous communities. The result would be population loss and accompanying economic loss in many small communities which are already having economic difficulties from other fisheries problems such as the shortening troll season. In short, one more means of earning income in rural Alaska will be eliminated.

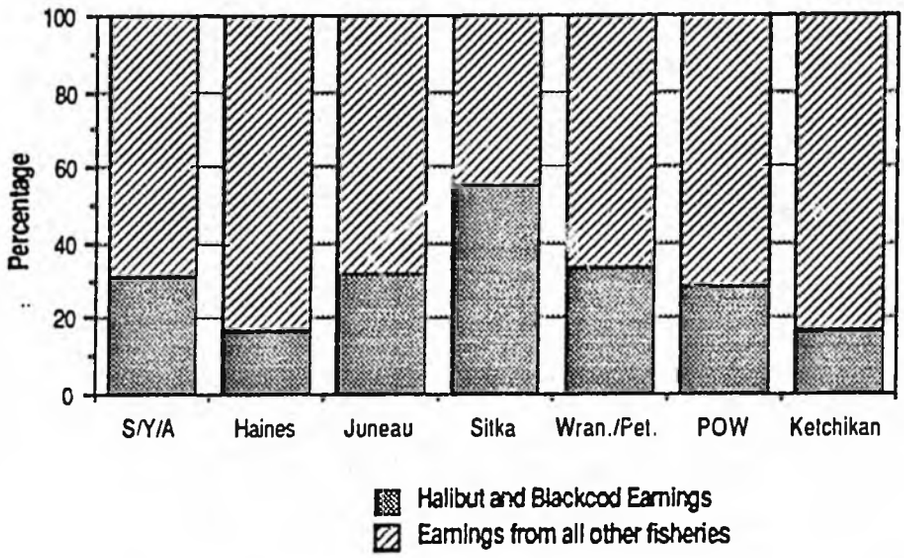
Summary

Our preliminary analysis points to likely significant economic loss in total processing, the possible elimination of processing in small communities, less total Alaska resident income from the IFQ fisheries, especially in the smaller lifestyle communities, some rural population loss and potentially severe losses in resident crew employment. Southeast Alaska is especially vulnerable because of its nearness to out of state ports, primarily Seattle. It is also vulnerable because of the large number of communities currently benefitting economically from both harvesting and buying/processing. Their roles will likely be reduced by the proposed system.

It is our preliminary opinion that the likely negative economic consequences of the IFQ proposal are very significant and could be particularly harmful to smaller rural communities and to the lower income households which predominate in these communities.

From an Alaska standpoint, and particularly a rural one, there are no apparent economic reasons to support the proposal as it stands. Instead, there appear to be compelling economic reasons to oppose it.

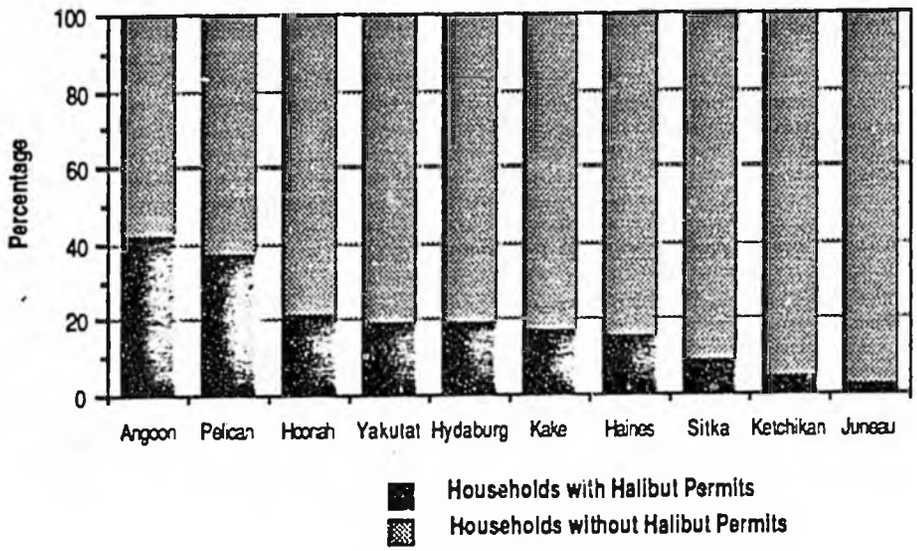
Composition of Commercial Fishing Earnings among Southeast Alaska Residents
(based 1990 Earnings data)



*S/Y/A is the Skagway/Yakutat/Angoon Census Area. POW is the Prince of Wales/Outer Ketchikan Census Area.

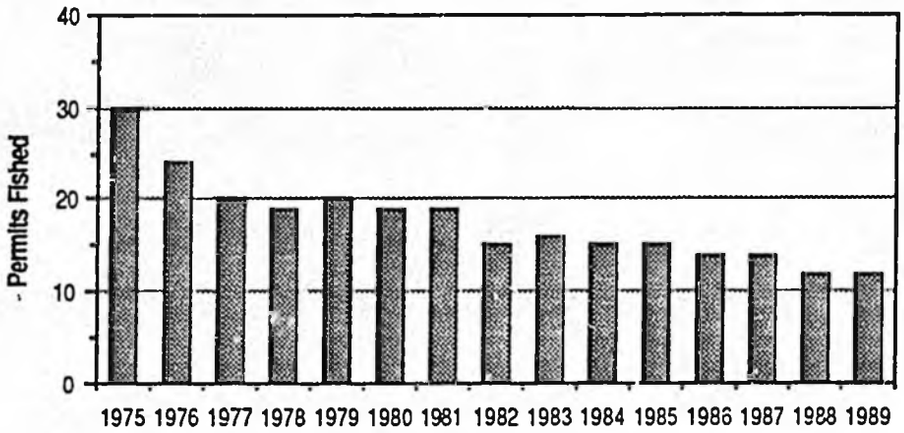
Note: This graph demonstrates the importance of the halibut and blackcod fisheries in Southeast Alaska's commercial fishing industry. These longline fisheries are particularly important to Sitka based fishermen. These fisheries are also very important to Southeast's rural fishermen (accounting for over 30% of their total gross earnings).

Percentage of Households with Halibut Fishery Permits in Southeast Communities



Note: This table demostrates the importance of the halibut fishery in the economies of Southeast Alaska communities. Clearly, the halibut fishery is much more important to rural households than urban households. For example, over 40% of Angoon households have a halibut longline permit compared to only 2% of Juneau households.

Southeast Salmon Seine Permits Fished by Rural Southeast Residents (Skagway/Yakutat/Angoon Census Area) 1975 to 1989



Source: Commercial Fisheries Entry Commission.

Note: This graph demostrates the "permit leakage" than can occur with limited entry to a commercial fishery. This example shows a steady decline in the number of salmon seine permits held by residents of rural northern Southeast Alaska. Rural communities which once benefited from these permits are now permanently deprived of that benefit. This flow of permits from rural to urban owners is fairly typical of Alaska's limited commercial fisheries.

Southeast Alaska Resident Participation and Earnings in the Halibut Fishery

1989	B06A				B61B			
	Permits	Fished	Pounds	Earnings	Permits	Fished	Pounds	Earnings
Angoon		59	81783	114823		10	45727	64844
Hoonah		31	64265	91385		25	573098	809549
Pelican		7	9669	13991		29	563794	778567
Yakutat		23	68512	98520		13	102632	147585
Haines		15	44632	64474		66	298901	434314
Juneau		86	247805	364030		137	1785210	2538657
Sitka		116	227760	310940		173	3397568	4743942
Kake		30	72377	101630		15	191629	269075
Petersburg		72	189114	265821		162	3882129	5491408
Port Alexande		9	59057	81459		19	348774	495590
Wrangell		38	75846	106488		83	567699	799936
Craig		23	50645	73924		37	446119	574719
Hydaburg		13	23814	33721		12	65824	93844
Klawock		7	7838	11099		8	45116	64016
Metlakatla		10	17403	24643		18	98067	138629
Ketchikan		32	34108	48212		100	1000643	1324685
		571	1274628	1805160		907	13412930	18769360

Note: B06A is for longline vessels under five net tons. B61B is for vessels over five net tons.